# Official Report (Hansard)

Monday 10 February 2014 Volume 91, No 7

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# Northern Ireland Assembly

Monday 10 February 2014

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

Members observed two minutes' silence.

### **Assembly Business**

Mr Allister: On a point of order. May I seek some information? Will the standards commissioner's report into Mr Jimmy Spratt's comments about "nutters" now be reopened, given the revelation that the 'News Letter' has a recording that indicates that Mr Spratt denied ever having made the comment, particularly since a cornerstone of Mr Bain's report is that there was no such denial? Will the matter be reopened or will that fatally flawed report now stand? What of Mr Bain, who made such a basic error?

Mr Principal Deputy Speaker: It is not a point of order, as I am sure the Member is aware. It is a matter for the Committee, and it will be addressed there.

### **Ministerial Statement**

### **Emergency Department Review**

Mr Poots (The Minister of Health, Social Services and Public Safety): Thank you. It is good to put the Minister of Finance in his proper place.

The statement concerns actions that I have commissioned that are aimed at ensuring the safety and quality of the service that our hospital emergency departments (ED) provide, hence reassuring the public that they can have full confidence in these services. The review's primary focus is the Belfast Trust, but the work will look at emergency departments in the regional context. I am sure that there will be issues and lessons that will be relevant across Northern Ireland.

In recent weeks, there has been a continuing debate, not least in the Assembly, about the pressures that emergency departments face. Questions have been asked, and rightly so, about whether those pressures are routine. Are they caused by a shortage of staff or funding? Are ambulance turnaround times too slow? Are winter pressures more acute than normal this year? Are those pressures and the underlying causes peculiar to Northern Ireland or are we witnessing a national phenomenon that is explained in part by the growing elderly population or by an inability to attract junior doctors to work in emergency medicine? All those are questions that we need to address if we are to sustain and to improve the high standards of emergency care in the Province.

In response to the 28 January Assembly motion, I referred to the wide range of measures that we have put in place to manage the vastly increased workload on Health and Social Care (HSC) so that we can meet and service the needs of our population, which is growing older. I also stated that we are mindful that the performance of our emergency departments falls behind that in some other parts of the United Kingdom. I am keen to learn

from the widest range of peers and to benchmark against the best.

In this context, I referred to our involvement with GB expertise in the Northern Trust, for example, and said that I was giving consideration to how we could utilise similar expertise to test whether there are more things that we could do better in our emergency departments, particularly in how they integrate with the rest of the hospital.

I have spoken with members of staff in different specialities and at different levels in the Royal Victoria Hospital (RVH) in recent weeks. Other staff in the Belfast Trust have made their views heard through correspondence and engagement with the Regulation and Quality Improvement Authority (RQIA) and the Public Health Agency's (PHA) 10,000 Voices project.

On 29 January, I wrote to the Committee for Health, Social Services and Public Safety indicating that I was actively considering a review with external expert input. Following the Adjournment debate on 4 February, I sent a letter to the Committee confirming that I had decided to seek assurance for the public and for myself as Minister that our EDs are providing care of the highest quality and safety, and to identify areas where there may be opportunities to make improvements. I advised that this would take the form of an independent review bringing in expertise from outside Northern Ireland.

Taking account of the advice that I have received from clinicians and professional staff working in our emergency departments, I commissioned the RQIA to do two things to help ensure that the Belfast Trust and the wider health and social care system can act as effectively as possible on the issues arising from recent events and to ensure that there is a full and open process of review.

Firstly, I instructed RQIA to carry out inspections at the RVH site. Over the weekend of 31 January, RQIA assessed the quality of care and dignity that was afforded to patients in the emergency department and the acute medical unit (AMU). Secondly, I decided that rather than having a Health and Social Care Board-led review of the major incident that was declared at the RVH last month, it would be better for there to be a review under RQIA's role and powers. The RQIA has agreed to carry out this wider review, which will be led by Dr David Stewart, the RQIA's director of reviews and medical director. The other members of the review team will bring expertise from all the essential disciplines that are

required in the speciality of emergency care. I do not wish to mention names until final confirmation has been received, but I can advise the Assembly that members will include a national expert in emergency medicine, a senior nurse, an operational manager with a successful track record in unscheduled care and an expert on ambulance-related issues. I have today published the terms of reference for this work.

RQIA has provided immediate feedback on its inspection at the RVH to the Belfast Trust, the Health and Social Care Board, the Public Health Agency and my Department on its preliminary findings. I have been advised that the inspection identified a range of issues, which cause me and my Department to have serious concern about whether the Belfast Trust is consistently performing to the high standards that I require in executing its responsibilities to patients and staff. I recognise, however, that some of these are wider issues that cannot necessarily be addressed by the trust on its own. The emerging findings help to put all the concerns that had been circulated into a clearer context. Nevertheless, this is a disappointing outcome to the inspection and reflects the unacceptable experiences that many of us have had related to us by some patients and staff. I am resolved that this will be fully and comprehensively addressed as a matter of priority. RQIA will provide me with a preliminary report on its findings later this week.

I want to share with the Assembly the aspects of the immediate feedback that have given me cause for concern. These early findings require our immediate attention. The inspectors spoke to more than 100 staff across a range of roles and functions. The inspection has confirmed concerns about staffing levels in key areas. allegations of bullying, staff under intolerable pressure and a system of care that does not function fully as it was set up to do. The concerns relate to the emergency department itself, to the acute medical unit, which is a 60bed unit for the assessment and treatment of admitted patients, including many admitted through the ED, and to some aspects of the wider hospital and trust functions. There are genuine and heartfelt concerns from clinicians about the impact that this difficult situation is having on patients.

The emerging findings recognised that the model of care and the intended approach to managing the treatment and placement of patients in the hospital is good but that the system has, on occasions, struggled to cope with the large numbers of patients who are awaiting admission. It appears that one root of

the problem is as much in the delay in discharging patients who no longer need care in the acute setting as in the flows into and through the hospital. When large numbers are waiting for discharge, it is not always possible for patients to be placed in the correct specialty ward, where their particular conditions can be treated in the best possible way. It is well known that when patients are outliers — that is, that they are in a ward not specialising in the care of their particular condition — it is more difficult to provide the specialist care of the required quality and to do so as safely.

The inspection found that, in some settings and/or at some times, there are not enough doctors and nurses to provide appropriate care to the number of patients in the system. In some cases, this means staff working in areas that ideally they would have more experience to undertake. The pressure on staff limits the time to undertake professional supervision and appraisal. Sickness absence among nursing staff in the AMU is high. I understand that the trust has already taken some steps to address these issues and expects to appoint additional medical and nursing staff quickly.

Any reference to potentially unsafe care needs to be addressed with caution as all HSC organisations and all staff have clear statutory and professional obligations to provide safe care. Consideration of such allegations must be measured and proportionate as these are preliminary findings and we need to assure people facing emergencies that their needs can and will be met safely. Disproportionate or hasty interventions could be very damaging. However, we have to face the fact that concerns about safety have been expressed in the comments that led me to commission the inspection, and some significant points seem to have been confirmed in the inspection. I have no doubt that the Belfast Trust is doing all it can to ensure safety and is already acting on the key findings.

Risks to safety in the emergency department itself arise in the times when its functions are impeded by having too many patients at one time. Physical access to patients can be difficult for staff. There is a lack of space in the resuscitation area. Cubicles in the focused assessment area are being used at times to care for patients while they await transfer to specialist hospital beds. There are often many patients waiting for admission who need nursing care, including administration of drugs. This is difficult to carry out in an open environment. Beyond the ED itself, staffing levels in the AMU need to be sufficient to care for the needs of patients who are, by definition,

acutely ill, and the trust also needs to find ways that reduce the risks associated with the care of patients who are outlying in other wards, given that they require the clinical team from another ward to attend to their needs.

The inspection also found concerns about the environment and patient experience. There is insufficient space in the ED for the number of patients waiting. Patients waiting on trollevs are very close to the next patient. The ED can be noisy, draughty and cold as it is not designed to operate as a ward environment. The AMU consists of 60 beds, and the size and layout of the ward are difficult and confusing for families and patients. There is insufficient equipment in the ED and the AMU. The present conditions make the delivery of personal care by the nursing team in the ED difficult. Clinical observations and procedures are carried out in an open environment. The provision of meals and drinks are hampered. All of this points to issues of respect and dignity that are unacceptable. The patient tracking system is identified as not working well, and some patients' discharges are not happening in as timely a manner as staff would wish.

References to a bullying culture cause me particular concern. We have access time targets for unscheduled care, and I make no apology that these have been applied for many years and form part of the performance management function of the HSCB in relation to all trusts. I think that it would be wrong to say that it is acceptable for patients needing emergency care to wait for more than 12 hours for admission or discharge, and that is clearly the view that the public express. However, my message has always been that quality and safety must come first. Also, the access time targets are intended to promote good care and reduce the risk of poor patient experience. It appears that concern about the 12-hour and four-hour targets for emergency care may have led to some unacceptable behaviour by some staff on some occasions.

It is important that we achieve positive change in that culture and approach. My message is, and has been, very clear: patient care comes first, and no one should ever do the wrong thing to meet a target. Front line staff should be able to focus on the quality and safety of care. It is the responsibility of senior managers to ensure that it is possible for front line staff to do that and to meet the targets. That includes the responsibility to ensure that sufficient staff are available and that systems are working effectively. Senior managers know that if a task is impossible for any reason, they have the right and the responsibility to say so, as they are

accountable to the Department for the threefold responsibility of providing high-quality, safe services that deliver the ministerial targets within the available resources.

### 12.15 pm

Against that background, I am glad to say that the inspection confirmed that there is an overwhelming desire from staff to be part of the solution, and I want to assure Members that that will happen. In response, the Belfast Trust has acted quickly to address the RQIA's emerging findings. I will say more about that in the days ahead. However, I stress that I have not yet received the considered and full findings even of the immediate inspection. It is important that we await the report on the inspection and the fuller review before reaching considered conclusions.

Although I recognise the gravity of the situation, I wish to reassure the public and the Assembly that the Belfast Trust will continue to provide services in the RVH's emergency department to meet the needs of its population, as a result of the commitment of all its staff. It is acting to manage the risks to safety that have been highlighted. However, we need to ensure that that is embedded in how care is organised and delivered. The trust's management team has responded with an open and fully transparent approach to the RQIA's inspection and is working constructively with the board, the PHA and my Department in moving forward.

It is right to express high appreciation for all staff who provide emergency care in the Belfast Trust for their dedication and commitment to their patients, and, most obviously, to all the front line staff who have kept going with a Blitzlike spirit, and also to the senior managers who are wrestling with highly complex and challenging responsibilities. I urge Members to recognise the great complexity of the situation: if easy solutions were available, they would have already been adopted. I want to thank the staff for their candour in expressing their views to the RQIA. I understand that the staff have welcomed the inspection, and I hope that they now have confidence that their concerns will be fully addressed.

The RQIA's wider review will report to me by June. Although the focus of the review is on the RVH as the Province's major trauma centre, undoubtedly there will be learning that can be of benefit more generally across the system. The review will, therefore, identify and recommend opportunities for all parts of the healthcare system to contribute to improving emergency care in Northern Ireland. It will look at how the

whole system could remove some of the burden on emergency departments and offer a much improved patient experience.

I hope that the Assembly will appreciate that it is important to make progress in a considered and measured way, listening to the views of front line professionals and patients, mindful of the importance of ensuring at all times that the public retain confidence in our hospitals and continue to use them appropriately, not because I say so, but because the staff make it so.

Occasionally, the system has to respond to extreme pressure, such as that in the RVH on 8 January when the trust activated its major incident plan, or the major incident declared by the Northern Ireland Ambulance Service at the Odyssey Arena last Thursday. In both cases, the system implemented its escalation plans to ensure that patient safety was maintained and that the necessary resources were made available. I should like to take this opportunity to commend the Northern Ireland Ambulance Service and the Belfast and South Eastern Trusts for their action on Thursday evening in responding to what was a very serious and potentially volatile situation.

I have made it clear from my first day as Minister that the underlying objective for the entire health system is to protect and improve the quality of services that we deliver. The health service must be safe, effective and totally focused on the patient, as they are at the heart of everything that we do. Today, I assure the Assembly of my commitment to continue to work to improve the care provided for all patients, not least those who use our emergency departments.

I look forward to receiving the RQIA's report in June. It will be an important report, and it will complement the substantial work already being undertaken by HSC to improve emergency care in the short term and in the medium to longer term through Transforming Your Care.

Ms Maeve McLaughlin (The Chairperson of the Committee for Health, Social Services and Public Safety): Go raibh maith agat, Mr Principal Deputy Speaker. I thank the Minister for his statement. The initial RQIA findings are quite damning. Your statement referred to speaking to over 100 staff and confirmed concerns about staffing in key areas, allegations of bullying, staff under intolerable pressure and a system of care that does not function fully as it was set up to do. That is nothing new to us in the House or, indeed, the wider community. A year ago next month, a

report from the College of Emergency Medicine clearly outlined that procedures in the Belfast Trust were neither safe nor sustainable. There was an earlier A&E improvement group. Given that the Minister is widening the review to look at emergency departments in a regional context, does he now fully accept that there is a crisis in our emergency care?

**Mr Poots:** Waiting times are coming down for emergency care. We are getting better outcomes in our responses to major critical illnesses such as sepsis, stroke, heart attack and major trauma. None of those aspects is experiencing a crisis situation. You are looking at improvement right across the system and at better care than was ever delivered previously.

We have a situation in which staff are working under immense pressure. I identified that, which is why I brought the RQIA in to assist us in speaking to staff and identifying their issues. Consequently, I made today's statement in support of the staff who deliver the service. It is absolutely essential that those staff are working to their optimum and getting the responses that they need from the management system and other parts of the hospital to ensure that delivery of care in emergency departments reaches its optimum output. All that is focused on delivering better working conditions and support for the staff who are at the front line of our hospitals providing front line services.

Emergency departments are always highly pressured places, but staff are feeling under more pressure than usual. Where does that pressure come from? It comes from managers. Where does the pressure on managers come from? It comes from me. Where does the pressure on me come from? It comes from you. It all directly comes back to the House, which is demanding higher and higher standards. We are living within a particular budget and expect staff to deliver for us. We have a growing population, so more and more people require emergency care. That is the essential problem. Can we do it better? I think that we can, which is why I want assistance and expertise from other places that are doing it better. That is what this is about.

**Mr Wells:** The Minister referred to the situation at the Odyssey last Thursday night. Will he give the Assembly his initial views on what caused that major issue for A&Es and what he and his Executive colleagues can do to ensure that similar events are not repeated?

**Mr Poots:** What happened at the Odyssey had a fairly significant impact on our emergency

departments. Emergency departments are always prewarned if anything is going to happen. My wife used to work in an emergency department and does not like flying because so many calls came in warning of potential air incidents. Emergency departments are promptly warned that they could have a major incident on their hands, and that was the case on Thursday night with the Odyssey. Some 100 young people required treatment and care. Some of that was carried out by the voluntary sector, much of it was carried out by the Northern Ireland Ambulance Service on site, and 17 people attended emergency departments. From the first reports, it had been anticipated that many more people would need to go to emergency departments. The cause of the problem was alcohol and drugs. The people attending emergency departments were 15-, 16-, 17- and 18-year-olds. None of them should have been drinking alcohol, and the drugs were illegal. Let us be very clear that, as a consequence of taking materials that they should not have taken, young people ended up in our emergency departments.

Let us be also clear that eight out of 10 people who attend emergency departments at weekends are there as a result of taking alcohol. So society has a role to play in ensuring that we deliver care for people who really need it. Very often, actions that people take, and foolish actions that people take, contribute to the pressurised environment that we are talking about. Emergency doctors and nurses, and other staff in the facility, very often operate in an environment where they are under huge pressure as a consequence of people attending and behaving very badly as a result of having taken alcohol. All these things have to be taken into account. There are also things for other Departments and Committees to take on board to ensure a society that has greater respect for the work that is being carried out in our emergency departments.

**Mr McKinney:** I remind the Minister of a statement that he made on 13 January in the wake of the situation at the Royal:

"Last week's circumstances were exceptional, and it is important not to confuse an exceptional circumstance with overall performance". — [Official Report, Vol 90, No 5, p41, col 2].

"I just wish that our politicians and, indeed, our media would be more mature in how they assess things." — [Official Report, Vol 90, No 5, p42, col 1].

In that context, and given the announcement today, I offer the Minister the opportunity to apologise to those who rightly raised the issue in the media and on the Floor. Given that position and the apparent position today, I think that I am right to be sceptical. The review may be an assessment of events internal to an emergency department, but we believe that there are external influences. Will the review look at the decisions, which we believe were wrong, that influenced the crisis in the first place?

**Mr Principal Deputy Speaker:** Let us keep questions to the statement as concise as possible, please.

**Mr Poots:** Thank you, Mr Principal Deputy Speaker.

The apology should come from the Member and, indeed, those Members who continually castigate a system that delivers for the people of Northern Ireland and ensures the survival of more people who attend hospital with a heart attack, stroke, major trauma or sepsis when, in many other circumstances, they would not survive. I am disappointed that the Member has not apologised for that.

Mr Beggs: I thank the Minister for his statement. Some weeks after the Belfast Trust's declaration of a major incident at the Royal Victoria Hospital and the diversion of ambulances from Craigavon hospital, the Minister denied that there was a crisis in A&E in Northern Ireland. Why is he only now advising us of a review of A&E, having denied that there was a crisis? Is it a result of tomorrow night's 'Spotlight' programme on A&E and the spotlight that will be shone by the Health Committee later this week?

Mr Poots: We will wait and see how maturely that programme handles things and how well it puts the case for the good things that are happening in hospitals, or whether it is just another session of attacking the healthcare system. I had decided, before learning anything of 'Spotlight', to ask the RQIA to look at what was going on in the Royal Victoria Hospital. That was not on the back of any Assembly Members or the media. That was on the back of talking to people on the ground and to staff. That is one of the benefits of having a local Minister who is prepared to go to a hospital immediately after there has been a difficulty to see what is happening on the ground, arrange to meet people thereafter and identify the issues and problems. Staff said that they were operating under immense pressure

and did not feel that they were getting the support throughout the hospital that would allow them to ensure that ED output flowed more smoothly. It is about paying attention to the needs of the local community and the people who serve that local community and doing something about it.

### 12.30 pm

**Mr McCarthy:** Once again, it takes a crisis or major incident to effect an urgent investigation. Let us hope that the review will bring some change.

It appears that we are losing experts in the field to regions outside Northern Ireland where conditions are much more attractive. What consideration will be given to the introduction of incentives to encourage medical staff to specialise in emergency medicine and remain in Northern Ireland? Will the Minister concede that the continued reduction of 3% per annum in the budget makes Transforming Your Care impossible to fulfill, and, as such, ill people will continue to suffer?

**Mr Poots:** If Mr McCarthy wants to do something about the health budget, perhaps he can ensure that we get some money off the Department of Justice, DEL or some other Department that will enable us to spend more.

In spite of the fact that we had the 3% cut that the Member refers to, we have been able to employ 100 more doctors and increase the number of nurses who are employed in the Health and Social Care system. The Member may not understand that. He is on the Health Committee, so he should know and understand that we have spent resources more wisely, sought to reduce waste and employed more staff on the front line. Therefore, I do not accept that implementing Transforming Your Care is an impossibility. It is absolutely essential that we implement it; otherwise, the problems will keep coming at us.

I understand that we are in the middle of the process of implementing Transforming Your Care. One requirement of the additional £30 million that the Minister of Finance was able to allocate to us was to take on more staff to carry out domiciliary care, and the money has enabled us to do that. It is very important that we keep more people in their own home, support them to be in their own home and support our older population.

What some Members fail to recognise is that we are successfully keeping people living

longer. Sixty per cent of our hospital beds are taken up by people who are over the age of 65. The more successful that we are, the more work that we will create for ourselves, and more pressures will be applied. If the Assembly wants to take a different view on budgets, it is for the Assembly to take that view. If it wants to identify that health needs greater resources, that is a matter for this Assembly. We are living within the resources that we have, and we are doing it well.

What we have in the hospital at present is a situation in which staff are operating under a lot of pressure. We believe that we can assist them to ensure that we resolve the issues and problems. That is what I am proposing to do today, and that is something that the House should welcome.

**Mr Dunne:** I thank the Minister for his statement, for his work in trying to make A&Es more efficient and for challenging managers to work more effectively. Does he agree that we should not be seeing adverse incidents in the health service? How does Northern Ireland's handling of such incidents compare with that of other places?

**Mr Poots:** Adverse incidents arise because of a number of circumstances. Sometimes, they can arise in the community. Very often, they will arise before they reach an emergency department. They can be the result of vulnerable adults, children in care, vulnerable children, and so on.

When standardised against hospital mortality rates for the five trusts compared with those of the 146 English acute trusts, the Belfast Health and Social Care Trust is at 99·1% on the index. That is pretty close to the national average. The same applies for serious adverse incidents. Northern Ireland is not falling behind other parts of the United Kingdom in the quality of healthcare and social care that it provides for people.

**Mr Hazzard:** I thank the Minister for his statement and welcome the fact that he is having a review into the crisis.

He poured scorn on those of us who, he says, castigate the system. We do not castigate the system, rather, we simply want to call into question those who are on world-class salaries yet are unable to run a world-class health system in the North.

On the question of widening the review to look at hospitals such as Downe, can the Minister

give assurances that the trust that people have lost in those who govern the health system will be rebuilt throughout the review? Go raibh míle maith agat.

Mr Poots: Perhaps the Member has just returned from Wexford — from another country — in the past few hours. If he had fallen ill there, he would have got a lesser standard of treatment than if he had fallen ill here. Perhaps Sinn Féin should recognise that, whilst Northern Ireland, in United Kingdom terms, could do better, it looks pretty good against the Republic of Ireland. That is what you would like to take us into, of course; I recognise that.

I understand that recruitment to emergency departments is challenging. It is not just challenging here; it is challenging in other parts of the United Kingdom and in the Republic of Ireland. Of course, that will be an issue for Downe Hospital. I have identified guite a number of doctors who have chosen to go to other countries, such as Australia. Around one quarter of emergency doctors in Australia come from either the United Kingdom or the Republic of Ireland. I have asked why that is the case. Very often, people talk about better working conditions, managers who are more responsive to the needs of the doctors and so forth. Those are areas that we can do something about and make being an emergency practitioner here more attractive. They also indicated that, within the hospitals, they felt that they got better support from the communities — the people who attended emergency departments — and that it was less abusive.

Perhaps you and everybody should stand with our emergency staff and say that the abuse that they take at times is wholly unacceptable. As a community, we need to ensure that we support our staff in those instances, as opposed to demanding and demanding and demanding more of the staff on behalf of people who abuse the system.

Mr Givan: I commend the Minister; whilst others try to grab the headlines, he seeks to grab the difficult issues and tries to resolve them. With regard to assuring himself that he is hearing from front line members of staff who are working in the emergency departments, what efforts is he taking to meet them and speak with them, as opposed to hearing a message that may well be filtered — this is a concern of some of the staff — through senior management? Some of the staff who have contacted me have indicated that the failure of the South Eastern Trust to maintain the services at the Lagan Valley was having a detrimental impact on the Royal Victoria

Hospital. What efforts are being taken to resolve that?

**Mr Poots:** The Member knows that I have sought to meet, and have met, members of staff who are working on the ground. As a consequence of having met the staff directly and identified the issues, we brought in the RQIA and carried out that piece of work. The report will be initiated by others who have expertise on the issue.

We have approached Dr Taj Hassan, for example, who is a vice-president of the College of Emergency Medicine, to participate in the review. The Chair of the Committee referred to the previous review; Dr Hassan was one of the key architects of that review. I am sure that he will want to assure us of the full implementation of that review if he is able to take up the post. Dr Hassan has agreed that he is prepared to do this, but he needs to get the authority of his employers, and that is being sought. There has to be final confirmation of that.

The RQIA has been talking directly to the staff, identifying those issues, on the back of us talking directly to the staff. I am telling the House that, having identified the issues, we want to go further and do something about it. We want to ensure that our staff work in the optimum conditions, because staff working in optimum conditions will provide the best level of service for the people who need it.

Mr Rogers: I thank the Minister for his statement. We all commend the work of the staff. Minister, do you accept that the closure of the Downe Hospital at weekends and at night has put increased pressure on the Royal and the Ulster Hospital, considering that 40% of the Belfast Trust's patients are treated at the Ulster's accident and emergency? Will you widen this out to look at A&E provision outside the Belfast area and how that affects the Downe and so on?

Mr Poots: There is not evidence to suggest that the pressures that were identified in the Royal Victoria Hospital were a consequence of the Lagan Valley and Downe circumstance. The Member referred to a large number of people, particularly from east Belfast, who use the Ulster Hospital. I should also refer to a large number of people who live in the South Eastern Trust area, particularly in the Colin area, who use the Royal Victoria Hospital as their base. So, there is a degree of counterbalance to that.

The South Eastern Trust has had trouble attracting the requisite number of doctors that would ensure that the service could continue in the Downe Hospital. I have impressed upon the trust the importance of going out and being more vigorous in its recruitment and to seek to ensure that we get more staff there. That will ensure that we can have as strong a service as possible in the likes of the Downe and the Lagan Valley Hospital and that we can seek to ensure that we treat people outside the key sites.

I make it very clear that the Ulster Hospital and the Royal Victoria Hospital are the acute hospitals in that region. That is where people are best placed for acute care. I think that it is absolutely appropriate that a lot of the people, particularly older people, who go through emergency departments with issues that involve admissions, are admitted directly to the likes of Lagan Valley Hospital and the Downe Hospital. People with many of the minor injuries should not be travelling to the South Eastern Trust to the Ulster Hospital or, indeed, to the Royal. We need to ensure that steps are taken to avoid those circumstances, and I have impressed that need upon the trust.

Mr Cree: Minister, thank you for the statement. I am looking at some of the figures, and I see that the performance on four-hour waits at A&Es across Northern Ireland has continued to decline every year since you took over in 2011. That may just be a coincidence. However, the external review at Antrim produced a degree of improvement across a wide range of services. I wonder, on behalf of the constituents of North Down, and, indeed, further afield, when we can expect similar investment in staff levels, improved management and, of course, resources at the Ulster, which you just mentioned.

Mr Poots: Perhaps it is also a coincidence that the 12-hour waits have been coming down since I came into office. Nonetheless, we have given investment for each trust to have additional beds and support in the hospitals, particularly over the winter period. So, they have all received finance to assist them through the winter period when the pressures are somewhat higher. That is a course of work that has been carried out.

The Ulster Hospital has also taken on additional consultants over my time. Indeed, we have taken on additional doctors and nurses across the system. So, in spite of the constrained finances that exist across the UK, which have been applied here in Northern Ireland, we have managed to employ more doctors and nurses to

deal with people on the front line of services. We are offering more domiciliary care, and we are engaging in offering more social care support to people. In all those measurements, we are doing more than was previously the case.

Mr I McCrea: I welcome the Minister's statement. Having previously welcomed the turnaround team that he introduced to Antrim Area Hospital, I certainly welcome what he has decided on with the RQIA. No doubt, that will bring some benefit to aid the healthcare workers in the emergency departments.

The Minister referred to the number of people who come to the A&E departments with alcohol-related problems. As part of signposting people to minor injury units, has the Minister given any consideration to ensuring that the emergency departments are not overused by people who should not be there?

### 12.45 pm

**Mr Poots:** In our hospitals, we need to look at having an emergency department that is purely an emergency department; where the triage takes place and that admits people to an emergency department. Others would remain in an acute services department, minor injuries or something that has another description, because what is an emergency department?

I named the four issues that take most lives: sepsis, stroke, major trauma and cardiac incidents. We provide excellent care for those things, and it really grates on me that Members do not even bother to acknowledge that excellent care and the better standards in all those things. In fact, if you had a stroke in 2012-13, the chances of you dying were 16-8% lower than in 2008-09. We are doing better on those major things, and perhaps people would be decent enough to acknowledge the good care that is being provided. However, in doing that, do we separate at the door of the hospital those kind of treatments from the other treatments that involve admitting people with chronic illnesses, which is acute care? Indeed, should minor injuries be separated as well? We need to look at and address those issues, and I hope that, as the report comes to a conclusion later this year, we will have very clear recommendations on the way forward to ensure that we can provide the best possible care across the board.

It is important that public confidence is not diminished as a result of people carping and seeking to make a headline for themselves. It is important that public confidence is maintained in our health and social care system, and the fact is that people are being seen quicker and are getting better treatment than was the case a number of years ago. We should focus on that at this time as well.

**Mr Allister:** Can I ask the Minister this directly: have any trolley waits or delays led to or contributed to any fatalities? Given the catalogue of failure that has been recited today, does the buck ever stop with the Minister?

Mr Poots: When Ministers learn something. they do something about it, and I am telling the Assembly today that we are doing something about it. The Member knows very well the problems in the Northern Trust area, which is his area, and if he is in contact with his constituents, they will tell him that they are getting a much better service after the intervention of the Minister. I got criticised because I asked someone to step down because I did not think that they were carrying out their job as well as they should have been. Subsequent to that, there has been a dramatic improvement in the Antrim Area Hospital and in the Northern Trust. Mr Allister could have paid tribute to us for the service that we have provided for his constituents.

Mr Agnew: The Minister said in response to a previous supplementary question that there was no evidence that the closure of the Downe and Lagan Valley A&Es in the evenings and weekends contributed to the major incident at Lagan Valley Hospital. However, an answer in an AQW that he provided to me shows that approximately 20% of the patients admitted that night were from those areas. Will he give a commitment that, should the review signal that this is a problem and is contributing to the problem, he will seek to solve the problems in recruiting staff for those A&Es rather than simply keeping them closed?

Mr Poots: When he got the answer, the Member obviously did not check the figures for the previous year and the year before that. He may not be aware that the Royal Victoria Hospital is a regional facility. So, it takes people from across Northern Ireland. It is the major trauma facility and the lead hospital for a series of specialisms. So, of course it will serve people from outside Belfast. I do not think that we should discriminate against people outside Belfast for specialisms. And, of course, it also takes a large number of people who migrate to it from the Colin area, naturally, and indeed from the Lisburn area; but there are substantial numbers of others, in the Belfast Trust area,

who migrate to the South Eastern area to use the Ulster Hospital facilities, as the Member should know.

Mr McNarry: It is clear that confidence in the service is enjoyed by many. However, revelations damaging that confidence are not, I contend, based on lies told by anyone. How competent is the system for dealing with revelations via complaints, and can we all be confident that the system itself is efficient and impartial?

**Mr Poots:** As the Member knows, healthcare is always in a very fluid situation. Millions attend our hospitals during the year and 70,000 staff work in them. We are spending £4-5 billion. That is a massive scale. Does anybody think that you can operate a system like that and not hit problems? I think that the Member asks how we respond to those problems, and that is what is important.

I hope that, at trust level, responses are good and effective. That is not always the case and, sometimes, we have to intervene. That is why I am intervening in this instance, to ensure that the trust gets the support it needs to ensure that it delivers the service that the public desires. That is our aim, our goal and is why we are giving support to the trust in this instance.

Mrs Cameron: I thank the Minister for his statement and welcome the review. I also welcome the marked improvements in the Antrim Area Hospital which is in my constituency of South Antrim. I ask the Minister for his assessment of how our emergency departments perform with genuine life-and-death emergencies.

**Mr Poots:** With respect to the performance of emergency departments in those genuine lifeand-death situations, we have identified that improvements are being carried out. For example, one of the recent innovations is a 24/7 cath lab, which has been installed at the Royal Victoria Hospital and which will be in place later this year at Altnagelvin Area Hospital. That will reduce mortality among people who have heart attacks.

We have already indicated that we have reduced the number of people who die as a result of stroke. We are doing well with regard to sepsis and we are doing better with regard to major traumas. So, in those key areas of life-and-death situations, which is what people really perceive and what EDs should really be about, we are doing better and the public can have confidence that if they fall ill with a major

serious illness the appropriate expertise will be able to deal with them and provide the best possible care for them. On some occasions — a very small number — it may fall short, but in the vast majority of incidents, over 99% of cases, people will be well treated.

**Mr Brady:** Go raibh maith agat, a Phríomh-LeasCheann Comhairle. I apologise for having missed the start of the Minister's statement. I thank him for it. Earlier, he referred to Wexford. Sinn Féin is not yet in Government in the Twenty-six Counties, but you can be sure that, when we are, health will be a priority.

The Minister accepts that a shortage of staff contributes to some of the problems in A&E. You said in your statement that the trust has taken steps to address the problem by recruiting staff. Why was that not done earlier? People have been talking about this long-term problem for at least 18 months.

Mr Poots: Additional staff have been recruited. One of the things that we want the report to identify is that the appropriate number of staff is employed and that the shifts are right to allow us to respond to people. All those things can be looked at to see whether improvements can be made. Representatives of the College of Emergency Medicine came over last March to look at the system and reported to us in August. A series of steps have been taken to implement their recommendations, and work is ongoing with regard to full implementation of the recommendations. I trust that the process that I have announced today will hasten that and ensure that those recommendations are fully and more quickly implemented.

**Mrs D Kelly:** The report makes stark reading. The SDLP has always been pleased to stand with staff to bring the issue to the Minister's attention. It is a somewhat belated response but is, nonetheless, welcome.

The statement refers to A&E units not being equipped to be wards because they are not the right environment. Is the Minister aware that, to the best of my knowledge, on Saturday night past, no beds were available in the Belfast Trust? The lack of bed availability is having a direct impact on A&E waiting times and trolley waits. Will the review acknowledge that and examine that difficulty, which is leading to the problems being experienced by A&E patients?

**Mr Poots:** Of course I recognise that. That is one reason why I propose to bring in expertise. If the Member had been listening earlier, she would know that one problem in our emergency

departments is the whole hospital environment and the ability of other parts of a hospital to take people out of emergency departments at the appropriate times. People are not being discharged quickly enough, and emergency departments have more to do. We believe that there can be further improvement in that regard, which is a key element of what we are doing. We are bringing a team together to look at that to ensure that the whole hospital system works as effectively as it should do, which should lead to a major reduction in the pressures on our emergency departments.

Mr D McIlveen: I also apologise for being a little detained in getting to the Chamber this afternoon. Unlike some of the Minister's predecessors, he has clearly been speaking to front line staff in the health service. Will he elaborate on the impact of those who have, either through the media or in the House, used flyaway headline-grabbing descriptions such as "crises" to castigate those in the front line of the health service? What has been the impact on morale, particularly for staff who find themselves in such a situation?

Mr Poots: If we look at international news, we will probably see crises. There is probably a crisis in England, where people are having significant problems in accessing services such as healthcare because of flooding. We have had difficult situations to manage. They have been highly pressured situations, but Members wish to drum them up into something else so that they can grab a cheap headline. I am not interested in cheap headlines: I am interested in outcomes. Our hospital outcomes are better than they were a number of years ago. We continue to improve outcomes because we have brilliant front line staff who provide a great service for us. I am proud of them, and I am standing with them. I urge all Members to stand with us.

Mr P Ramsey: I welcome the Minister's statement. I note his reference to the unfortunate incident at the Odyssey last Thursday night, when 100 young people created an emergency situation because of alcohol and drug misuse. Will the Minister, along with me, acknowledge the many thousands of young people across Northern Ireland who behaved responsibly and maturely and are tarnished by the unfortunate incident last week?

**Mr Poots:** The majority of young people in Northern Ireland are good young people. I was at an event on Saturday night with many young people who are going to Poland to help young

people there who are in very needy circumstances. I was in conversation with someone from Mr Ramsey's part of the world who had witnessed some young people getting onto a bus. He said that the amount of alcohol being loaded onto that bus resembled a minioff-licence. It was wholly irresponsible of the private coach hire company to allow that to happen. It is against the law, and it is the Department of the Environment's responsibility to enforce it. It is my intention to set up a meeting to include people from the PSNI, the DOE, which has a very significant job to do in enforcement, and the Odyssey to identify how we can reduce the risk of things like this happening again.

### 1.00 pm

If you go to the Odyssey or other parts of Belfast on a Saturday night, you will find smaller but significant numbers of young people in similar circumstances, and many will end up in our emergency departments. We cannot continue with this attitude to alcohol. Our young people consume far too much of it. Over the weekend, I got a letter from an emergency department consultant in which she said that she feared that, in 10 years' time, there would be an explosion of young women who had developed liver problems as a consequence of the total abuse of alcohol in their teenage years. The House needs to do something about that.

# **Executive Committee Business**

### **Suspension of Standing Orders**

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

That Standing Orders 10(2) to 10(4) be suspended for 10 February 2014.

**Mr Principal Deputy Speaker:** Before we proceed to the Question, I remind Members that the motion requires cross-community support.

Question put and agreed to.

Resolved (with cross-community support):

That Standing Orders 10(2) to 10(4) be suspended for 10 February 2014.

**Mr Principal Deputy Speaker:** As there are Ayes from all sides of the House and no dissenting voices, I am satisfied that cross-community support has been demonstrated. Today's sitting may go beyond 7.00 pm, if required.

# Spring Supplementary Estimates 2013-14 and Vote on Account 2014-15

Mr Principal Deputy Speaker: The next two motions relate to the Supply resolutions. As usual, there will be a single debate on the two motions. I shall call the Minister to move the first motion, and the debate on both motions will then begin. When all who wish to speak have done so, I shall put the Question on the first motion. The second motion will then be read into the record, and I will call the Minister to move it. The Question will then be put on the second motion.

The Business Committee has agreed to allow up to four hours and 30 minutes for the debate. The Minister will have up to 60 minutes to allocate at his discretion between proposing and making a winding-up speech. All other Members who are called to speak will have 10 minutes. If that is clear, we shall proceed.

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

That this Assembly approves that a total sum, not exceeding £15,530,883,000, be granted out of the Consolidated Fund for or towards defraying the charges for Northern Ireland Departments, the Northern Ireland Assembly Commission, the Assembly Ombudsman for Northern Ireland and Northern Ireland Commissioner for Complaints, the Food Standards Agency, the Northern Ireland Audit Office, the Northern Ireland Authority for Utility Regulation and the Public Prosecution Service for Northern Ireland for the year ending 31 March 2014 and that total resources, not exceeding £16,606,564,000, be authorised for use by Northern Ireland Departments, the Northern Ireland Assembly Commission, the Assembly Ombudsman for Northern Ireland and Northern Ireland Commissioner for Complaints, the Food Standards Agency, the Northern Ireland Audit Office, the Northern Ireland Authority for Utility Regulation and the Public Prosecution Service for Northern Ireland for the year ending 31 March 2014 as summarised for each Department or other public body in columns 3(c) and 2(c) of table 1 in the volume of the Northern Ireland spring Supplementary Estimates 2013-14 that was laid before the Assembly on 3 February 2014.

The following motion stood in the Order Paper:

That this Assembly approves that a sum, not exceeding £7,062,352,000, be granted out of

the Consolidated Fund on account for or towards defraving the charges for Northern Ireland Departments, the Northern Ireland Assembly Commission, the Assembly Ombudsman for Northern Ireland and Northern Ireland Commissioner for Complaints, the Food Standards Agency, the Northern Ireland Audit Office, the Northern Ireland Authority for Utility Regulation and the Public Prosecution Service for Northern Ireland for the year ending 31 March 2015 and that resources, not exceeding £7.545,788,000, be authorised, on account, for use by Northern Ireland Departments, the Northern Ireland Assembly Commission, the Assembly Ombudsman for Northern Ireland and Northern Ireland Commissioner for Complaints, the Food Standards Agency, the Northern Ireland Audit Office, the Northern Ireland Authority for Utility Regulation and the Public Prosecution Service for Northern Ireland for the vear ending 31 March 2015 as summarised for each Department or other public body in columns 4 and 6 of table 1 in the Vote on Account 2014-15 document that was laid before the Assembly on 3 February 2014. — [Mr Hamilton (The Minister of Finance and Personnel).1

Mr Principal Deputy Speaker: We then move to the debate proper. I call Mr Daithí McKay, the Chairperson of the Finance Committee. Sorry, the Minister wishes to make a statement.

Mr Hamilton: The Supply resolutions debate is a critical step in the legislative process that governs our finances. The debate covers the final spending plans for 2013-14. In the first Supply motion, I seek the Assembly's legislative approval of the Executive's final spending plans for 2013-14 as detailed in the spring Supplementary Estimates (SSE) that have been laid before the House. Through the second motion, I request interim legislative cover for resources and funding for the first few months of 2014-15 in the form of a Vote on Account.

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

I request the levels of Supply set out in the motions under section 63 of the Northern Ireland Act 1998, which provides for the Minister of Finance and Personnel to make recommendations to the Assembly leading to cash appropriations from the Northern Ireland Consolidated Fund.

The amounts that I ask the House to vote in Supply for 2013-14 are substantial: over £15 billion of cash, over £16 billion of resources and over £2 billion of accruing resources for spend

and use by Departments and other public bodies in Northern Ireland. The first Supply motion sums up the spring Supplementary Estimates that are before us today. I take the opportunity to remind Members that the spring Supplementary Estimates reflect all in-year changes made since the Main Estimates were approved by the Assembly last June; that is, they reflect the departmental expenditure limit (DEL) changes agreed by the Executive at the June, October and January monitoring rounds as well as the annually managed expenditure (AME) funding agreed by the Treasury since the approval of the 2013-14 Main Estimates in June.

Before going into some of the detail of the spending plans for 2013-14, I want to make some important points. Over the next few weeks, we will progress a significant tranche of business through the House relating to the Supply resolutions and the Budget Bills. Those are important pieces of legislation, but it is critical and crucial that Members appreciate that today's debate is not an opportunity to redistribute funds for particular issues. Rather, it is about giving legislative authority to the decisions already taken by the Executive on public expenditure for 2013-14. In addition, it is about ensuring that departmental spending for 2014-15 can go ahead with legislative cover from the start of the next financial year. In effect, the legislative process today and over the next few weeks simply gives form to budgets agreed by the Executive in January monitoring and in previous Budget exercises for 2014-15.

Therefore, it is my hope, perhaps optimistically, that Members will not use the opportunity to seek a debate on what project should be funded and where but instead will focus on the specifics of what the budgets have achieved over the 2013-14 financial year. That, in essence, is what today's debate is all about, but I suspect that the call to focus on the specifics of the spring Supplementary Estimates may fall on deaf ears.

With that in mind, let me turn to a topic that has a bearing on the Estimates, and that is welfare reform. I again express my concern that the public expenditure consequences of welfare reform non-delivery have not been taken as seriously as they should. I confirmed in January monitoring that £15 million will be lost to the Northern Ireland departmental expenditure limit in the 2013-14 financial year. That is not some theoretical accounting adjustment but money that could have been allocated to local schools, hospitals, roads or other public services. The 2013-14 Estimates

before you could, and should, contain an additional £15 million for services. However, that could not happen, because, without progress on welfare reform, Her Majesty's Treasury will now take that funding off us. Losing £15 million in that manner is simply inexcusable. Looking to the scale of the Northern Ireland DEL adjustments that lie ahead because of non-delivery of welfare reform, it is ever more unacceptable that progress is stalled.

Turning to the 2014-15 financial year, which the motion on Vote on Account covers, the forecast penalty for not progressing welfare reform is now £105 million. That simply cannot be met through the reduced requirements that usually materialise in the three monitoring rounds. It will therefore require cuts to all Departments, equivalent to 1% across all resource DEL baselines. To give some perspective as to what the £105 million cut will mean for public services, Members should note that the quantum represents the annual costs of providing around 2,500 nurses or 2,100 teachers.

If we do not implement welfare reform, I could be standing here in a few years' time telling the House that we have lost over £300 million in a single financial year as a result. Indeed, the forecast cost for failure to progress welfare reform is now over £1 billion over the next five years. In failing to proceed and allowing increasing millions of pounds of public spending to be foregone and not spent where it should be — on providing key and critical services to people across Northern Ireland — those who resist the inevitability of welfare reform are being utterly negligent in their duties and are exhibiting an abject absence of leadership.

In addition to the direct financial penalties, there are other adverse impacts on public service delivery and the wider economy that cannot be ignored. There are 1,410 people employed by the Department for Social Development in providing child maintenance and social security services to people in England on behalf of the Department for Work and Pensions. Those jobs are located in two service centres, one in Belfast and one at Lisahally, Londonderry.

The Department for Social Development is able to retain those jobs because it is able to staff the service centres with experienced staff who understand the existing benefits and the supporting IT systems. The Department for Work and Pensions is clear that, should Northern Ireland not maintain parity in the social security system and, consequently, no longer have staff experienced in using the supporting

IT systems, it will have no option but to relocate the work to service centres elsewhere. The loss of those jobs to Northern Ireland would be a huge blow and would have a seriously detrimental impact on the local economy.

I agree that we must do as much as we can to protect those in our society who rely on the benefits system. My colleague the Minister for Social Development has negotiated a package of measures that will ameliorate the worst impacts of welfare reform. We are not best serving those people by removing millions of pounds from our overall departmental expenditure limit budget. That simply makes our public services poorer for all, including those who need them most. Those resisting welfare reform because they think they are protecting the vulnerable are only serving to harm those same people and potentially create more vulnerable people by depriving funding for essential public services such as health. education and housing.

The Social Development Minister has put in place a package of concessions that provides a unique opportunity to implement welfare reform here while helping those most affected by that change. It is a Northern Ireland solution for Northern Ireland people. It is an opportunity that we must grasp, and it is one that I, as Finance Minister, believe we simply cannot afford to miss.

Having had my say on that issue, I turn to the detail of today's business. This financial year has been one in which we have finally started to see some meaningful recovery in our economy. The most recent Northern Ireland composite economic index showed growth in the Northern Ireland economy of 1.2% in the 12 months from September 2012. Unemployment has fallen for 11 consecutive months. The latest Ulster Bank purchasing managers' index, published this morning, shows our recovery gaining momentum, with firms experiencing their fastest rate of growth in 10 years. Growth here is faster than in the UK as a whole.

Rising workloads and fuller order books are also translating into an increase in employment. Our construction sector, which suffered severely during the downturn, is also returning to growth, with the Royal Institution of Chartered Surveyors reporting in October that the sector had exited recession.

We cannot and must not be complacent. The positive indicators in our economy mean nothing to the person who has lost their job. Every job loss in our economy is one job loss too many. There is much, much more to be

done, and it is within that context that the Executive have gone about their business of reallocating budgets this financial year. That job has not been easy.

The positive economic growth has not translated into an improving public expenditure purse. The public expenditure position remains constrained as the UK Government seek to deal with the legacy of debt. That public expenditure austerity at a UK level has worked its way into our budget from Her Majesty's Treasury. The Executive have had to make difficult decisions about the allocation of that funding to best equip our economy and protect our citizens.

In 2013-14, we began the financial year with an overcommitment. An extra £58-9 million of resource funding had been allocated to Departments, with the expectation that, during the course of the year, the Executive would be able to recoup that through reduced requirements being surrendered in the monitoring rounds. I can confirm that that approach has not only allowed additional funding to be appropriately planned for but has been effectively managed through the three monitoring rounds. In addition to reducing that planned overcommitment, the Executive were able to allocate further funding throughout the year to high-priority and emerging issues.

I will take a moment to look at the overall public spending picture for 2013-14. The Departments surrendered £90·7 million non-ring-fenced resource funding for redistribution in the three monitoring rounds. That compares with equivalent reduced requirements of £66·7 million, £65·7 million and £54·9 million for the preceding three years. Taking into account the Executive's Delivering Social Change funding, a capital to resource transfer and funding to manage the overcommitment and ring-fenced resources, it meant that the Executive were able to allocate some £132 million of resource to emerging issues in 2013-14.

On the capital side, Departments gave back some £181.6 million for redistribution during inyear monitoring. That included some £108 million as a result of the ongoing delay to the A5 road scheme. Again, taking into account the surplus position at the start of the year, technical adjustments and additional allocations from Her Majesty's Treasury, the Executive were able to meet capital pressures of some £249.6 million in 2013-14.

The Executive have delivered throughout 2013-14. We hosted the G8 in June and the 2013 UK City of Culture in Londonderry, which showcased to the world what Northern Ireland has to offer in hospitality and potential to invest. We held an exceptionally successful World Police and Fire Games over the summer, again highlighting to the world a Northern Ireland that is a world-class tourist attraction. I am personally particularly pleased that Ulster Rugby will host a quarter final of the Heineken Cup at the 18,000 capacity Ravenhill ground in April. That will be funded in part by the Executive. There have been plenty of positives as a result of Executive intervention.

### 1.15 pm

Let me turn to the detail of some of the resource and capital allocations that the Executive made this year. Some of the major allocations include £57 million to the Department of Health for a range of pressures. including elective care and the Transforming Your Care programme; £49.6 million to DRD for a range of areas, including road repairs and street lighting improvements; £11 million to the Department of Justice to support the policing operation for the G8 summit; £8-5 million to DETI for Invest NI initiatives and funding to support our Tourist Board in the promotion of major events; and £8-3 million to DARD for a hardship scheme and a TB compensation programme.

On the capital side, the Executive allocated just over £80 million to DRD for improvements to our region's infrastructure, including improvements to our road network and replacement buses for our transport network; £44 million to the Department of Health for a range of infrastructure and medical equipment investments; £27.2 million to the Department for Social Development for co-ownership and first-time buyer initiatives to help to get people on to the property ladder and to create movement in our housing sector; £26 million to DETI for an access-to-finance fund run by Invest NI and the buy-out of the Invest NI HQ PFI lease; and £25 million of financial transactions capital to be issued to the University of Ulster as a loan to assist its move to the city centre.

That is just a snapshot of some of the departmental expenditure limit allocations in the monitoring rounds. However, Members must not forget that provision was also made in the annually managed expenditure exercises and in the 2013-14 spring Supplementary Estimates for almost £3 billion of income-related social security benefits to the most vulnerable. That funding goes a long way to protect those who are most in need and provides mainly for expenditure on disability benefits, income

support, pension credit, jobseeker's benefits and housing benefits.

Before leaving the detail of the spring Supplementary Estimates, I can inform the House that some additional headroom has been built in over and above the January monitoring position. Headroom has been included for the Department of Health and the Department of Justice to ensure that, should other Departments have underspends before the end of the financial year, there is sufficient legislative cover to allow unspent resources to be redirected to those Departments. That will help the Executive to maximise expenditure and should ensure that no resources are lost to Northern Ireland under the Budget exchange scheme.

In addition, some headroom has been built in for the Department for Employment and Learning to cover a technical change in the way that the Treasury accounts for student loans. That does not represent an increase in spending power for the Department; rather, it is a prudent step to provide sufficient legislative cover for student loan provision. It is critical to emphasise to the House that such headroom has been included on the condition that if — I emphasise if — the resources become available, they must be used only for the agreed purpose, effectively ring-fencing the areas that I outlined.

I am sure that Members will also endorse the actions that have been taken. The actions will ensure that we maximise the funding that is available to Northern Ireland and utilise it for areas that will provide a real benefit to the people of Northern Ireland. I hope that I speak for all in the House when I say that the last thing that I want to see is scarce funding being surrendered to Treasury at the year end.

Turning from the 2013-14 financial year and looking ahead to 2014-15, the second motion before the Assembly seeks approval for the issue of a cash and resource Vote on Account to ensure the continuation of services into the next financial year. The amounts of cash and resources that are proposed are an advance of around 45% of the final 2013-14 provision and have no direct correlation to the Budget allocations for 2014-15. That advance is necessary to enable services to continue into 2014-15 until the Main Estimates are prepared and presented to the Assembly for approval.

I commend to Members the motions on the 2013-14 spring Supplementary Estimates, the 2014-15 Vote on Account and the Supply resolution. At the end of today's debate, I will endeavour to deal with as many of the issues

that Members raise over the next few hours as I can

Mr McKay (The Chairperson of the Committee for Finance and Personnel): Go raibh maith agat, a LeasCheann Comhairle. Senior DFP officials briefed the Committee for Finance and Personnel on 5 February on the SSE and the Budget Bill. The Committee approved accelerated passage for the Budget Bill, which the Minister will introduce later today. That decision was on the basis that there has been appropriate consultation with the Committee, as provided for by Standing Order 42(2). I have written to the Speaker to provide confirmation of that.

As has been pointed out, the spring Supplementary Estimates reflect the changes that have been made to the opening Budget position for 2013-14 as a result of the monitoring rounds in June, October and January respectively. Additionally, the Department has explained to the Committee that headroom has been built in to the SSE to give the Executive ability to spend any last-minute underspends on priority areas to ensure that no resources are lost to Treasury under the Budget exchange scheme. I will return to that issue in a moment.

During our evidence session with departmental officials, the Committee received helpful clarification on a number of significant allocations, easements and technical adjustments that have occurred through each of the three monitoring rounds. The officials helpfully ran through the detail of these when explaining the reconciliation of the Estimates with the original budgets of Departments.

This reconciliation exercise highlighted the scale of the movement of moneys between Departments during the year. In fact, from a quick calculation, the total resource allocations amounted to over £180 million, while the total capital allocations amounted to almost £250 million. This was against total easements of almost £133 million in resource and £182 million in capital. In some instances, the figures involved were substantial, including for Health and Regional Development in particular.

The scale of the cumulative changes resulting from the nominal reallocations through monitoring rounds, combined with the in-year technical changes, will, in some cases, have resulted in significant differences between the opening and closing resource and capital allocations of Departments. In that regard, it will be important that all Statutory Committees have satisfied themselves as to the reasons for, and timing of, any significant levels of

easements or return of moneys during the inyear monitoring process, and that the necessary assurances have been received on any concerns raised with Departments in minimising year-end underspend. I expect that other Members will address these issues in their contributions to today's debate.

The Committee for Finance and Personnel has undertaken an active role in scrutinising the quarterly monitoring rounds, at a strategic and departmental level, throughout the 2013-14 financial year and has received timely briefings on the Department's position prior to each monitoring round.

As regards its own expenditure, DFP had no significant allocations, but it reported easements totalling £5.9 million in resource and £1.5 million in capital, which is significant given DFP's relatively small budget. This might indicate further scope for achieving savings in the Department of Finance and Personnel budget; a point that was acknowledged by senior departmental officials during separate oral evidence on 15 January. No doubt, this will be an area that the Committee will wish to explore as part of its input to the 2015-16 Budget process.

As regards the quality of the briefing provided by DFP on its Estimates, I wish to commend the officials on their paper providing a reconciliation with the Budget. Indeed, the Committee has circulated this paper to the other Statutory Committees as a potential model for the other Departments to follow in future.

Returning to the strategic and cross-cutting issues, during the session on 5 February, members queried how DFP ensures that the Executive's main priorities are still to the fore and that value for money is being achieved in the context of the significant movement of moneys in-year. On this point, officials have sought to assure the Committee that Departments are required to make clear how their bids fit in with the Executive's priorities.

As regards the headroom issue that I mentioned earlier, the Committee has previously recognised that limited use of this facility offers flexibility to minimise year-end underspend and so avoid the handing back of money to Treasury, which nobody wants to do. However, during last week's evidence session, members probed the DFP officials on the rationale and justification for the significant amounts provided for Health at £35 million, Justice at £14 million, and Employment and Learning at £8-7million. Some unease was expressed that an increased reliance on

headroom might hinder an accurate assessment of the standards of financial management and forecasting of Departments. In sharing the DFP briefing paper with the other Statutory Committees, the Committee for Finance and Personnel, therefore, highlighted the significant headroom provision and whether Committees have been fully briefed by their respective Departments.

Finally, arising from last week's evidence from DFP, the Committee has sought advice from the Department on the feasibility of a composite final out-turn report being prepared and laid in the Assembly annually in future in order to address an apparent gap in the budget and financial reporting process. Although the Finance Minister provides the Assembly with a cross-departmental picture of the provisional out-turn figures in June or July each year, no similar report is provided on the finalised position and the separate end-vear accounts for individual Departments provide only a disjointed picture. This is important also in light of the point made in the Minister's January monitoring round statement about the Budget exchange position being finalised only once the final outturn for the year is known. For completeness and transparency, perhaps, a composite final out-turn report could also include confirmation to the Assembly of the finalised Budget exchange position.

I turn now to the motion relating to the Vote on Account for 2014-15. This is a practical measure that provides interim resources at approximately 45% of the 2013-14 provision. This enables departments, as the Minister has said, to ensure that public services continue during the early part of the financial year until the Main Estimates for 2014-15 and the associated Budget Bill are debated by the Assembly before the summer.

To conclude, therefore, on behalf of the Committee for Finance and Personnel, I support the motions.

I now wish to speak briefly in an individual capacity. The Minister has already mentioned some of the allocations in the previous year. Some £3 million went to the G8, the City of Culture, the World Police and Fire Games, all of which were important for our international reputation and for tourism.

For the year ahead, and tying into the Vote on Account for 2014-15, I want to see that same flexibility applied, if need be, into significant events such as the Giro d'Italia, which will make its way from Belfast through north Antrim and all the way down to Dublin. It is important to

recognise that some DSD moneys have gone to some of the towns along that route but the amount is rather minuscule and we have to bear in mind the scale of this event — which not many people seem to have caught on to yet — which will take place in just a matter of weeks up and down the eastern seaboard of Ireland. It is important that, if moneys are needed in Departments such as DETI and DCAL for the Giro d'Italia and for building a legacy after the event, the same flexibility that has been applied in this financial year is applied in the next one.

The Chairperson of the Committee for Social Development, Alex Maskey, may touch on the next issue later. The past year has been quite difficult for a number of glazing firms. I should declare an interest as a number of these firms are located in north Antrim. A great deal of money was to be spent on the double-glazing project, but that was important not just for those companies but for a lot of families who should have been provided with double glazing and would have had the ability to heat their homes and save money going into the winter. That has not been the case. In my view, there has been meddling in that scheme and it has put firms and jobs at risk in my constituency. We need to ensure that DSD's budget handling capabilities are such that construction work in all our Departments is upheld and also in terms of employment and suitable insulation for families.

Similarly, there have clearly been easements in relation to the Maze/Long Kesh project, which also would have brought construction, tourism and jobs. That was shelved because of party politics and the politics of the past. That, in my opinion, is shameful. [Interruption.] Mitchel McLaughlin mentioned the headroom issue in last week's Committee meeting. He described it as preparing for bad financial management. That is clearly true.

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

**Mr McKay:** To conclude, I support the motions on behalf of the Committee and my party.

**Mr Deputy Speaker:** Before I call Mr Givan, I remind Members not to make remarks from a sedentary position. I am sure that no Member cherishes more the right to be able to speak without interruption.

Mr Givan (The Chairperson of the Committee for Justice): Thank you, Mr Deputy Speaker. I am pleased to speak today as Chair of the Committee for Justice. As

Members will know, we scrutinise the Department in respect of its delivery plans, its savings plans and all the financial matters that are related to it.

Given that over 60% of the Department's budget relates to the Police Service spend, the Chief Constable attended a Committee meeting in September last year to discuss the police budget and the pressures and challenges that he faces. I will focus on that area first. Although the cost of the huge police operation for the G8 summit was high, there has been no resultant pressure on the police budget because the Executive provided £14.5 million in resource and capital funding, with the rest coming from Her Majesty's Treasury's reserve. The operation itself was also managed very efficiently and effectively, resulting in virtually no trouble or arrests.

### 1.30 pm

During the year, however, the police indicated financial pressures in a range of areas, including the Historical Enquiries Team (HET), overtime costs and mutual aid costs. The Department has asked the police to absorb the costs, including that of the HET pressures, this year and next year of approximately £12-6 million. Although that has been achieved this year, it is a challenge to absorb the additional pressures while continuing to meet the required savings targets, given that over 80% of overall police costs are salary-related.

The PSNI also faces a very challenging situation with the delivery of its savings targets this year and next year. To address the problem, as well as its original planned savings from back office and areas such as estates. supplies and transport, it has initiated an efficiency programme called Service First, which aims to achieve efficiency from all parts of the organisation, especially operational activity, to gain the most from existing resources and deliver up to £45 million of efficiency savings over the next two years. No doubt, the Committee and, in particular, the Policing Board will wish to keep a very close eye on the outworkings of this project to ensure that there is no detrimental impact on front line services.

It is clear that the PSNI faces some major budget and resilience challenges currently and going forward. The medium-term resource plan highlights the fact that sustaining the level of resources that the police believe they need — a minimum of almost 7,000 warranted officers who can be used in a variety of ways, as indicated in their review of resilience and

capability — will create a significant budget gap. According to the Chief Constable, 500 to 600 officers will leave through natural procedures over the next couple of years, and the PSNI can at this stage recruit only an initial tranche of about 100 officers because of budget funding uncertainty. This issue needs to be addressed over the coming months to ensure that the potential resilience issue is satisfactorily resolved.

Before moving on to other areas of the budget, let me touch briefly on the Desertcreat training college capital project. The Committee has questioned officials, including the Deputy Chief Constable, who heads up the project, on a number of occasions. As we are all aware of the issues and difficulties that have arisen, it is vital that none of the capital funding that has been made available for this project is lost due to the delays. Hopefully, substantial progress can be made in the coming months.

I turn now to the Prison Service. I very much welcome the efforts made by the Finance Minister in establishing this headroom provision, of which £14 million has been earmarked that could go to fund the voluntary service exit scheme. The funding is required to complete a voluntary scheme that would enable the final eight governor grades and 20 senior officers in the service to leave. I particularly welcome the decision by the Executive to make this a priority issue.

It is important that all staff who opted to leave under the scheme can be facilitated to do so. Approximately 500 officers have left under the scheme. Let me declare an interest: a family member was one such individual. The scheme was designed to allow older members of the service who had served during some of the most difficult periods of our Troubles to leave with dignity. I know that they have been very upset at the long protracted period that it has now taken to bring the scheme to a conclusion. If funds become available and other Departments are unable to spend them, I think that it is prudent of the Executive to have made this provision rather than send the money back to Westminster. It is a welcome move to be able to facilitate these individuals to leave the service.

Let me also take this opportunity to welcome the announcement that the Prison Service has identified the resources needed to fund the payment of a supplementary environmental risk allowance to post-2002 operational prison grade staff this year, which was recommended by the Prison Service pay review body. Staff

should receive the payment this month. Again, this issue has been ongoing for some time.

Members will know that, on the back of the tragic murder of prison officer David Black, the personal security of prison officers and prison grade staff came into sharp focus and, rightly, this issue was brought to the fore. It has taken some time to get the Minister of Justice to this point. The matter was referred back to the pay review body, which made the recommendation, and I want to thank the Prison Service management, who have been able to identify the funding and make it available within their current resources. It is right that we support officers living under a threat. As they protect us, it is right that we support them.

Let me turn briefly to legal aid, which continues to generate the biggest pressure on the Department, despite the implementation of a number of changes to funding arrangements and the level of fees paid for criminal legal aid work. As early as June, the Legal Services Commission was forecasting a pressure of £27 million. The Department allocated an additional £15 million to ease the pressure. However, by October, the forecast pressure had increased to £41-7 million, or a net £26-7 million, taking into account the extra £15 million funding already provided.

In the January monitoring round, the forecast pressure now sits at around £25-8 million. The fact that the cost of legal aid is still so far above the available budget is unacceptable and unsustainable. Other areas of the Department cannot continually be expected to fund the additional cost, nor can the Department of Justice expect to receive additional money through the monitoring rounds that could be used to fund more important services and projects in other Departments.

The key cause of the pressures continues to be civil legal aid, with higher volumes and higher average case costs. There has also been an initiative by the judiciary to clear a backlog of Crown Court cases, which has led to an increase in criminal legal aid costs this year. The initiative is welcome from the point of view of speeding up cases through the justice system, but the Committee is concerned not only about the legal aid bill, which still far exceeds the available budget, but about the apparent inability of the Legal Services Commission to forecast with any accuracy the likely cost of legal aid.

An example of that is the initiative in the Crown Court, which would affect legal aid costs to be paid this year, yet no account appears to have been taken of it until the pressure emerged. Even then, the forecast was not accurate. A robust model capable of accurately forecasting legal aid costs must be developed as a matter of urgency. Otherwise, the ability of the Department to deliver the legal aid reform programme will be undermined.

The Committee will continue to scrutinise further reforms that the Minister intends to bring forward, particularly in civil legal aid, to ensure that value for money within the available budget is achieved. Bringing legal aid spending within budget is important, but also of importance to the Committee is protecting access to justice. Therefore, we are looking at possible ways of assessing the impact of changes, especially on civil legal aid for family cases. The Deputy Chairman and I will meet the chief inspector of Criminal Justice Inspection tomorrow to discuss the matter further.

Finally, on the Department's budget allocations and savings delivery plans, the Committee pays particular attention to the likely impact on the delivery of front line services. Previously, there had been indications of possible impacts on front line services in the Probation Board, the Office of the Police Ombudsman and the Police Rehabilitation and Retraining Trust. The Committee will continue to scrutinise closely the outworkings of the delivery of the savings targets in those areas and across the Department as a whole during the 2014-15 financial year.

I welcome the Minister's motion. Personally speaking, I concur with the Member for North Antrim Mr McKay, who said that he wanted flexibility to continue next year to address emerging pressures that could materialise. I say to Members opposite that, in the continued absence of leadership on their part to deal with welfare reform, they will not have the type of flexibility that they want. So step up to the mark, provide leadership and recognise reality, and then we will be able to allow our Finance Minister, who has been doing a superb job since his appointment, to continue to meet emerging pressures going into the next financial year.

Mr D Bradley: Go raibh maith agat, a LeasCheann Comhairle. Gabhaim buíochas leat as an deis cainte seo a thabhairt domh sa díospóireacht ar Mheastúcháin Fhorlíontacha an earraigh agus ar an Vóta Creidmheasa. Thank you for the opportunity to contribute to the debate on the Supplementary Estimates and the Vote on Account. As already outlined, the spring Supplementary Estimates are, in effect, a way of summarising and tidying up the financial situation for the current financial year, and the Vote on Account is a resolution to allow initial spending into the next financial year. The SDLP will not be opposing the motions.

I begin by reminding the House that the Department reviewed the financial process, and a number of options were proposed to create a single, coherent financial framework. It was to be efficient, effective and transparent, and it was to enhance and ensure scrutiny and accountability to the Assembly. There was to be a Budget calendar for future processes, and that was to be outlined in advance to allow for adequate consultation. The Budget process was to include a strategic phase, perhaps in the spring, to precede the production of a draft Budget. That was all to allow the Assembly the opportunity to debate revenue measures and spending priorities.

Another important recommendation was that future Budget processes should include a formal stage for the reconsideration of the Budget in the light of emerging spending pressures or policy reorientation. Its aim was to inform in-year reallocations and to consider developments that might affect those reallocations. Future budgetary documents were to include a more detailed breakdown of the expenditure plans and the linkages between expenditure and performance outcomes.

The framework for a budgetary process was to be set out clearly in legislation, with additional details, where necessary, contained in the Assembly's Standing Orders. We have been told in the past that the implementation of the reforms is being halted by the Minister of Education. I do not think that that situation is acceptable. I ask the Minister this: can any of the reforms be implemented, or is it the case that the Minister of Education can hold the whole process to ransom? I am interested to hear the Minister's response to that at the end of the debate.

My colleagues will set out in today's debate and that tomorrow some of the areas in which they see a necessity for budgetary change. I will refer to some of the areas of concern as I see them, and I hope that I do not step on any of my colleagues' toes in doing so.

The ongoing failure to bring the Education and Skills Authority Bill back to the Assembly is leading to a crisis in the delivery of the £180 million capital programme for schools. The education boards and the sectoral

organisations tell us that, owing to a moratorium on recruitment, they simply do not have the personnel to process the projects that await funding. The problem has the potential to impact severely on the delivery of the whole programme. I ask the Minister to give the House his views on that issue. Does he agree that there is a problem around the delivery of the programme and that it may have a negative impact on the financial situation, not to mention on the building and construction industry, which depends on the projects coming to fruition?

There are also a number of projects that seem to be locked in OFMDFM. I mention the Maze/Long Kesh development, the childcare strategy, the poverty and exclusion strategy, and the cohesion, sharing and integration strategy. The moneys tied up in those projects are of concern. Once again, I ask the Minister for his views on the financial implications of the continued delays. Those delays have an impact in the community; that is the most worrying aspect of it.

### 1.45 pm

Looking back, we will remember that variance and special terms were agreed for the Department of Health at the beginning of the Budget period back in 2011. However, given the monitoring performance outcomes, it seems that we have moved away from that position. In the run-in to the 2011 Budget period, the Department was allowed to keep its reduced requirements, and the quid pro quo for that was that it would not bid in the monitoring rounds except where it could demonstrate exceptional need. That arrangement seems to have been relaxed, and that has been done rather informally.

We have now reached the stage where the Department of Health is bidding along with everyone else, presumably as well as keeping its reduced requirements. I would like to hear the Minister's comments on that situation. Does he think that our health service is properly funded, or is it the case that it will constantly be in need of bailouts until the end of the budgetary period and, indeed, beyond that? I ask the Minister to outline the amount of extra money that is going to Health and for what reasons it is needed, because annex A in the book of Estimates does not explain the situation in full.

The Minister mentioned the headroom afforded to the Departments of Justice, Health, and Employment and Learning. He explained the rationale behind that: he is seeking to avoid underspend. Certainly, all of us would welcome

that situation. However, as the Chair of the Committee remarked — I find myself agreeing with him — we need to be careful that such generous headroom does not contribute to the encouragement of poor financial management across Departments.

The SDLP is working responsibly for change through the democratic processes of the House. We showed that in our approach to the Public Service Pensions Bill. We have achieved changes there that are of benefit to our people, although obviously you will remember that we believe that more could have and should have been done. I hope that, today and tomorrow, we will get a chance to discuss welfare reform in more detail in response to some of the points that the Minister has made today.

In conclusion, it is obviously —

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

**Mr D Bradley:** — the case that we have few economic levers here. Public spending is one of the few that we do have, and we must use it to stimulate —

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

**Mr D Bradley:** — the economy. I ask the Minister to tell us —

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

**Mr D Bradley:** — what is in the Budget that will foster and grow our economy.

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

**Mr Cree:** I am pleased to speak on the two Supply resolutions, which I understand will be debated together.

Following on from Mr Bradley's point, last year I referred to the review of the financial process as well. That was, as you know, promoted by the Committee for Finance and Personnel and agreed by the Minister at that time and the Department. We had a debate in the House, and the House also agreed it. This matter has been under discussion for several years, and it is a great disappointment to me that it is not being progressed by the Executive.

Everyone agrees that the existing process is inadequate and does not provide direct read-

across. It is well past its sell-by date and needs to be clearer and more user-friendly. I ask the Minister, and I know that he will try to tell us, why such an issue, which cannot be contentious, has not been agreed by the Executive.

There are two motions before us. The Supply motion seeks the Assembly's approval of the Executive's final spending plans for the year 2013-14, as detailed in the spring Supplementary Estimates that have been laid before the House. The second motion requires interim resources and funding for the first few months of 2014-15 in the form of a Vote on Account. The spring Supplementary Estimates are technical and tidy up the loose ends that have been dealt with in the three monitoring rounds.

I will now highlight concerns that I have with the current situation. First, in DARD, there is an easement of £1.2 million, which equates to £0.5 million for the forestry fund. I wonder why it was not possible to carry the work out as planned — that much needed and sought-after increase in forestry provision. Perhaps the Minister can advise me or perhaps he will need to check it out. Some £2.7 million was also declared as an easement in the Department of Education. Is that a capital realisation? If so. what happens to it? In the Department for Employment and Learning, an easement of £9.2 million is surrendered, which, I understand, relates to colleges' end-of-year flexibility. Is that money at risk or can it be ringfenced for future use?

The Department of Enterprise, Trade and Investment appears to have invested in one of its own headquarters during the year. It seems that, no time ago, we were talking about the very opposite: selling them off and leasing them back. However, it purchased the Invest Northern Ireland building for £17 million. I wonder whether the Minister can advise what the resultant savings in rent or lease payments will be. It also appears that £5 million came back through a reduced requirement from the economy and jobs initiative. Will that sum be reallocated or will it be available to the Department next year?

Turning to the Minister's own Department, perhaps he could comment on the easement of £1.6 million for staff costs. The Department for Social Development has shown a reduced requirement of £66.3 million, which appears to come from the Northern Ireland Housing Executive. Further clarification would be appreciated. Incidentally, some figures on the spring Supplementary Estimates for that

Department have, strangely, not appeared in the volume dated February 2014. I do not know whether I got a specially printed edition, but there are some virtually blank pages. The Office of the First Minister and deputy First Minister received both resource and capital allocations through in-year monitoring. The resource amounted to £10.625 million. I understand that £3.8 million was for the Historical Institutional Abuse Inquiry and £2 million was for Delivering Social Change. On what is the balance of some £5 million intended to be expended?

Finally, there appears to be £300,000 of annually managed expenditure for the current year in respect of the settlement for the Northern Ireland Civil Service pay claim. As that has not been resolved in full, will the balance be ring-fenced or protected in any way for the next financial year?

I am sure that the Minister will be able to answer my questions satisfactorily in due course. On that basis, I am prepared to support, on behalf of the Ulster Unionist Party, the Supply resolution and the Vote on Account that are before the House.

**Mr Deputy Speaker:** Order. The next item of business on the Order Paper is Question Time. I therefore propose by leave of the Assembly to suspend the sitting until 2.00 pm. The sitting is, by leave, suspended.

The debate stood suspended.

The sitting was suspended at 1.54 pm.

### 2.00 pm

On resuming (Mr Principal Deputy Speaker [Mr Mitchel McLaughlin] in the Chair) —

### **Oral Answers to Questions**

# Office of the First Minister and deputy First Minister

### Social Investment Fund

- 1. **Ms Boyle** asked the First Minister and deputy First Minister for an update on the social investment fund. (AQO 5482/11-15)
- 2. **Mr Anderson** asked the First Minister and deputy First Minister for an update on the social investment fund. (AQO 5483/11-15)

Mr P Robinson (The First Minister): With your permission, Mr Principal Deputy Speaker, I will answer questions 1 and 2 together. I am pleased that we have announced, today, the first 23 successful projects that will be funded from the social investment fund (SIF). These projects amount to more than £33 million and are from across all nine zones. The list of 23 projects is available from the OFMDFM website, and officials will be communicating directly with the organisations involved. The remaining projects that are within the funding allocations are in the economic appraisal process, and, over the next few weeks and months, we anticipate making the remaining announcements, fully committing the £80 million fund.

Considerable work has been completed in developing the policy and structures, establishing the steering groups and supporting them in the development of their 10 projects for each zone and in getting those projects through the economic appraisal process to this final stage. Most of the individual projects have many elements within them, some with up to 15 different capital elements.

**Mr Principal Deputy Speaker:** Before calling Michaela Boyle for a supplementary question, I inform Members that question 5 has been withdrawn.

**Ms Boyle:** Go raibh maith agat, a Phríomh-LeasCheann Comhairle. I thank the Minister for the good news story that the 23 projects are to be announced. I am sure that the letters of offer will be going out to those other groups within the coming weeks. Given the delay in getting funding to those groups, will the Minister's office extend the timelines for spend to ensure that we get the maximum outcome from the projects?

Mr P Robinson: Yes, Mr Principal Deputy Speaker, I am happy to do that. The deputy First Minister and I have consistently indicated that we are ring-fencing the £80 million. Each of the groups is aware of its allocation. I think that it is worthwhile pointing out at this stage that some of the zones will have fewer schemes in this tranche than others, which means that they will have more than others when it comes to the next and later allocations. So, rather than holding until we have the last schemes out from the appraisals being carried out by the economists, we now have a sufficient batch through the economists to make this announcement and, hopefully, in the next number of weeks, we will be able to make further announcements.

**Mr Anderson:** I thank the First Minister for his responses thus far. I, too, welcome the good news story that has been announced today. First Minister, of the projects announced, can you outline what projects will be funded in my area in the southern zone?

Mr P Robinson: All politics is local. I had looked at the southern zone for the withdrawn question. Six projects will be funded across the zone that incorporates the Upper Bann constituency. Amongst those are two revenue projects, which will operate on a zone-wide basis with the objective of increasing employment. They include £2.7 million for an employment work-it project. In addition, there will be four capital projects, three of which are cluster projects encompassing a number of smaller capital works. They will result in 11 capital schemes specifically within the Upper Bann constituency, including projects to sustain local infrastructure with £1.25 million.

Mr Nesbitt: I thank the First Minister. I have been checking the home page of the departmental website and clicking on the social investment fund. I see no record of the announcement, as yet. So, I apologise if this scheme is across the line, but I am not aware whether it is. The First Minister will be aware that there was a proposal for a sports facility to be put in place in the Glen Estate in Newtownards in conjunction with work ongoing on developing Londonderry Primary School, which would have been a very cost-effective use of SIF funds. Can he estimate the number of similar missed opportunities if, indeed, this proposal is not going ahead?

Mr P Robinson: I assume that the first part of his question was, "Congratulations, we are delighted to see the announcement today and we hope that the scheme will build capacity in the local area and allow local people to determine what is best for their area". His criticism of the people in Strangford will no doubt be heard by them.

Mr Nesbitt: It is not a criticism.

Mr P Robinson: It is entirely a criticism of the people in Strangford. The Member is criticising his constituents. We did not choose the schemes. They are locally chosen schemes. They were chosen by the people in the zone after consultation around his constituency. If he is unhappy with that, rather than perhaps the constituents being unhappy with him, which might be the norm, he can now be unhappy with them. [Laughter.]

Mr Attwood: I will nail my colours to the mast and say that projects that are good and not so good will be funded, and we will see where all that goes over the next period. Given that the First Minister said that, over the next weeks and months, the funds will be fully committed, is he saying that all those funds will be committed and spent by the end of the 2015-16 financial year or will we have a situation where spend will go into the next mandate, which will see the £80 million spend in SIF go over a timeline of five or six years? Is that the outcome? Is that satisfactory?

Mr P Robinson: It is a bit sanctimonious of the Member to stand and say that, although we set up local organisations representative of the political parties here, including his own, we do not like what they believe is best for their area. That is effectively what the Member is saying. We may all have judgments about what might have been the best or worst schemes in any area. That is why, rather than big government consistently taking the position that it will decide for people, this project allowed local communities to decide for themselves what was most needed in their area. His criticism is not a criticism of the scheme or the Executive but is a criticism of people in his local area.

As far as the timescales are concerned, the funding is allocated and ring-fenced. Some schemes, particularly the capital schemes, will take longer to roll out than others. The money is there for when the bills come forward, and the letters of offer will stipulate the conditions that apply.

We really cannot have it both ways. There has been criticism in the past about the delay, but you cannot criticise the delay on the one hand and then, on the other hand, fault us for putting robust procedures in place, which required more time. However, whether it is in this Programme for Government period, the comprehensive spending review period or it flows over into the next, the money is ringfenced. As soon as the projects are completed, they will be funded.

**Mr McCarthy:** I welcome the announcement, even though we have not seen it, and I ask the First Minister not to keep me in suspense and to relay to the Assembly for my constituency of Strangford exactly the same details as he did for Upper Bann.

Mr P Robinson: I am delighted that I will not need to do so because I have just been informed that the SIF press release is now out. I hope that everybody does not vacate the Chamber at the one time to go and read it. It will be available. This is only the first tranche and the allocations are a minimum of £8 million for each zone. That money is ring-fenced for the zones, and, as soon as the remaining projects have been assessed by the economists, we will make those announcements and a letter of offer will go out.

### **EU Funding**

3. **Mr Swann** asked the First Minister and deputy First Minister for an update on the drawdown of EU competitive funding in relation to the Programme for Government target. (AQO 5484/11-15)

Mr P Robinson: Departments continue to make good progress towards meeting the 20% target. In 2011-12, year one, we drew down £23 million, and in 2012-13, year two, we drew down £18-3 million. I can confirm, therefore, that at the halfway point in the full Budget period 2011-15, £41-3 million has been drawn down, which represents 64% of the target, so we are on track to realise the total drawdown of £64.4 million by the end of March 2015. Figures for 2013-14 will be available after the end of this financial year. We will continue to monitor progress through the all-party ministerial Budget review group, which I cochair with the deputy First Minister, and the junior Ministers will also continue to encourage Departments to deliver against this target through the Barroso task force working group.

**Mr Swann:** I thank the First Minister for his answer. According to some research, the

framework programme for research and technological development — framework programme 7 (FP7) — indicates that Northern Ireland has drawn down only €35·33 per head whereas, in the Republic, the same figure is €590·26 per head. What steps are being put in place to rectify that discrepancy?

Mr P Robinson: If I can decode the Member, I assume that he was saying congratulations. It is good that we are not only on target but ahead of it in meeting the PFG figure of a 20% increase. You do it in precisely the way in which the Executive have set it out. You encourage officials to stretch themselves and work with the arm's-length bodies and third parties to enhance the amount of drawdown. In addition to that, through our North/South ministerial meetings, we spoke with the Irish Government on ways in which we can collaborate with them to increase both our drawdowns. Do not forget that we have just come out of a period during which we were an objective 1 area. We did not have the same level of competing under objective 1 criteria. So we are on a learning curve and are already finding ourselves ahead of the targets that we set, and we will continue to stretch officials to meet even higher targets.

Mr McGlone: Go raibh maith agat, a Phríomh-LeasCheann Comhairle. Gabhaim buíochas leis an Aire as a fhreagraí go nuige. I thank the First Minister for his answers until now. Specifically with regard to research and development, it is widely acknowledged and known that the drawdown under FP7 was quite pathetic by comparison with other EU regions. The Irish Government have set themselves a drawdown target of €1·25 billion for Horizon 2020. Has the First Minister any ambition, or has his Department set a target, for a drawdown of Horizon 2020 funding for research and innovation?

Mr P Robinson: Yes. The Irish Government's target takes them through to 2020. We are awaiting a paper from DETI setting our targets. I hope that they will be ambitious. If they are not, the Executive will want to look at them. We recognise that, in many cases, when talking about research and development, we usually mean collaboration between universities and business. We have two universities that are now working very hard. They have learned how to use the system and are submitting applications that will bear fruit in the future. Obviously, the Executive have an interest in that and will do everything they can to assist in collaborating with those who submit

applications, but they are effectively led by those outside of government.

We want to increase significantly our drawdown from Europe. At the beginning, I thought that we were setting ourselves a very challenging target at 20%, and I am delighted that we are well on track to reach it. However, that does not mean that we stop as soon as we reach the 20% mark. We will continue to push officials, and those who are collaborating with third parties and arm's-length bodies, to increase the percentage. We are coming up to the halfway stage — the mid-term review — and we will look at the targets at that stage to see whether they should be increased.

### 2.15 pm

### **Jobs: Derry 2012-13**

4. **Mr Eastwood** asked the First Minister and deputy First Minister to detail the companies responsible for promoting 1,180 jobs in the Derry City Council area in 2012-13. (AQO 5485/11-15)

**Mr P Robinson:** With your permission, Mr Principal Deputy Speaker, I ask my colleague, Assembly Member and junior Minister Jonathan Bell to answer this question.

Mr Bell (Junior Minister, Office of the First Minister and deputy First Minister): Job creation is one of the key priorities contained in the One Plan for the city's regeneration. I emphasise the very challenging economic climate during that period. The 1,180 jobs promoted in 2012-13 are from a range of sectors, including construction, information technology, engineering and hospitality. As the Member would expect, there are commercial sensitivities regarding the information for some of the organisations and smaller businesses in the city. I can provide the details of some of the organisations and sectors behind the job figures. They include 26 construction jobs during 2012-13 on the Ebrington site through H&J Martin. In addition, the Executive backed the UK City of Culture project, which resulted in 213 jobs. Invest Northern Ireland promoted 453 jobs, including 200 in the US-owned technology firm Allstate, 20 in Allpipe Engineering and 11 in MetaCompliance Limited. Firstsource announced the creation of 100 new posts. Sixty new IT jobs were announced by Kainos. The opening of the Premier Inn created 60 jobs, and the new Iceland store created 28 jobs.

Some of the jobs were promoted and created through small business start-ups and

expansions. I think that we would all want to commend the small businesses that created jobs in the city during what was a very difficult economic period. Although the economy remains fragile, we are seeing some signs of improvement. There have been a number of very significant events, such as the announcement of 190 jobs in Fujitsu last December following the First Minister and deputy First Minister's visit to Japan.

**Mr Eastwood:** I thank the junior Minister for his answer. It is useful to have that information. Will he tell me why his Department refused to give me the information in response to my previous questions for written answer?

Mr Bell: I happen to have a copy of the answers that were given to your questions for written answer. If you want, I will read them out. They show that the sector stated that 1,180 jobs were promoted in 2012-13. That information was given to Mr Eastwood on 17 December 2013. Either he is not getting the letters or his researcher is not telling him. That was given to you in December 2013.

Mr G Robinson: Will the junior Minister give a commitment that the promotion of the northwest will continue to be a priority during investment visits by the First Minister and deputy First Minister, particularly in light of the very welcome result arising from the Japanese visit to the north-west?

Mr Bell: Yes. We are very much committed. I have undertaken a number of visits to the area, as have the First Minister and deputy First Minister. In the margins of some of those meetings, I met the Londonderry Chamber of Commerce, city council officials and economic development officials. I am very encouraged by the can-do attitude of many. The list of jobs includes 20 in Allpipe Engineering, 200 in Allstate Northern Ireland Limited, 10 in Fleming Agri-Products Limited, 11 in MetaCompliance Limited, Season Harvest Limited, Crystal Clear e-learning organisation, right down to childcare jobs in Muddy Puddles. It is very clear that, right across the range of sectors, there is an entrepreneurial spirit in the region. We will do all that we can to encourage that.

I notice that today's 'Financial Times' records that the monthly rate of Northern Ireland business activity is at one of its all-time highs. We want business activity to increase, and we want to see some of what appear to be green shoots of a recovery delivering for areas right across Northern Ireland: north, south, east and west.

### **Shale Gas**

6. **Mr Wilson** asked the First Minister and deputy First Minister whether they have had any discussions with the Minister of Enterprise, Trade and Investment on bringing forward a cross-departmental policy on the exploitation of shale gas. (AQO 5487/11-15)

**Mr P Robinson:** Mr Principal Deputy Speaker, with your permission, I ask junior Minister Jonathan Bell to answer this question, too.

Mr Bell: The Office of the First Minister and deputy First Minister has had no discussions with the Minister of Enterprise, Trade and Investment on bringing forward a crossdepartmental policy on the exploitation of shale gas. DETI officials continue to liaise with Department of the Environment officials as part of the work of the shale gas regulators' forum. In addition, Department of Enterprise, Trade and Investment officials, in conjunction with the Department of the Environment's Planning Service and Northern Ireland Environment Agency officials, provided the Northern Ireland input to the 'Onshore oil and gas exploration in the UK: regulation and best practice' road map that was published by the Department of Energy and Climate Change on 17 December 2013.

Mr Wilson: Given the energy problems that we face in Northern Ireland, I am disappointed that the issue has not been addressed crossdepartmentally. However, given that at least two Executive Ministers have vociferously opposed the exploitation of shale gas in Northern Ireland — something that the 42% of consumers who experience fuel poverty and the businesses that are struggling with fuel bills will find bewildering — can the junior Minister assure us that there will be serious discussions of energy policy, investment policy, planning policy, environmental policy and mineral exploitation policy to ensure that we do not lose out on the opportunity that has transformed the American economy and that has the potential to transform the Northern Ireland economy?

Some Members: Hear, hear.

**Mr Bell:** When two Departments work together, that is cross-departmental.

It is important that we always follow the evidence and best practice. We all have a responsibility to be good stewards of the environment and the earth. As the Member rightly points out, we also have a responsibility to look at international best practice and at the

successes in energy security, in jobs created and in businesses driving their energy costs down so that they can appear more competitive on the international market.

Ultimately, this will be a matter for the Northern Ireland Executive, and I think that they will be judicious in looking at it. It will be important to take account of all the implications if we proceed, and, equally, those if we do not proceed, with exploiting what is a natural resource. The Member made a number of important points towards the end of his question that should undoubtedly form part of the considerations. We should be aware of the best practice in the United States of America and look towards best practice in the rest of our United Kingdom. We have to weigh up the evidence in a judicious and measured way that allows us to be good stewards of the earth that we have inherited and want to pass on to our children and grandchildren. However, we also have to make sure that we do not miss out on the huge opportunities that are available to deliver jobs and investment to the people whom we serve.

**Mr Flanagan:** Go raibh maith agat, a Phríomh-LeasCheann Comhairle. Given the questions from the Member who spoke previously, will the junior Minister give us his assessment of whether climate change exists?

**Mr Bell:** I have a science degree, but it is in psychology, and some would debate whether that is a science or a social science.

In all seriousness, we have to look at what there is. We have to look at the best scientific evidence available and at shale gas exploration in other parts of the world. We all live in an international marketplace, and the cost of jobs and energy will affect the employment that we can provide for our young people and citizens.

There are obviously concerns around climate change, and we all have a responsibility to ensure that we pass on the environment in a responsible manner. We also have to take a balanced approach to looking at international best practice, international science, the difficulties that exist and, equally, the opportunities. If opportunities exist to significantly drive down energy costs and thereby allow our people to have more jobs and investment in their area and more money coming into the economy, we would be foolish to ignore that on an emotional basis. We have to look at it in a measured way — scientifically - and see what we can do for the next generation. We have examples. We can look to the rest of the United Kingdom and the

United States, and where there is best practice and success, we would be very foolish not to copy the United States in driving down energy costs. The European Union is looking at energy security as one of its primary aims. We would do well not to ignore those concerns.

**Mr Elliott:** I thank the junior Minister so far. Have there been any agreements or even discussions about specific benefits, such as rate reductions, for communities where fracking would take place?

Mr Bell: As it stands, preparation for that possible unconventional oil and gas development in Northern Ireland and its regulation requires input from several Departments and other bodies. The Department of Enterprise, Trade and Investment has the initial role in the licensing and regulation of petroleum exploration. The Department of the Environment is the principal regulator for shale gas development through its environmental and planning responsibilities. The Department of Finance and Personnel, if it is a direct question in relation to rates, is the best Department to answer your specific question.

The shale gas regulators' forum was established in 2012. It was a joint initiative by the Enterprise, Trade and Investment Minister and the then Environment Minister. Alex Attwood MLA. It continues to keep under review the legislative and regulatory requirements needed to support possible development. Where possible, it will coordinate the functions and facilitate the cooperation. There has been no direct discussion as yet between the Minister of the Environment and the Minister of Enterprise, Trade and Investment on the development of shale gas in Northern Ireland. However, DETI officials are continuing to liaise with Department of the Environment officials as part of the work that lies within the shale gas regulators' forum. DETI officials, in conjunction with DOE Planning Service and Northern Ireland Environment Agency officials, are going to provide the Northern Ireland input to the 'Onshore oil and gas exploration in the UK: regulation and best practice' road map.

Mr Agnew: I welcome the junior Minister's statement that we should be looking at the evidence because all the evidence is that exploiting shale gas in Northern Ireland will not bring down gas prices. Where I do agree with Mr Wilson is that this is a cross-departmental issue. Does the junior Minister then agree that it is a bit anomalous that we have this situation

whereby the Enterprise, Trade and Investment Minister can issue a licence without any consultation?

Mr Bell: I cannot agree with the Member. Anybody looking at this situation dispassionately and objectively could not concur in a reasonable way that all the evidence is against, because it quite clearly is not. I am not sure that that sort of zero-sum game that he proposes is in the best interests of the environment, energy security, fuel poverty or job creation.

The tenor of the Member's question indicates exactly why we need independent and objective evidence. Any progress that has been made scientifically has always been met with fears. I do not dismiss the fears, but they have to be forensically analysed. There is best practice in other parts of the world. We have to look at what occurs there. We are facing a situation in Europe of energy security.

All of us in this House want to pass on best practice in the environment and use best practice in making our decisions.

### 2.30 pm

What is necessary is a measured, judicious response that dispassionately analyses the evidence for science and asks first, how we can we pass on, as good stewards of the earth, a better environment and use best practice from what we inherited. And secondly, how can we ensure that we follow international best practice, including that which allows us to create jobs, make energy prices cheaper, bring investment into our areas and make our businesses competitive on the international stage?

**Mr Principal Deputy Speaker:** That ends the period for listed questions. We now move on to 15 minutes of topical questions.

### **Natural Gas: East Antrim**

1. **Mr McMullan** asked the First Minister and deputy First Minister what help they can give areas that are not receiving natural gas, including in East Antrim from Larne to the glens. (AQT 681/11-15)

**Mr P Robinson:** I await his supplementary to hear his proposal. His question indicates the need to use natural resources where they are available. I therefore expect that he will be teaming up with the Member for East Antrim Mr

Wilson in calling for the use of shale gas over the next number of weeks and months.

Of course, where facilities are available, they need to be used. In the Larne area, there is particular potential for the storage of gas and electricity — two fantastic opportunities are available — and I hope that that will be supported around the House. I look forward to hearing the Member's proposals for what should happen in his area.

Mr McMullan: I thank the Minister for that. If we do nothing for areas that will not get natural gas, we will create areas that are black spots for industry. Nobody will come into them if we cannot compete with areas that can offer alternative energy. Doing nothing will also create more fuel poverty. That is why I am asking what can be done by the Assembly to look at that. Larne has the gas storage etc, but only last week one firm pulled out of gas storage under Larne Lough. Go raibh maith agat.

Mr P Robinson: I agree with the premise upon which the Member asked his question. There are risks, not just to business and commerce but to residential use if we have too high a reliance on very few sources of energy. There is a good cause, and I hope that the ETI Minister and Committee will consider whether they can assist in the further expansion of that project.

However, we cannot on the one hand say that it is essential that we exploit opportunities and on the other, with our eyes closed, say no and that we are not going even to look at the opportunities for shale gas.

### **Catherine Seeley: Intimidation**

2. **Ms Ruane** asked the First Minister and deputy First Minister for their view on the recent sectarian intimidation of the young schoolteacher from the Boys' Model School, Catherine Seeley. (AQT 682/11-15)

Mr P Robinson: I have already spoken on this issue, and my view has not changed. I deplore intimidation in the workplace, no matter where it takes place or against whom it is directed. People should get jobs on merit and should be allowed to carry out their employment in a peaceful and dignified way.

Of course, there are issues about education; there are also issues about fairness of employment in education. However, none of

those touches on the issue or justifies the intimidation of anybody in the workplace.

Ms Ruane: Gabhaim buíochas leis an gCéad-Aire as an bhfreagra sin. I thank the First Minister for that answer. When I was in the Department, that was one of the schools for which we approved a newbuild. I welcome the work that is going on in the school and particularly pay tribute to the young boys who stood up and were counted in tackling sectarianism.

As a supplementary question, I will say that there have been other attacks, including one at Ahoghill GAA club and in Bangor, so would the Minister like to give his view on those?

Mr P Robinson: I think that it is right that we publicly take the opportunity to express our condemnation of any attack on persons and property. We have had a long history of people trying to threaten and to intimidate. Indeed, a schoolteacher in Newry was killed over past years. There is a long history, which has to be deplored, of people trying to intimidate and impose their way on others. Let there be a very clear message from this Executive that intimidation, whether by verbal means, threat of violence or by actual violence, is to be deplored — past, present and future.

### **Ballykelly: Expressions of Interest**

3. **Mr Campbell** asked the First Minister and deputy First Minister whether there has been any indication of the potential of the Ballykelly site, given that the closing date for expressions of interest has passed. (AQT 683/11-15)

Mr P Robinson: The deputy First Minister and I took the trouble to go down to that site, and I have to say that we were both substantially impressed by the opportunities that we saw in the facility. We therefore gave a direction that the site was not to be sold, because it was to be for a use that would not have developed it to the potential that the area would have wanted. I think that, as a result, we have been vindicated by the level of expressions of interest.

Over 40 expressions of interest have been created. They include those from people who want to employ only one or two people on the site to those who want to employ thousands. In terms of finance, they range from those who want to rent the site to those who want to buy the site, some at very significant amounts of money, to some who want joint ventures and some who want trusts and community

organisations to have a role. So, those 40-plus expressions will have to be considered very carefully to see whether more than one of those uses could be on the site at the same time, because some of them are requesting use of only part of the site. I think that a massive opportunity for the north-west area could be drawn out of the site, and it could become a regional hub with very significant employment opportunities.

**Mr Campbell:** I welcome the First Minister's very positive announcement of the number of expressions of interest. Can he outline what criteria will be used to maximise the site's very positive potential?

On the subject of positivity, I also welcome the positive approach that the First Minister and deputy First Minister have taken to the site. It is much more positive than walking around the corridors of Stormont counting the number of people who do and do not speak to you, which makes you look and sound like a real loser.

Mr P Robinson: I will respond to the first part of that question, if the Member is content. I assume that he is recognising that decisions will have to be taken on the balance between whether we look at that site as one to create jobs, irrespective of what the income generation might be to government, or whether we want to maximise the amount of money that we get for the sale of the site. I think that the balance that we have had in other sites is in recognising their local importance, recognising the potential that they can have and seeing how they can change a local area's economy. I am pretty sure that, when it comes to looking at the criteria, a major factor will be how we can develop that site to be an economic hub for the area as a whole.

### **Child Poverty Act: Targets**

4. **Mr F McCann** asked the First Minister and deputy First Minister whether we will achieve the targets in the Child Poverty Act. (AQT 684/11-15)

Mr P Robinson: I think that all that any Executive can do is continue to push as hard as they can. Obviously, the targets became much more difficult because of the economic recession. Targets for child poverty are related directly to the ability of their parents and that very much comes down to whether people can get jobs. It is obviously a much more challenging factor as result of the increase in unemployment since the days when we had 4% unemployment in Northern Ireland. However, as my colleague indicated earlier, the trends in

the economy are with us. It is very clear that unemployment is coming down. The claimant count is coming down. That all indicates that more people are getting into work. Prosperity will, therefore, increase.

I have some problems with child poverty statistics in that we base them on median incomes and, therefore, will never get rid of child poverty. Poverty will always be with us if we base it on that. In fact, if you use that criterion, poverty in Northern Ireland is the same as poverty in India. Anybody who has seen the slums in India that the deputy First Minister and I saw on a recent visit will know that we are dealing with two entirely different situations. We are not dealing with world-recognised criteria for poverty. We are operating on the basis of relative poverty in Northern Ireland.

Mr F McCann: I thank the First Minister for his answer. In light of the findings in the OFMDFM-commissioned Institute for Fiscal Studies report, does he accept that the Delivering Social Change agenda needs to be mainstreamed in all Departments if we are really going to tackle child poverty?

Mr P Robinson: I am very proud of the Delivering Social Change agenda and the steps that we have taken in it. It requires the participation of all Departments to achieve its outcomes. In the Delivering Social Change agenda, we had a number of initiatives. When we bring out new proposals, they very often require new infrastructure to be put in place within the government system. That can take some time. I have high hopes that, as we move forward, the Delivering Social Change programme will flow out and we can build upon it.

The Member and I are in total agreement that, when young people grow up in this society, they should all have an equal opportunity to be able to progress and move forward. It must be in the interests of the Assembly to do everything that it can to use that human resource to the best possible advantage and to make sure that every child has the same opportunity.

### North/South Interconnector

5. **Mr Boylan** asked the First Minister and deputy First Minister, given Enda Kenny's recent announcement about a formal application for a North/South interconnector, to confirm whether their office has received representation from groups opposed to it and to

update the House on their thinking about the proposal. (AQT 685/11-15)

Mr P Robinson: I remember discussing the issue with the Taoiseach along with the deputy First Minister. My understanding was that most of the problem was in the South rather than in Northern Ireland and that most of it related to whether there was overhead or underground cabling. I will write to the Member to clarify whether the Department has received any objections. All that I can say to him is that I am not aware of them.

Mr Boylan: Go raibh maith agat, a Phríomh-LeasCheann Comhairle. Gabhaim buíochas leis an Aire as a fhreagra. I thank the Minister for his answer. Given the conflicting views on the issue, does the Minister believe that there should be a proper assessment of whether or not the project is needed to address the energy issues on the island?

Mr P Robinson: I do not think that there is any question about the need for the project. That was the one thing that we were all very clear about. How it is implemented is an issue of cost. I understand that the cost of underground cabling would be so high that it would make the project unfeasible. From that point of view, it is very clear what needs to happen. I recognise the rights of people to object because not everybody wants to have the kind of overhead cables that would be necessary going through their land or close to their property. However, as I understand it, it is absolutely essential that the project goes ahead.

### Childcare Strategy

6. **Mr D Bradley** asked the First Minister and deputy First Minister for an update on the implementation of the childcare strategy. (AQT 686/11-15)

### 2.45 pm

Mr P Robinson: The deputy First Minister and I have already made our statement announcing the childcare strategy. Perhaps the Member should go along with the Member for Strangford and visit the OFMDFM website. It is a project that delivers thousands of places in Northern Ireland, which, I hope, will be welcomed throughout the community. I am not sure whether the Member had any specific question or whether he doubted that we had the project under way, but it is now up and running.

### **Employment and Learning**

**Mr Principal Deputy Speaker:** Order. We will start with the listed questions to the Minister for Employment and Learning. Question 5 has been withdrawn.

### **Economic Inactivity**

1. **Mr Wilson** asked the Minister for Employment and Learning how the level of economic inactivity locally compares with other regions of the UK. (AQO 5497/11-15)

**Dr Farry (The Minister for Employment and Learning):** With your permission, Mr Principal Deputy Speaker, I was going to group questions 1 and 5 together and ask for an additional minute for the answer.

The current rate of economic inactivity in Northern Ireland, measured as a percentage of the 16-64 working-age population, for the third quarter of 2013 is 27·1%. This equates to more than 315,000 people who are neither in work nor actively seeking employment. It compares with 21·5% in England, 20·9% in Scotland, 23% in Wales and a UK average of 21·7%. Within the overall rate for Northern Ireland, 27% are students, 28·4% are categorised as long-term sick and disabled, 25·7% are categorised as having family commitments, 12·4% are early retirees and the remaining 6·5% are categorised as "other", for reasons such as a short-term illness or injury.

For several decades, Northern Ireland has consistently had the highest rate of economic inactivity in the UK. Economic inactivity has not historically been influenced by economic cycles and it is right that we now focus on tackling this long-term problem in a progressive and sustainable way. It is for that reason that the Northern Ireland Executive have made the unprecedented commitment to develop a strategy to tackle the difficult issue of economic inactivity. My Department and the Department of Enterprise, Trade and Investment have jointly developed a strategic framework document in conjunction with several other key Departments and have recently launched a 12-week public consultation exercise on the proposals, which will inform the development of the final strategy. This process will be complemented by a series of forthcoming public consultation events across Northern Ireland.

The final strategy will be the only dedicated government strategy in the UK that is targeted specifically at addressing the major socioeconomic issue of economic inactivity. I should

emphasise that this is a Northern Ireland Executive initiative; it is not about welfare reform, nor is it being driven from Westminster or elsewhere. It is a local initiative that is focused on finding real solutions to help people who are inactive because of health issues or caring responsibilities to go back to work when they are ready. Students or early retirees are not a focus for the strategy.

**Mr Wilson:** This is not a new issue. It is one that has persisted over 30 years through boom periods and periods of depression, so it is clearly nothing to do with a lack of jobs. Even during boom times, the issue was not addressed.

Given that it has been a long-term issue and it is clear that there is a whole group of people who either cannot work or will not work, is it time not for more consultation but for some action? Will the Minister tell us what specific proposals he has at the moment for contemplation that will address this problem and get these resources back into productive work in the economy?

Dr Farry: I thank the Member for his question and his interest in the matter. He is right to say that this has been a major long-term issue for our economy. It is a structural issue that we have to come to terms with. As a former Minister, the Member will appreciate the reality that we have to go through a public consultation on these issues. However, it is to the Executive's credit — and this was an Executive-wide initiative that was part of the Programme for Government — that they have realised that they have to address this issue. I stress that we are the only part of the UK that is currently developing such a strategy.

This will be a 10-year commitment across a number of Departments. We will need to look for additional resources in due course to make this a reality, but we hope to take the initiative forward through what we call a series of competitive pilots. We want to see proposals coming forward from the community and organisations so that they can put in place a number of different initiatives, whether on a Northern Ireland-wide or a local basis, test what is effective or less effective, and seek to scale those initiatives up across the board. That is an innovative way to address the issue, and there is a desire for a lot more innovation in Northern Ireland under devolution.

**Mr F McCann:** Go raibh maith agat, a Phríomh-LeasCheann Comhairle. I thank the Minister for his answers so far. How does he intend to develop measures and tackle areas of high unemployment such as in my constituency of West Belfast.

**Dr Farry:** The Member is right to say that inactivity levels will vary across Northern Ireland, and there will be parts of our region where there are considerable concentrations. Economic inactivity is a different category to unemployment, although there will be a correlation between patterns of higher unemployment levels and levels of inactivity. Again, I stress that it is about the community coming forward with innovative projects. We will, no doubt, see a greater volume of those from areas where levels of inactivity are most acute. On the back of the consultation, some organisations in the community are already beginning to give thought to different types of initiatives that could be taken forward.

Mr P Ramsey: It is most welcome that the Minister is coming forward with his strategy. Following on from Fra McCann's question, there is clearly historical economic inactivity in Northern Ireland, but there is much more cultural historical economic inactivity in certain areas, the north-west being one in particular. How will the Minister encourage and motivate to try to ensure that business or community groups come forward with realistic programmes to make a difference?

Dr Farry: The Member's question is on a similar theme to the previous question. There are some local angles in the north-west, and I can tell the Member that a specific public consultation event will be held in Derry on 13 March. That will complement events that are being held in Dungannon on 19 March and in Belfast on 26 March. I encourage Members and, indeed, any of their constituents and organisations in their areas also to attend those events. We will want to talk to those organisations to try to encourage proposals. We also have a skills and employability adviser in the north-west, and part of her role can be extended to encourage organisations to come up with ideas. We have the infrastructure in place to try to encourage proposals, particularly from the most vulnerable areas such as the north-west.

**Mrs Overend:** Recent labour figures show that the over-45s are more likely to be economically inactive here than in the rest of the UK. Does the Minister intend to take specific steps to address that trend?

**Dr Farry:** In spring 2013, we published a baseline study that set out the overall context

behind our economic inactivity figures. There is a whole host of variations compared with the situation elsewhere in these islands that relates to our particular circumstances. I stress that, to make a difference, we need to relate the type of projects that we take forward as part of the strategy to the particular characteristics of the economically inactive population. Hopefully, that fits in with the thrust of the Member's question.

### **Mivan: Employee Assistance**

2. **Mr Girvan** asked the Minister for Employment and Learning what assistance his Department is providing for the employees of Mivan, Antrim. (AQO 5498/11-15)

**Dr Farry:** I understand the deep impact of the loss of Mivan on its employees. My Department has been proactive in determining what steps we can take to assist employees facing redundancy to provide them with advice and guidance regarding upskilling and alternative employment. To this end, my officials have worked closely with Mivan since the initial redundancy statement was announced.

My Department's redundancy advice service has already started to deliver a tailored package of support to Mivan staff. It is working in partnership with a range of organisations, including the Social Security Agency, Antrim Enterprise Agency, Citizens Advice and Her Majesty's Revenue and Customs, to deliver the redundancy clinics, which took place at the Mivan offices on 22 and 29 January. Through this service, advice has been provided on alternative job opportunities and mentoring. access to training courses, entrepreneurship and careers, as well as advice on benefits and taxation. The service was delivered free of charge to all employees facing redundancy. My officials have received expressions of interest from a number of companies about exploring the possibility of redeploying affected staff. There has been liaison with Invest Northern Ireland and Mivan to ensure that those opportunities are brought to the attention of the redundant workers.

Finally, my staff in the jobs and benefits offices will continue to engage closely with those workers affected by redundancy. This is an approach that we have already successfully deployed to address other significant redundancies. Notwithstanding the job losses in relation to Mivan, our economy is growing and unemployment is falling. The prospects for our economy are strong.

Mr Girvan: I appreciate the help and assistance that has been given, albeit that quite a bit of it is looking at redundancy and access to unemployment benefits. I wonder what contact has been made on an interdepartmental basis between DETI and his Department to try to move forward with new initiatives to deal with these types of problems when they arise.

**Dr Farry:** The Member is right to highlight the importance of Departments working in collaboration around this issue. I believe that that has been the case in relation to Mivan and similar tragic situations that have arisen in the past number of years.

Obviously, Invest Northern Ireland is an important partner in this regard in terms of looking to other opportunities that may arise. We have the potential in relation to MGM, though that situation still has to be clarified with regard to any opportunities that may arise for existing staff to be able to apply for jobs that may well be created. We can also look to the resource of our local training colleges. If the demand is there, we can put in place some specific courses to help with retraining opportunities.

Often, when we come to these situations, we find staff who are very highly skilled. The difficulty has been that, in the past, they might not have gone through the process of having their skills formally accredited. Often, what is required is actually putting in place those procedures to get people the qualifications to allow them to sell themselves to other companies and employers. That is something that we are more than happy to look at.

**Mr Kinahan:** I, too, thank the Minister for the help with the Mivan employees. When he is talking to other Departments, has he looked at helping DSD's jobs and benefits and other organisations to have more resources to actually be able to help the people? That is one of the difficulties that has arisen.

Dr Farry: I cannot comment directly about the resourcing available through the Social Security Agency, but I am aware that my employment service's current resource base is overstretched. We are essentially resourced to deal with a jobseeker's allowance (JSA) live load of around 35,000. The claimant count is falling, but it is still just below the 60,000 mark. So there is considerable pressure on the front line, and I pay tribute to the work of our staff in helping people by giving them advice and signposting them to other opportunities. However, as and when these situations arise —

and, hopefully, they will be a lot fewer over the coming months and years — we will be quite clear in our commitment to follow through and to put in place the type of redundancy service that we have put in place in relation to Mivan.

Mr Allister: Does the Minister have any concern about how the Mivan situation was handled to result in the fact that none of the workers have any transfer of undertakings and protection of employment (TUPE) rights, because the redundancies were allowed to fall into place, and then, immediately, a new company came in to take over the premises and the buildings but gave no TUPE rights to the existing workers? Is that not an abuse of the arrangements that should be in place?

**Dr Farry:** We have had a public consultation on TUPE arrangements over the past number of months, and it is my intention to bring forward a paper to the Executive in relation to the future of TUPE in Northern Ireland. That is very much in line with a similar exercise — and, indeed, we were part of the consultation that was conducted — by the Department for Business, Innovation & Skills (BIS) for Great Britain.

I understand the Member's concerns, but, if there are concerns around how TUPE is being applied in any particular situation, those who are affected have rights and the ability to challenge decisions that have been made.

I cannot take a view on that particular situation, except to clarify once again that people do have recourse in the event that they feel that TUPE has not been properly applied.

3.00 pm

#### **DEL: Transfer of Functions**

3. **Mr McNarry** asked the Minister for Employment and Learning what steps he is taking to facilitate the early transfer of his Department's functions to match training provision and apprenticeships to job opportunities to the Department of Enterprise, Trade and Investment. (AQO 5499/11-15)

**Dr Farry:** Matching training to jobs is addressed through a number of measures. In January, I made a statement to the Assembly to announce the findings of the review of apprenticeships. The review's interim report sets out the blueprint for Northern Ireland's future apprenticeship programme. It is a model that puts employers at its very heart and matches better supply with demand. In parallel

with that review, a review of youth training is being undertaken to ensure that provision meets the future needs of business by developing a highly skilled workforce.

This year, the careers review will consider how young people are encouraged to align their education, training and apprenticeships with current and future job opportunities. I am keen to expand higher and further education places in Northern Ireland and, to date, have been able to negotiate funding for an additional 1,350 places. All the additional places are in the science, technology, engineering and mathematics (STEM) subject areas, as I believe that they are key for the future of our economy. My Department has worked closely with the Department of Enterprise, Trade and Investment in the production and implementation of the Success through STEM strategy. I also chair a series of working groups on ICT, advanced manufacturing and food and drink manufacturing. The Department of Enterprise, Trade and Investment is also represented on those bodies.

The Executive are committed to an overarching review of Departments, and the First Minister and the deputy First Minister have indicated that they are content to await the outcome of that review before taking any decisions on the future of the Department for Employment and Learning. That may well see a consolidation of economic functions across a number of current Departments within a new Department of the economy.

**Mr McNarry:** I thank the Minister for his answer, but, if we can cut to the chase, will he accept that a Department responsible for training that has resulted in 5,000 unemployed teachers simply cannot continue to manage teacher training?

**Dr Farry:** I am afraid that the Member is ill informed. My Department does not set the teacher training numbers. We simply resource the teacher training colleges. The number of teachers allocated to teacher training is solely a matter for the Minister of Education.

**Mr Flanagan:** I thank the Minister for his answers. In my role as an MLA, I, like many others, regularly engage with businesspeople, and the message that I hear from them, particularly those in medium-sized businesses, is that they have a large number of positions that they want to fill. I then speak to highly skilled, highly qualified people who cannot find a job. How does the Minister propose to bring the two problems together to find a solution?

**Dr Farry:** I am grateful to the Member for putting his finger on what is a constant source of frustration in our economy and, indeed, many other economies around the world. There is a certain mismatch between supply and demand, and that happens also in areas in which we are investing in training and upskilling. We need to be much more efficient if we are to ensure that our economy grows to its maximum and our voung people find themselves lucrative careers and sustainable jobs. We can be much more efficient in what we are doing to address that particular problem through a number of measures that I outlined in the principal answer. In particular, I highlight the review of apprenticeships. Apprenticeships are perhaps the purest way of matching training to employers' needs. As the Member knows, we are out to consultation on the findings of the review of apprenticeships.

We are also working on the review of youth training, which will support interventions at that level. In particular, we need to look at what we do in the universities and encourage people to study subject areas that are more likely to lead to secure jobs in the economy. That is why we place such a focus on STEM subjects. I am pleased that we are making progress in all those areas, but we need to keep the work going.

**Mr Lyttle:** I thank the Minister for his answers so far. Will he give us an update on the review of apprenticeships and the role that he sees them playing in upskilling the Northern Ireland workforce and leading to high-value, sustainable employment?

Dr Farry: I am grateful to the Member for his question. As the Member will know, last month, we announced the outcome of the review of apprenticeships, which is out for public consultation. I am pleased with the response that we have received to date from a number of stakeholders. This provides a very exciting new platform for training in Northern Ireland and should radically transform our skills infrastructure. We are taking forward a number of other initiatives on apprenticeships while the public consultation is under way. They include work on the funding model to ensure that we are gathering the resources available to us to have the greatest impact on delivering results.

We need to work with small businesses in particular. As Members know, a disproportionate share of our economy is linked to small businesses, and it is important that we try to address the barriers to recruiting apprentices that they may face in the future. We are developing a number of different

models to see how we can provide a mechanism to allow small businesses to engage with our model. It is a problem that is uniform across the world. However, hopefully, with good innovation under devolution, we can find the means to crack it. Bear in mind that it is a new start for Northern Ireland. We are changing the apprenticeships model from a level 2 and level 3 intervention to level 3 up to level 8 and expanding it to a range of new occupations. I strongly recommend it as a major plank of our future skills offerings.

#### **FE Means Business**

4. **Mr Buchanan** asked the Minister for Employment and Learning to outline the role that regional colleges will have in the delivery of his Department's Further Education Means Business strategy. (AQO 5500/11-15)

Dr Farry: Our further education sector is a major asset to the Northern Ireland economy and wider society. The Department's role is to set the strategic direction for the sector in Northern Ireland, fund colleges to deliver my strategic priorities for the sector and monitor the extent to which colleges meet the targets they are set. Following a major process of evidence gathering and consultation, the current Further Education Means Business strategy was agreed in 2004. The strategy confirmed the role of further education as being to strengthen economic and workforce development, to enhance social cohesion and to advance individuals' skills and learning. The objectives of FE Means Business included raising the skills and qualification levels to meet the needs of employers and the wider economy; ensuring that colleges provided an economically focused curriculum; providing support to employers; developing flexible approaches to learning; and ensuring quality in keeping with best international practice. The main achievements of the strategy include the rationalisation from 16 to six colleges, increased enrolments, increased levels of learner achievement, which are now at 87%, and strong support to employers.

We are committed to a new strategy for further education. That is at the early stages of development. However, building on successes in recent years, the vision is that colleges will have a detailed understanding of the changing needs of employers and learners, that they will develop and deliver services and curriculum in an innovative and inspirational manner, and that they will have a strong ethos of self-improvement. I can confirm that the Department will work closely with the further

education sector and other key stakeholders in the development and implementation of the new strategy.

**Mr Buchanan:** I thank the Minister for his answer. Will he tell the House how he sees the strategy being different in delivery from all the other strategies already in the system?

Dr Farry: I am grateful to the Member for his question. It is important that the House understands the full remit of my Department and the areas that we cover. The most important strategy that we have is the skills strategy, which was agreed by the Executive in 2011 and sets the overall skills requirements that we need to meet in Northern Ireland over the course of the decade. That will be supported by a number of different strategies. We have, for example, the higher education strategy, which looks at higher education issues; we are working on a review of apprenticeships; and we have a widening participation strategy to ensure that we bring more people into higher and further education. Within that spectrum of strategies, FE Means Business, which is our further education strategy, is now 10 years old, and it is time that we refresh and renew that and look to put in place a strategy that will take us forward over the next 10 years. I know that the Member is very aware of the potential of further education, and I stress that it is a sector that is likely to grow over the next 10 years. As we look to develop our new model of apprenticeships and increase the number of people taking foundation degrees, the role of further education will be critical in ensuring that we match the needs of employers with the areas in which we are investing in training and education.

**Mr Byrne:** Can the Minister state whether the regional colleges have enough resources and the ability to provide STEM courses within the remit of the strategy that he outlined?

**Dr Farry:** It is probably fair to say that the simple answer is no. At present, all six colleges are stretched in what they are doing, and what we can do to assist them is very much foremost in my mind. In the current round of efficiency savings during this CSR period, the colleges were less affected than other aspects of my Department's work and, indeed, than other aspects of the public sector. Nonetheless, they are in a challenging situation. As we look to the future of the economy, and bearing in mind what I just said to Mr Buchanan, we will need to be mindful of making sure that we put in place adequate resources for the FE sector to ensure

that we all live up to our potential and seize opportunities for the future.

Mr Beggs: What engagement has the Minister had with small and medium-sized enterprises on FE Means Business, particularly directly or through intermediary bodies such as the Federation of Small Businesses (FSB)? How will he assure businesses that training will be provided locally and therefore minimise the associated pressures on staff time and travel?

Dr Farry: First of all. FE Means Business was developed back in 2004, so I cannot comment specifically on the nature of engagement with the small and medium-sized enterprises sector. although there is no doubt that it was considerable. What I can answer for is what happens today. We work very closely with the representative bodies of small and mediumsized enterprises, including FSB and the Northern Ireland Retail Trade Association, to take forward and evolve strategies and action plans. They have been represented, for example, in our review of apprenticeships and in the review of youth training. Indeed, as we take forward our review of the FE strategy, they will be closely involved.

Beyond the formal process of devising policy, there is ongoing engagement with FSB, particularly on further education. Indeed, it is more than happy to sponsor different types of awards. I know that a number of Members have been to some of those events and have seen at first hand how closely small and medium-sized enterprises engage with colleges. We are, in fact, trying to encourage the FE sector to be the first point of call for advice for businesses, particularly on some research and development activity.

## **Employment: People with Learning Disabilities**

6. **Mr Hilditch** asked the Minister for Employment and Learning to outline the employment opportunities available to people with learning disabilities who are leaving school at 16 years old. (AQO 5502/11-15)

**Dr Farry:** My Department provides a range of programmes and services that help young people with learning disabilities to move towards their employment goals. The provision covers support in adult education, careers advice and guidance, training and skills development and employment support.

Through its provision of careers advice and guidance, the Careers Service is the first point

of contact for young people. In particular, during transition planning meetings, advisers support the young person and their parents or guardians by offering independent advice on their options, such as training or supported employment opportunities.

My Department's disability employment service delivers tailored support to people with learning disabilities through a range of specialist services and programmes to help them to achieve their employment goals. That provision can include local disability organisations, some of which specialise in support for people with learning disabilities.

The Department is developing a new disability employment strategy in conjunction with the local disability sector. An emerging theme is a renewed focus on young people with disabilities and the implementation of a more employment-focused transition service. The Department's adult education and skills provision gives people with learning disabilities additional support to help them to overcome specific difficulties. That can include more flexible entry criteria, specialist equipment, specialist support providers or additional financial help.

Under the European social fund programme and the Pathways to Success strategy, a number of projects are being delivered to help people to achieve sustainable employment. The projects support a range of individuals who experience disadvantage, including those with learning disabilities.

Finally, my Department works with the Children and Young People's Strategic Partnership, which is a regional cross-sector strategic group of key agencies from health, social services, education, policing, housing and the voluntary and community sectors. The partnership has a transitions subgroup, which is addressing the issue of transitions across front line providers.

#### 3.15 pm

**Mr Principal Deputy Speaker:** Apologies, Mr Hilditch; we are out of time. We must now move on to 15 minutes of topical questions.

## Queen's University/Stranmillis: Proposed Merger

1. **Lord Morrow** asked the Minister for Employment and Learning for the current status of Queen's University and Stranmillis, following his statement to the House on 13 May 2013 in which he effectively brought the proposed merger to an end. (AQT 691/11-15)

Dr Farry: I am grateful to the Member for his question. He will appreciate that we are going through a two-stage review of the future training infrastructure in Northern Ireland. We are in phase 2, and the panel that has been appointed is working with the different providers. We have received a number of submissions from a range of different individuals and organisations. The issue of the specific merger between Queen's and Stranmillis is something that I inherited when I assumed office in May 2011. It quickly became clear that there was not the necessary support in the Assembly to take forward that merger and it was essentially subsumed into the two-stage review of teacher training. The official position of the Department is that we would still like to see the merger proceed. Stranmillis's response to the two-stage review has superseded its support for the merger. though, of course, it remains one of many scenarios that may emerge on the back of the report that I am expecting in the spring of this vear.

Lord Morrow: I thank the Minister for his answer but I am still not quite sure whether he is in support or not. He said that there was not sufficient support in the Assembly for him to proceed down that road. Bearing that in mind, I suspect — maybe he does not — that the position is as it was then, which is that there is still not the support for that. Do you intend to resurrect the merger or what line do you intend to take, bearing in mind that you said that you felt that there was not the support for it?

Dr Farry: In November 2011, I made it clear that the Department and I believed that the merger had significant merit and should proceed, but there was not the support to take it forward. I respect that, and Members are entitled to have their opinion. However, we are now looking at a much bigger issue than simply the future of Queen's and Stranmillis as it pertains to teacher education, and we need to have a holistic view of the entire teacher training infrastructure. That is what the current review is seeking to do. It is possible to imagine a whole range of different options that may emerge from the current expert panel that is taking forward the issue. I cannot predict whether it will recommend the Queen's/Stranmillis issue on a stand-alone basis or as part of a wider series of options or. indeed, as a subsection of a much bigger option. That remains an open question. We will see where we go on the back of that report. However, I will be taking forward discussions with the different providers during the later half of this year, and that will be a discussion without prejudice to whatever particular scenarios we wish to discuss.

#### Students: ROI Costs

2. **Mr Allister** asked the Minister for Employment and Learning the current cost to his Department of providing free education for students from the Republic of Ireland in our further education colleges. (AQT 692/11-15)

**Dr Farry:** If the Member can be patient for two seconds, I will hop forward to question 15, which we did not quite get to as part of the formal session, and give him the precise figure.

For the 2012-13 academic year, the figure was £7,120,887. Hopefully, that is accurate enough for the Member.

Mr Allister: Can the Minister give any indication to the House of whether there have been or will be any efforts to recoup any of that money from the Republic of Ireland, bearing in mind that there is also a figure of £4 million or £5 million for the cost of educating Republic of Ireland students in our universities?

Dr Farry: The Member is quite right to draw attention to the issue. It is important that we encourage a natural flow of students in both directions on the island of Ireland. At present, the flow is predominantly in one direction, which is from South to North, and it is an issue in further and higher education. As a former Member of the European Parliament, the Member knows well that we do not have any legal basis on which to seek to recoup these funds from the Government of the Republic of Ireland —

**Mr Allister:** That is why we would be better off out.

**Dr Farry:** I am not sure whether the Member gets a third go. Let me continue with the answer I was giving.

We have to bear in mind that there are some underlying causes as to why we have these discrepancies. A 2011 report on higher education from the Irish Business and **Employers Confederation and the** Confederation of British Industry sets out the issue well and points to a number of barriers that are being addressed, particularly in relation to the recognition of A-level grades in Northern Ireland. We have now seen some very small but welcome progress, with the announcement, last week, by Trinity and Dublin City University. We want to see that across the board. We need to do more in careers advice and ensuring that people are aware of the opportunities to study in the Republic of Ireland.

When we look at further education, we see that there is a particular problem in the north-west of the island. This reflects a lack of equivalent level 2 and level 3 provision in County Donegal. Around three quarters of the flow is in that corridor. We are having discussions with our counterparts in the Republic of Ireland on how we can encourage them to better invest in their vocational training opportunities in that geographical area, which, in the long term, will address the issue. It is also an issue that has been raised as part of the North/South Ministerial Council.

May I stress for the benefit of Mr Allister that we benefit massively from Northern Ireland's membership of the European Union. The sums we receive by way of the European social fund, the European regional development fund and Horizon 2020 dwarf any distortion that we happen to see, as bad as it may be, in the medium term in relation to student flows.

## North West Regional College: Industrial Relations

3. **Mr P Ramsey** asked the Minister for Employment and Learning whether he realises or finds it acceptable that the North West Regional College improvement team has not met, given that it is almost 12 months since the Harry McConnell report on industrial relations. (AQT 693/11-15)

**Dr Farry:** In some ways, I am pleased that Mr Ramsey has raised the issue of the North West Regional College, as it is becoming a source of frustration to me that we have not seen the action plan being fully implemented. I feel obliged to draw attention to where I believe the main source of the problem lies at this stage: the actions of the regional branch of the University and College Union (UCU), which, despite numerous attempts and offers, has not formally engaged with staff in taking forward the action plan.

I stress that the North West Regional College should be looking to have a bright new future. There have been serious industrial relations problems in the past, and they have been documented well in the McConnell report. It is important that we move past those as quickly as we can because, as the Member knows, the economy in the north-west needs particular revitalisation, and the college has to be a key partner in that regard. It is my concern that, the longer this goes on, it will become a distraction from what should be the real job for the college, which is to support young people and employers in the north-west.

Mr P Ramsey: It is a subject that I was hoping not to raise again, but I accept some of the points that the Minister makes in going forward. The Minister's information from the board of governors is one-way traffic. The board unilaterally changed the college's action plan without any discussion with any other membership body or trade union movement within the college. Does the Minister find that acceptable? Is it not the case that he should be intervening once again in the college's industrial relations?

Dr Farry: It is important to stress that it is the job of the governing body to run the college. I have confidence in the governing body, and, as the Member knows, we are going through a transition in relation to the chairperson. I am meeting the acting chairperson this Friday to discuss the college and, in particular, the issues that the Member will be aware of. I reiterate this: fundamental to moving the college forward is the local UCU branch engaging with the staff on the delivery and implementation of the action plan.

## Teacher Training: Catholic Certificate in Religious Education

4. **Mrs Overend** asked the Minister for Employment and Learning, given his role in teacher training, to outline his stance on the requirement that teachers can be appointed to Catholic maintained nursery or primary schools only if they hold a Catholic certificate in RE, bearing in mind the unfortunate situation with the teacher Catherine Seeley and the Boys' Model School, which highlights the reality that, if we are moving to a more normal society, there will be new "norms", including members of one traditional community becoming embedded in another. (AQT 694/11-15)

**Dr Farry:** I am grateful to the Member for her question. It barely relates to my direct responsibilities as Minister because the matters that she outlined are primarily responsibilities of the Minister of Education. I want a situation in which any teacher who is professionally trained is capable of teaching in any type of school, irrespective of his or her background, whether that be political, religious, gender, sexual orientation, disability or any other type. That should be the norm in a healthy modern society.

As part of the current review of teacher training, I want to look at some of the entry requirements to the colleges and, in particular, to try to address the anomaly that St Mary's is not using the UCAS system for admitting its students

whereas Stranmillis and the others are. That almost gives some students a second bite at the cherry in trying to access a precious teacher training place. We also need to look at the anomalies in fair access to the certificate in religious education. There is a wider issue of whether that should be a requirement for employment, which should be considered by the Office of the First Minister and deputy First Minister alongside the Minister of Education as an equality issue. However, under my responsibilities, I want a level playing field in access to the certificate.

Mrs Overend: In April 2013, the Assembly passed an Ulster Unionist motion calling for an end to an exception to fair employment law that allowed discrimination on the grounds of religious belief when appointing teachers. The Minister mentioned some of the ideals that he wants to see. What progress does he hope to achieve before the end of his term?

**Dr Farry:** I reiterate my personal support for that motion, and hopefully that will come to fruition through other channels in the near future. As part of stage 2 of the review of the teacher training infrastructure, I want those equality issues to be addressed. We have acknowledged them in the past, and they are ongoing issues of concern. Indeed, there is a sense of grievance, and I believe that they need to be overcome in some manner. I will put them on the agenda for our future discussions with the different providers.

#### Welding: ISO 9606-1

5. **Mr Douglas** asked the Minister for Employment and Learning whether he is aware of the lack of provision to train or to upskill welders to European standards, such as the ISO 9606-1 approval system for coded welders, to meet the growing opportunities for welding jobs offshore and in Northern Ireland. (AQT 695/11-15)

Dr Farry: I thank the Member for his question. I appreciate the concern that has been voiced about some perceived opportunities that have been missed in the past number of months. We are moving to a situation in which our training programmes are much more demand-led than has been the case in the past, and, in particular, our reviews of apprenticeships and youth training are designed to ensure a much purer form of demand-led provision. We may see requirements for more investment in particular welding skills. Within welding, there will be different standards that people can be trained to and different situations, particularly

offshore welding, where different types of training are required. I give the Member a commitment that our infrastructure will respond to the needs of industry, and we are happy to have further discussions with him or, indeed, anyone who wants a meeting to raise his or her concerns so that we can work through a way to address that.

I would signpost anyone to our skills solutions service as the first point of call for having a discussion at employer level.

3.30 pm

## **Executive Committee Business**

# Spring Supplementary Estimates 2013-14 and Vote on Account 2014-15

Debate resumed on motion:

That this Assembly approves that a total sum. not exceeding £15.530.883.000, be granted out of the Consolidated Fund for or towards defraying the charges for Northern Ireland Departments, the Northern Ireland Assembly Commission, the Assembly Ombudsman for Northern Ireland and Northern Ireland Commissioner for Complaints, the Food Standards Agency, the Northern Ireland Audit Office, the Northern Ireland Authority for Utility Regulation and the Public Prosecution Service for Northern Ireland for the year ending 31 March 2014 and that total resources, not exceeding £16,606,564,000, be authorised for use by Northern Ireland Departments, the Northern Ireland Assembly Commission, the Assembly Ombudsman for Northern Ireland and Northern Ireland Commissioner for Complaints, the Food Standards Agency, the Northern Ireland Audit Office, the Northern Ireland Authority for Utility Regulation and the Public Prosecution Service for Northern Ireland for the vear ending 31 March 2014 as summarised for each Department or other public body in columns 3(c) and 2(c) of table 1 in the volume of the Northern Ireland spring Supplementary Estimates 2013-14 that was laid before the Assembly on 3 February 2014. — [Mr Hamilton (The Minister of Finance and Personnel).]

The following motion stood in the Order Paper:

That this Assembly approves that a sum, not exceeding £7,062,352,000, be granted out of the Consolidated Fund on account for or towards defraying the charges for Northern Ireland Departments, the Northern Ireland Assembly Commission, the Assembly Ombudsman for Northern Ireland and Northern Ireland Commissioner for Complaints, the Food Standards Agency, the Northern Ireland Audit Office, the Northern Ireland Authority for Utility Regulation and the Public Prosecution Service for Northern Ireland for the year ending 31 March 2015 and that resources, not exceeding £7,545,788,000, be authorised, on account, for use by Northern Ireland Departments, the Northern Ireland Assembly Commission, the Assembly Ombudsman for Northern Ireland and Northern Ireland Commissioner for Complaints,

the Food Standards Agency, the Northern Ireland Audit Office, the Northern Ireland Authority for Utility Regulation and the Public Prosecution Service for Northern Ireland for the year ending 31 March 2015 as summarised for each Department or other public body in columns 4 and 6 of table 1 in the Vote on Account 2014-15 document that was laid before the Assembly on 3 February 2014. — [Mr Hamilton (The Minister of Finance and Personnel).]

Ms Lo (The Chairperson of the Committee for the Environment): I welcome the opportunity to outline the Environment Committee's views on the motion.

In comparison with other Departments, DOE's budget is one of the smallest, but the services that it provides are no less important to the people who live in this region. The Committee gave its support to DOE's proposed budget at the start of the year and will welcome the net increase in resources to be allocated to it.

Of particular interest to the Committee is the significant increase in funding available to the Northern Ireland Environment Agency (NIEA). During the past year, the agency has faced increased pressure on its resources from a number of directions. The Committee heard recently from the Department of its role in providing support and guidance to the management trusts, which administer areas of outstanding natural beauty, as well as addressing poor water quality in our rivers and lakes.

NIEA also has a vital role to play in fighting environmental crime. The Committee agreed that it was appropriate for staffing levels to be increased in the environmental crime unit to deal with illegal waste, particularly when it is on the scale of the recent incident at Mobuoy, where more than 0.5 million tons of illegal waste has been dumped. The Mills report estimates that £250 million may be required to clean up the sites and states:

"Waste crime is not just damaging the environment; it is damaging the economy in Northern Ireland."

I therefore hope that extra money will be made available in future bids, if DOE needs financial assistance in that respect.

The Committee also supports the additional allocation of resources to local government. Members are very much aware of the widespread changes to be introduced over the next year as shadow councils begin the review

of public administration (RPA) process for local councils and realise how vital the provision of adequate resourcing will be to the success of the new roles and structures. However, it is concerning that the provision for planning, both policy divisions and services, is to be significantly reduced by more than £2.5 million at a time when preparation is under way for the transfer of those functions to local government.

The Committee also places great emphasis on the provision of road safety services and will be concerned to note that this area, too, has had a cut in its resources. The Department recently provided a comprehensive update on its work on road safety, but the Committee is very conscious that adequate funding is vital to the ongoing support of this work.

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

The Committee has largely been supportive of DOE's bids during the past year and, in considering the Vote on Account, stresses the importance of making sure that the necessary funds continue to be made available to DOE so that it can continue to deliver its programmes and conduct its functions effectively. On behalf of the Environment Committee, I support the motion.

I will now make some comments as an Alliance MLA. The maintenance of designated sites is funded from a combination of the DOE's budget for the management of sensitive sites and DARD's agrienvironment scheme moneys from the rural development programme pillar 2 budget. The next rural development programme will not be funded to the same level because of the zero percent transfer from pillar 1 to pillar 2.

DARD is preparing an agrienvironment scheme that will have two strands: a wider area scheme for all farmers; and a targeted one for those whose land contains designated sites. Without adequate co-funding, they will not be effective. In any case, there is a risk that the wider scheme will detract from the targeted one and that the NIEA will have to make up the shortfall.

DOE operates a centralised education and outreach programme that has to cover everything from road safety to conservation. Funding aimed at explaining the importance of our natural environment, including the cause and effect of climate change, is very limited. It merits an increase.

As the Alliance Party spokesperson on culture, arts and leisure, I want to raise the issue of the

resource allocation to National Museums NI (NMNI), which received a budget of £12.9 million, including £10-6 million for staffing costs, in the 2013-14 financial year. National Museums NI recognises that its curatorial base has reached low levels, and it has identified a number of key posts that it should prioritise for recruitment. Given that the number of curators fell from 28 in 2008 to 16 in April 2013 — that number is even lower today, as there is no plan to replace the curator at the Ulster American Folk Park — there is real concern about how DCAL and NMNI will meet their statutory obligations to improve the standard of collections care and management in Northern Ireland's museums.

Mr Frew (The Chairperson of the Committee for Agriculture and Rural Development): I will cover the work that the Committee has done on scrutinising the DARD capital and resource budgets. I will mention some of the budgetary and financial issues and constraints that have been debated in Committee and in the Chamber over the past few weeks.

The Agriculture Committee takes regular briefings on budgetary and financial matters as part of its ongoing remit to scrutinise its Department. We last did so just before the Christmas recess, when we heard about DARD's plans for the January monitoring round. In the financial year 2012-13, DARD achieved an out-turn of 99-8% on resource and 98-9% on capital. DARD hopes to achieve the same level of performance in this financial year, and we as a Committee will scrutinise and call the Department to account if it does not.

We heard that, during the year, it had to give up moneys to ensure that it met those targets. It gave up money that it cannot spend this year on the proposed new IT system for animals and food products, to be called the Northern Ireland food animal information system (NIFAIS). It is the replacement for the current animal and public health information system (APHIS). The Committee is concerned about that because APHIS and its replacement are essential to the agrifood industry, enabling traceability and, thus, trade in Northern Ireland and internationally.

One of the main financial issues exercising the Committee and that I wish to cover is that of the budget for the new rural development programme 2014-2020. All here are aware that the Agriculture Minister's decision to transfer 7% of funding from CAP pillar 1 to pillar 2 was successfully challenged in the courts. That decision means that €137.5 million is retained in the pillar 1 budget over the 2014–2020

period, and that goes directly to the farming community. The Minister indicated that she will now go to the Executive on the issue. The Committee took oral evidence recently from a range of organisations. In discussions, it indicated that it is content and indeed supports the call for Minister O'Neill to go to the Executive. However, the Committee will need to see the detail of any proposals before it can endorse them.

People are linking the issue of funding for the rural development programme to the Agri-Food Strategy Board's document 'Going for Growth'. It was published in May 2013 and has a stated request of £400 million from central government. As the Chamber will be aware, agrifood and that strategy are key targets in the Programme for Government which fall jointly to DARD and DETI. It should not be linked exclusively to the rural development programme (RDP), but there will be some important overlap that I will elaborate on.

The agrifood industry is very important to Northern Ireland. It has substantial potential to create jobs and wealth. It employs 27,000 in the food and drink processing sector and another 47,000 in farming. There is real potential to grow the industry even further with an estimated extra 15,000 jobs and a growth in sales to £7 billion. Those jobs and that wealth can be spread across Northern Ireland, and, with the right financial incentives, that growth could soon happen. The industry has told us that the opportunities are there now, ready to be acted on. We have been told that an immediate three-year commitment of £400 million could yield immediate results in jobs and wealth creation. It could also lever in investment of over £1.3 billion from the industry.

Many of the proposals in 'Going for Growth' sit very well with the proposals in the RDP. There is near-perfect alignment with the farm business investment scheme, but we need to know what is happening and how the funding required for the rural development programme and 'Going for Growth' will be realised.

We know that some movement has been made with the recent announcement by the ETI Minister of the agrifood loan scheme. I wish to congratulate the ETI Minister and the Finance and Personnel Minister on that initiative. Many local farmers have shown an interest in the scheme, and we hope to see a rapid development in capital investment for poultry houses in the near future. Alongside that are the recent announcements on a coordinated approach to, and ease around, planning issues.

That proves that, when we put our minds to it, a joined-up approach can and does work well for our industry. On behalf of the ARD Committee, I would welcome any indication from the Minister of Finance and Personnel that those issues have been discussed at the Executive and are beginning to impact on the financial planning and budget of the Executive.

Another financial issue concerning the Agriculture and Rural Development Committee is the budget and eventual cost of the proposed trap, vaccinate and release (TVR) exercise to combat bovine TB. DARD has been preparing for some time — too long, I believe — to undertake pilots of TVR of badgers. We are aware that the scheme could be costly, and have been asking for some time for indicative costs and timetables. There is no doubt that bovine TB is costly to the Northern Ireland economy and purse, but it is also costly to individual farms, farmers and the industry in general.

Every monitoring round, departmental officials come to the Committee and indicate that they will be seeking additional millions of pounds from the Executive to help pay the costs associated with this disease. We had a little bit of good news in the last monitoring round with the receipt of £3 million of additional EU vet funds. After consulting with DFP, the Department has been allowed to use that to offset the additional costs of TB compensation. That underlines why we need to ensure that any scheme to tackle bovine TB is costeffective, represents an efficient use of resources and is capable of being delivered in a timely manner. We expect that the cost of TVR will be in the 2014-15 budget, and we look forward to hearing from DARD on that aspect.

The Committee has also been briefed on the capital funding DARD will need to deliver flood alleviation measures over the next four financial years. In 2014-15, it will require £2·8 million. In the period to 2017-18, that will rise to around £18 million. Flooding is on the mind of everyone at the moment. We have all seen the destruction that the winter storms have brought to our shores. Over the past few years, every MLA has been all too familiar with flooding and the devastation and misery it brings to families, so we are pleased that DARD and the Rivers Agency are taking it seriously and that the finance will be available to carry on this important work in 2014-15.

The Committee has also taken a keen interest in tree disease, and we are pleased to note that it has been a while since any new cases of ash dieback were discovered here. It is, therefore, more disappointing when we hear that there have been further and substantial outbreaks of larch tree disease. We are also pleased to note that DARD and the Forest Service took the advice offered by the Committee and offered a restocking grant to those landowners who were affected by ash dieback. However, we are still concerned about the lack of legislation on prenotification for five other tree species that are at serious threat.

#### 3.45 pm

Throughout Europe and, indeed, the world, tree disease is on the rise, and the cost of tackling it is rising also. DARD and Forest Service tell the Committee that they are handling this with their current allocation of resources. There has also been a transfer of plant health functions from DARD to Forest Service, which will apparently help. However, the Committee still has doubts about whether the cost of tackling tree disease in Northern Ireland has been properly costed and is correctly resourced.

Finally, another major financial issue for the Committee is the DARD headquarters relocation. Although we are still awaiting the business case for the main relocation of the DARD headquarters to Ballykelly, the Committee has not lost sight of the fact that many DARD functions will move to other locations. For example, fisheries will move to the east coast, forestry to Fermanagh and the Rivers Agency to Desertcreat. All that will come at a cost. DARD officials told the Committee that it will cost an estimated £18 million in capital over the next four financial years. Although the expenditure in 2014-15 will be minimal, as a Committee, we want to make sure that the costs that are associated with the proposed DARD headquarter relocations are correctly estimated and, importantly, adhered to. That is the big task for DARD in this incoming financial year.

Ms Boyle: Go raibh maith agat, a LeasCheann Comhairle. I welcome the opportunity to speak on the spring Supplementary Estimates. As a new member of the Committee for Finance and Personnel, I welcomed the opportunity of a briefing to the Committee from departmental officials from the central expenditure division. Speaking as an individual MLA, I can say that, since that briefing, a number of significant allocations and easements have been made over the three monitoring rounds. I just want to pay a wee bit of attention to DARD's allocation of £17 million of resource and £4·6 million in capital.

One of the main modules is a £3 million. allocation for the common agricultural policy and the £5.3 million that the Executive allocated for the hardship scheme. Given that the Chair of that Committee has just spoken, I will not labour the other aspects of the funding in that budget. However, I want to pay some attention to the hardship scheme and to the muchneeded funding that has been allocated to it to assist farmers who were affected by adverse weather recently and in March 2013 for such things as fodder and the disposal of fallen animals. All the funding that was given to farmers arose out of the snowstorms in 2013 and was much needed. I commend the Executive and Department for acting swiftly on the hardship scheme, and I also commend the Minister for visiting all the affected areas.

Given that, as recently as lunchtime today, we were given a yellow warning for severe weather over the next week, that payment should be available immediately if we are faced with the extreme weather conditions that we faced last year.

I also briefly want to major on the A5 and the £108 million that was handed back and reallocated to capital projects in the Department of Health and DRD. Given that the Executive gave a commitment to the A5 and that the Minister has continually repeated in the House that the A5 is deferred and not shelved, I am concerned that that construction should start soon because of the impact that would have right across the west.

Although DE is providing the money in the education budget for the campus at Lisanelly, with an estimated budget of £120 million that will cater for almost 4,000 pupils, we have been given reassurances and a commitment from the Minister that funding for the campus will be ringfenced. Such is the importance of the project in my area, the Executive have included a specific target in their Programme for Government to progress work on the site. Indeed, the project will enhance the facilities that we have there.

I particularly commend Departments for continuing to work in a sensible way on their budgets. Although I am not speaking as Chair of the Public Accounts Committee (PAC), I commend the work of that Committee in highlighting best and worst practice in departmental spend. The PAC, from time to time, will make recommendations on how best Departments can manage their budgets in a sensible and mature way.

I do not think that Members will have any difficulty with supporting the Estimates

resolution, and on that basis I support the motion

Mr Storey (The Chairperson of the Committee for Education): Members will recall that we have all made contributions to this debate over the past number of years of this mandate. Last year, I contributed to a similar debate. On that occasion, I indicated that the Committee for Education had received the monitoring round information and questioned the Department throughout the financial year on its spend. I also advised the House that the Committee had endeavoured to track the changes in spending that had manifested themselves in the spring Supplementary Estimates.

As I said then, this is not an easy process for any Member or Committee to be involved in. In the first place, the Estimates can be very difficult to navigate. As other Members have mentioned, the format of the document makes it hard to sometimes identify the key changes in budget spend. For example, the increase in the net resource requirement for the Department of Education is a worrying £52 million. However, after some inquiries, it becomes clear that that is largely due to the misalignment between the 2010 opening budget and the present position. That, however, is not explained in the Estimates.

There is also an almost equally worrying increase in the net resource requirement for the teachers' pension scheme of some £10 million. Again after making some inquiries, I understand that that is a consequence of the re-evaluation of pension liabilities. The basis of that is also not explained in the Estimates document. So, there are issues that arise that make it challenging for Committees and Members to scrutinise and ensure that they have a proper understanding of the process that is before them.

The Committee will, of course, continue to ask the right questions of the Department of Education in respect of its spending. However, I suggest that, as part of the ongoing review of the financial process, consideration is given by the Minister and his Department to the simplification of the Estimates documents. I put my hands up as someone who probably needs as much assistance and help on that issue as anyone in this House.

In the Education Committee, we have a particular problem with financial scrutiny. The Department of Education does not participate in the DFP-sponsored monitoring of savings delivery plans and operates a large contingency

fund, which at the start of the financial year had around £30 million in it. That is a reasonably good, healthy slush fund for any Department to have at its beck and call. That is despite the fact that in previous correspondence the Finance Minister had raised concerns about the use of such a contingency fund and that the current and previous Finance Ministers have raised concerns about the Department of Education not participating in the savings delivery plan process.

The Department indicates that it aims to have the contingency fund fully spent before the end of the year. To be fair, against a resource budget of nearly £2 billion, it is worthy of note that the Department had no resource Estimates and successfully bid for only £2 million in 2013-14. Overall, the Department has previously done quite well in respect of its total resource spending targets.

Repeatedly, the Department tells us that it has been good at balancing the books. However, I suspect that, if you were to ask some schools that face particular challenges and problems in relation to either capital or resource, they would question that comment. The use of contingency funds makes scrutiny by a statutory Committee such as the Education Committee more difficult. Indeed, the Education Minister's recent announcement that he is to establish another contingency fund for the common funding scheme will present another scrutiny challenge for the Committee in the next financial year.

The absence of information on the savings delivery plans also makes it difficult for the Committee to determine the extent of cost savings and their impact on front line services. Of particular concern is the reduction in the Curriculum and Advisory Support Service (CASS). The details of that are difficult to pin down, but the reality and the impact are not so difficult to locate. One only has to speak to many of the professional teachers and staff in our schools and those in the education and library boards. They will concur with the challenges that that has created.

In respect of the Department of Education's capital budget, which is around £110 million, £2.7 million of Estimates were linked to asset sales and a successful bid of £5 million in 2013-14. The scrutiny of DE's capital presents another problem. The monthly summary report on capital build progress appears to include a lot of what can only be described as out-of-date information. Indeed, well over half the projects in the report have actually been concluded. I find it more than a little difficult to reconcile that

information with the ongoing departmental press releases on new school builds, which could give a distortion as to the reality of delivery on the ground as regards capital. The Committee will continue to scrutinise the important aspects of DE's spend. I suggest, however, that this should not be as difficult as it is currently. Surely, there has to be a better way.

In concluding my remarks as Chairperson, I would like to pass on the Committee's thanks to the Finance Minister for the allocations received by the Department of Education this year, including the £3.5 million for the Delivering Social Change programme.

I will now make a few comments as a Member of the House before time runs out. I wish to raise the serious ongoing issue of the common funding formula scheme. I want this clearly on the record; I was accused — and the words, if you check Hansard, are correct — of "telling lies" about figures used when the Department of Education produced information on the common funding formula that stated that 76% of Catholic primary schools in the Western Education and Library Board would lose money. Despite the comments made by Members opposite, those figures have now been substantiated and those figures are correct.

Despite Members opposite trying to hide, cause diversion and find a way whereby they could ensure that their blushes were in some way concealed, the situation this week is that the responses to the common funding formula at the Education Committee will prove beyond all shadow of a doubt that there was huge concern in the community about the proposals being brought forward by the Education Minister on the continued funding of the common funding formula scheme. It is now well past the time for the Minister to come to the House and tell the schools, which are being asked to have a threeyear financial plan and planning process, what he is doing about the budgets of our schools. What is happening in relation to the common funding formula scheme? After Wednesday, when they will have access to the papers that have been presented to the Education Committee today, Members will see that this scheme, proposed by the Education Minister, is financially not fit for purpose.

I will conclude on another issue. The Member who spoke previously referred to the Lisanelly project. For that project to work, it requires not only finance but faith — faith in the delivery of the model that is on the table. Everybody — I underscore the word "everybody" — and every school in Omagh, not just some schools, needs

to have confidence that what is proposed is something that they are buying into.

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

**Mr Storey:** If that is the case, the money that is allocated will be money well spent.

#### 4.00 pm

Mr Maskey (The Chairperson of the Committee for Social Development): Go raibh maith agat, a LeasCheann Comhairle. Members will probably have read the Hansard report of the Finance and Personnel Committee's meeting on the spring Supplementary Estimates and will, therefore, be aware of DSD's current budget position.

The Committee welcomes the allocations that DSD has achieved — for example, some £15 million has been allocated to Co-ownership. This will undoubtedly help the construction industry and will certainly be welcomed by those aiming to get on the housing ladder. However, although some have realistic aspirations to get on the housing ladder, there are many more for whom it will remain an aspiration and who simply need access to social housing. The reality is that we are not building enough social housing to meet the need. It is, therefore, unacceptable and quite unbelievable, in some respects, that, on the basis of the last three monitoring rounds, DSD now has a reduced requirement of over £66 million. The Committee recognises that much of that relates to the non-release of money in respect of planned maintenance contracts, but that is another day's discussion. We all hope that that situation can be resolved sooner rather than later. However, the Committee has been amazed and unanimously expressed its concerns, with varying degrees of stridency across the membership, at the sheer inability of the Housing Executive, the Department and the housing associations to get to grips with the barriers that prevent more social housing being

The Department is sending out a dangerous message that it cannot spend the money it has been allocated. That means the surrender of almost £40 million of Northern Ireland Housing Executive housing grant. People on the waiting list and those in need of maintenance work on their home will see handing back that amount of money as a dereliction of duty and responsibility. Generally speaking, people are not interested in whether the money is defined as capital or resource, what the nature of the

bids is or what the Supplementary Estimates indicate; they are more interested in receiving services that they need and having the basic need for a roof over their head met.

The Department's surrender of money, monitoring round after monitoring round, has regrettably become a recurring issue and one of great concern to the Committee. As I said, members have expressed their concerns with varying degrees of strength and opposition. What we tend to see, monitoring round after monitoring round, therefore, is a scrabbling around to find areas for which the Department can bid for funds — such as the ill-conceived and ultimately failed buy-back scheme of former Housing Executive-owned houses — rather than appropriate budgeting and spending in the first place.

As I said, the Committee broadly supports the co-ownership scheme. However, in the October monitoring round, some concern was expressed that £15 million was allocated to Coownership, with a bid for an additional £10 million, while there were no bids relating to social housing. A key and enduring concern in the Committee has been the Department's continued failure to spend the budget that it has been allocated for the building of social housing. This is at a time when demand is high and the construction industry is just about on its knees. One would think that building more social housing was a win-win situation. Building more housing would see more people in homes while creating much-needed employment. Although the Department has spent some of the budget on very worthwhile schemes, such as the boiler replacement scheme that we all welcome, it is the reduced requirements and subsequent handing back of moneys to build social housing that really stands out. In the June and October monitoring rounds, the Committee expressed grave concerns about handing back money that is vital for social housing; yet, the money continues to be handed back.

The bottom line for members is that the Department hands back tens of millions of pounds when it desperately needs to be spent. The Committee finds it difficult to accept that such a failure persists. The Committee for Finance and Personnel has made clear its concerns that Departments do not appear to be on top of their budget. As far as the Committee for Social Development is concerned, that certainly appears to the case for DSD.

The Committee emphasises that it does not expect to see a continuation of the recent trend of surrendering money and will treat any

proposals to do so in future monitoring rounds with the detailed examination that they deserve. As Chair, I thank the Committee for its diligent work in trying to maintain a focus on the problems with the budget, particularly the social housing budget. It will remain a key focus for the Committee in the time ahead. I also thank the Committee officials for their due diligence in supporting the Committee in trying to monitor these developments.

I will now speak as a Member and not as Chair of the Committee. I just want to make a couple of points. The Minister referred to welfare reform and said that these matters were not being taken seriously. I suggest that my party certainly takes these matters very seriously. Sinn Féin cannot and will not ignore the serious and negative impact of many of the key elements of the Welfare Reform Bill. I remind the Minister that his party was initially prepared to say that, because the Bill is parity legislation. we have to have it as it is. I am very pleased to say that, despite the fact that some in the Chamber resisted any attempt to secure changes to the Bill, we have managed to agree some that will be very important in due course for mitigating measures. Nevertheless, my party believes that much more can be done. We take the Welfare Reform Bill and the issues involved very seriously, and we are particularly concerned about the impact that it will have on many people whom all the parties in the Chamber represent. If implemented unchanged, the Welfare Reform Bill, which we call a cuts agenda from London, would take a considerable amount of money out of the pockets of people whom we represent and therefore out of the local economy.

It is unfortunate that the Minister began his announcement today in a fantasy area, making up figures as he went along. That does not help, and his party would be better committing itself to working with us and others who have serious concerns about the Bill. I know that his party has concerns about the Bill, so let us work together to secure the further changes that, I believe, can still be secured for all the people whom we represent. We take the matter seriously, as I believe most people do. All the parties here would do well to work together to make sure that we make the necessary changes to the Bill, which we can do, if we put our shoulders to the wheel.

I mentioned the social housing programme in my remarks as Chair. My party and the Committee members whom I represent believe that DSD's treatment of the social housing development programme is nothing less than shameful. It is absolutely shameful that we

hand back tens of millions of pounds when people are crying out for a roof over their head or trying to get maintenance carried out on their home or when contractors are virtually going to the wall because they cannot get contracts released to do the necessary work, despite the fact that the money is there in the budget. This is not even a case of people trying to get or secure a budget; the budget is there to build more homes and maintain people's homes to a proper standard.

The failure of the Department is becoming almost legendary, and, on behalf of my party, I repeat that that is absolutely unacceptable. It tells me that the Department completely lacks the capacity to take these matters forward and, perhaps, even the will to deliver a social housing programme that is fit for purpose and meets needs, particularly in light of the additional pressures that will come to bear on people through the introduction of the Bill from Westminster. More people will need access to social housing, and the people who require those houses will need different tenures. The Department is sitting on its hands and not tackling the problems.

I accept entirely that there are barriers to liberating the social housing programme. Indeed, the housing association movement came to the Committee and presented a range of barriers — I do not have to agree with all of them — to the social housing build programme, including land acquisition, procurement, planning and even local objections to particular initiatives and projects. Notwithstanding that, the Department gave us a commitment that, month on month, it will sit with the housing association movement and work to remove all those necessary barriers. To date, we have heard nothing about how those barriers have been tackled, and, again, that tells me that the Department does not have the capacity or perhaps even the will to take the social housing programme forward. As far as my party is concerned, our focus in the time ahead will be on ensuring that the moneys that have been allocated by the Executive, including the DUP members, will provide support for the social housing development programme to go ahead and go ahead much better than it has done until now.

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

A couple of issues came up in Committee that the Minister may wish to address. In the

October monitoring round, the Committee sought clarification and further explanation of the £17-1 million capital spend for the Invest NI headquarters. The Department responded:

"an opportunity had arisen to acquire the shared capital of BSDL",

which stands for "Bedford Street Developments Ltd". The Department said that the building was under a PFI contract between Invest NI and BSDL. It continued:

"Invest NI was able to buy the shares of BSDL at a competitive price and it is estimated that the transaction will result in savings to the NI Block of around £7m versus the original arrangements ... the public sector will retain ownership of the building, whereas it would have reverted to the private sector under the previous arrangements."

During January monitoring, the Committee was concerned that there was a £250,000 reduction in administration costs due to unfilled posts at the Health and Safety Executive NI (HSENI), especially given the importance of health and safety. It is not, relatively speaking, a lot of money, but the consequences of not fulfilling its role adequately could be dire. I have but to point out many of the major and catastrophic accidents that there have been, particularly on farms, over this past wee while. Such incidents have drawn a lot of media attention and, for families, brought deep, deep loss. Members sought information on the posts that remained unfilled, the duration of the vacancies, the reason for not filling posts and how succession planning had not been undertaken. The Department responded that 60% of the budget released related to unfilled trainee inspector posts. It said in its response:

"Eight Trainee Inspectors were appointed to HSENI in November 2013, taking the inspectorate staff to full complement. The HSENI has sufficient staff to fulfil its role, including its role in relation to the Farm Safety Campaign."

Other underspend related to normal staff movements in the Northern Ireland Civil Service on promotion or transfer. There has also been a vacancy at senior medical officer level, following a retirement in June 2013. Attempts to fill the post have been unsuccessful, and interim arrangements are in place with the Occupational Health Service.

The Committee sought clarification on a reduced requirement regarding £30,000 ringfenced funding for small business research initiative (SBRI) costs for nitrates that cannot be utilised in the financial year. The Department responded that the SBRI competition for the development of solutions for the sustainable utilisation of poultry litter opened in December 2012. Following an competition in which 39 bids were received, nine phase-one contracts were awarded at a total cost of £648.000. The contracts for those projects completed in November 2013. Contractors have submitted end-of-phase-one reports, which are currently being assessed by the SBRI project team. That is of vital importance to our agriculture sector and, particularly, our agrifood farmers. The House may also wish to note that a total of £10 million was ring-fenced in the 2012-13 DETI budget in the expectation that the issue of the EU nitrates directive and the disposal of chicken litter would have to be addressed. Most of the allocation was surrendered in the October monitoring round in 2012.

The Committee noted that INTERREG IVa projects have not drawn down the amounts previously forecast by the Special EU Programmes Body. That is a deferral of expenditure to future years, and the Committee wrote to the SEUPB on the matter. It responded that the situation resulted from lead partners being overly optimistic about project implementation timetables. The SEUPB must strike a balance and work largely on the basis of information provided by lead partners on potential requirements. In addition, the capital tourism projects in particular have presented significant problems. The Committee contacted the Department and is awaiting a response regarding any projects relating to the Department where there may have been a delay.

#### 4.15 pm

Those are the views that I have been asked to relay on behalf of the Committee. That takes me neatly into an area that I will divide between potential and disappeared. I will deal with the disappeared first: funds that have been announced and have just disappeared. This does not relate specifically to the Minister, so he will have to bear with me. I know that he is fresh in post, so I cannot lay this at his table. The Emerging Europe fund was announced to provide investment in Northern Ireland, and it was announced by OFMDFM on a trip to New York in March 2009. It was established by the then New York comptroller, Thomas DiNapoli. Of a total of \$100 million, \$30 million was said to be earmarked for projects in the North. We

have raised this, and we have sought clarification from OFMDFM. To date, of the \$30 million that had been earmarked, apparently, five years later there is no mention of it. Some \$30 million of funding has disappeared. Like the Emerald Fund before it, this appears to have been yet another short-term PR gimmick for OFMDFM that has delivered nothing. Announcements made and repeated; money allocated, allegedly: money sought from overseas; and money disappeared, not spent. It is important to put that on record, because we have enough smoke and mirrors around this place and enough gimmicks and stunts. People who are finding it difficult enough to put food on the table for them and their family look towards that investment for them and for the future sustainability of the North's economy.

That brings me on to something that was touched on by Mr Swann: the drawdown of EU funds in regard to what has to be one of the key elements of any form of recovery of the North here as an economy, and that is research and innovation. Specifically, I refer to framework programme 7 (FP7), now latterly merged and evolved into Horizon 2020 EU funds. I find it incredibly difficult to believe that the drawdown of FP7 here in the North amounted to €35 per capita, and, just a few miles down the road in the rest of the island, it amounted to €590 per capita. FP7 is acknowledged to have been a difficult enough programme because of its bureaucratic nature.

We are missing out on serious opportunities to help develop the economy. I know that the Minister has an interest in a lot of these matters and takes it very seriously, but I had an experience last week where we sought information from a major stakeholder — the Northern Ireland Chamber of Commerce — and asked if there had been any formal engagement with it around Horizon 2020. To my surprise and disappointment, the answer was no. There had been no engagement with a major stakeholder representing 500 businesses across the North to see what opportunities could be availed of.

I mentioned that the Government in the Republic had set a target of €1·25 billion or €1·4 billion, depending on what you read. They have the ambition to do that. What has been set here — the First Minister referred to it earlier — was a target of £100 million. That is twice the previous drawdown, which was £50 million. By comparison, it is not a very ambitious target to set. Opportunities have to be availed of. Those opportunities are out there. Others just down the road can draw down those funds, avail themselves of those

opportunities, get out there and search for the moneys and revitalise their economy, with their help because of the nature of the programme. We can draw down and be much more ambitious and proactive. Departments right across have to really step up to the mark.

There are other issues. I am also chair of the all-party working group on construction. I seriously do not know how many times we will have announcements made of capital projects - and announced again and announced again. We had a presentation recently where I met the Council for Catholic Maintained Schools (CCMS). It told me that, in capital works on new schools that were announced in January 2012, not a brick had been laid. I genuinely want to see the construction industry move, but those capital schemes must be seen to develop and to actually happen on the ground in the interests of that construction sector and its service and related sectors. Minister, it is not immediately your brief, but contractors have been in touch with me. The work is clearly there and the money is there, yet the contracts are not happening on the ground. I refer to the window suppliers, and hopefully we will hear more from the Housing Executive tomorrow. Some sort of impetus has to be injected into it to make sure that the work happens on the ground.

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

**Mr McGlone:** People look to us and to the Executive.

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

**Mr McGlone:** It can be done, it should be done, and it must be done.

Mr Nesbitt (The Chairperson of the Committee for the Office of the First Minister and deputy First Minister): My first remarks will be as Chair, and then I will address some points in my capacity as a Member. In-year, the Department briefed the Committee on its monitoring round returns and proposals. I am glad to say that the Committee was broadly satisfied with the Department's approach to the matter.

The Committee noted the easements in relation to capital spend at the Maze/Long Kesh site, with some £3.5 million returned in January monitoring. The Committee hopes that agreement is reached on a way ahead at the site in the coming weeks so that the site's full economic benefit will be achieved. The Committee is mindful of a commitment in the

2011-15 Programme for Government for the Maze/Long Kesh site for this financial year — 2013-14 — on the commencement of site infrastructure. It appears to the Committee that, in the absence of further knowledge, the £3-5 million that was returned in January monitoring was for site infrastructure that did not take place this year.

The Committee also welcomed the bid of £1.6 million in the October monitoring round that allows the Victims and Survivors Service to meet the demands for the financial assistance regular allowance scheme and some other work streams. However, the Committee had some concerns that the financial assistance regular allowance scheme was effectively closed in June last year. The Committee hopes that the current review of the Victims and Survivors Service by the commissioner will address how funding is applied for and granted. I commend Committee members for the scrutiny that they brought to bear on this area. It is an interest that has yielded positive change and some worthwhile and significant improvements for victims and survivors.

In relation to additional allocations through the year, the Committee welcomes the progress that has been made on the inquiry into historical institutional abuse. The additional funding required to progress it is to be welcomed. The Committee looks forward to a briefing from the Department on the scoping paper on options for victims of institutional abuse and Magdalene laundry-type institutions who currently fall outside the remit of the inquiry chaired by Sir Anthony Hart.

Looking at the allocations made throughout the year, we can see that there are discrepancies with what the Committee was advised of during the monitoring rounds. There seems to be around £26 million extra in capital allocations. I am led to believe that that is in relation to Department for Employment and Learning funding for the University of Ulster. The Committee has not been formally notified of that allocation, and my information comes from last week's briefing to the Committee for Finance and Personnel. I would therefore be grateful if the Minister of Finance and Personnel could shed some light on that issue.

I will also highlight some Members' concern about scrutiny of the Executive's ring-fenced Delivering Social Change fund. It includes the social investment fund (SIF), which we heard about from the First Minister earlier, the childcare fund and the Delivering Social Change signature programme fund. The Committee encourages greater transparency on

how those Executive funds are allocated and spent, as it seems that OFMDFM has accessed some £2 million of that funding and there has been no information from the Department on what it is intended for. I thank Committee members and staff for their attention over the year to financial scrutiny.

I now move on to make some personal comments on the spring Supplementary Estimates. It is a matter of regret that should be shared throughout the House that the development of the Maze/Long Kesh site appears to be on hold and we have no certainty about what is happening today or what is planned for tomorrow. We have Members, including the First Minister, who seem to believe that Sinn Féin holds a veto on the development of the entire site in the absence of the peace-building and conflict resolution centre, while others - Members of the House and elected representatives from elsewhere. such as Sammy Wilson and Jeffrey Donaldson - argue that they see no reason why the development of the site should not go ahead. In its forward work programme, the Committee had a briefing scheduled for this Wednesday from the First Minister and deputy First Minister. It is my understanding that that will not go ahead. Officials will tell us about the development of some of the other sites under the control of OFMDFM but not about the plans for the Maze/Long Kesh.

Mr Maskey, as Chair of the Social Development Committee, made clear the anger in his community at money not being spent, perhaps being wasted and perhaps being returned to the Treasury. Here is £3.5 million that was allocated for the development of the Maze/Long Kesh site, money that is not being used in this financial year. That is £3.5 million that could be spent on infrastructure. Indeed, a portion of it could be spent on delisting and demolishing the retained prison buildings, and, perhaps, then we could move on.

The Committee has, as I said, done a great deal of scrutiny of the Victims and Survivors Service that has led to the exposure of issues that needed to be addressed. One example was a victim in a wheelchair who required a replacement wheelchair but was told that she had to source three quotes, pay for the chair and keep the receipt so that she could claim the money back. That is no longer the case, and I give credit to the Committee and the individual Members for highlighting that issue and making sure that it was addressed by the Department. The commissioner is currently conducting a review of the Victims and Survivors Service that may have resource implications. I would very

much welcome that resource being made available, not least to deal with the call from victims for a fixed point of reference with the Victims and Survivors Service so that, at all times, they know that they have a champion in that institution.

The historical institutional abuse inquiry began without a budget line determined, so it is welcome that a line has been found for Sir Anthony Hart. The Committee has asked for a briefing from the senior official who was appointed by the Department to scope out what could be done for victims who were subject to institutional abuse in institutions not covered by the inquiry, particularly Magdalene laundry-type institutions. Many victims of clerical abuse were not abused within institutions, and I say frankly that it is not good enough to say that they should have recourse to either the PSNI or social services. If there is an inquiry for one group of victims, surely there should be inquiries for all. It is not good enough to say that we will let this process run out before considering the next process. Time is the enemy. I will quote Christine Smith QC, counsel to the HIA inquiry. On the first day of the public sessions in Banbridge she remarked:

"Unfortunately some of those individuals who might have taken part in the Inquiry are no longer with us".

Poignantly, she went on to say:

"some who have spoken to the Inquiry about their experiences in preparation for the public hearings have not lived to see this day."

Even in the period between the announcement of the HIA inquiry and the first public hearing, some of the victims of institutional abuse have passed on to another place.

Those are the concerns coming forward from the Committee and me.

The Committee would like some clarity on the £26 million in capital allocations and the £2 million as previously stated. I will also say that the Committee has some well-rehearsed issues with the Department to do with liaison and information sharing, but we are working those through. I am convinced that everybody has the will to make this better going forward. It is a critical Department in the Northern Ireland Executive. Once again, let me praise Committee members for their scrutiny of financial matters over the past 12 months.

Mr Spratt (The Chairperson of the Committee for Regional Development): I welcome the opportunity to contribute to the debate and do so as the Chair of the Committee for Regional Development. I will start by thanking my colleague the Finance Minister for bringing the motion to the House. Like his predecessor, the Minister has been very generous to the Department for Regional Development throughout the monitoring rounds in a number of areas. I also recognise the work that has been done by the Minister for Regional Development and his staff and their efforts to allocate money, on the whole, to the best uses possible.

#### 4.30 pm

The introduction to the Supplementary Estimates states that, overall, there was an increase in the net resource requirement of £22.5 million and a decrease in the net cash requirement of £102 million. Officials from the Department of Finance and Personnel briefed the Committee on 5 February 2014. During that briefing, they provided further detail on the allocations and easements in respect of the Department. They quite rightly described them as being significant. I would therefore like to spend a little time on those issues.

Northern Ireland has over 15,500 miles of roads, making them one of its biggest assets. Over the year, the Department for Regional Development has successfully bid for over £80 million for capital investment, the overwhelming majority of which, some £53 million, is directed towards roads structural maintenance. That should allow for a total of £119 million to be spent this year on maintaining roads.

It has been independently assessed that the Department needs some £129 million a year just to maintain the existing road network. We currently have a backlog of £830 million in respect of roads structural maintenance. The Northern Ireland branch of the Institution of Civil Engineers has called for the provision of a secure road-maintenance budget and prioritisation of existing strategic road schemes. In its 'State of the Nation' report on transport, it identified what it believed would be the consequences of not delivering appropriate levels of investment in the roads and transport infrastructure. They include increasing levels of pollution in towns; decreasing economic and social alliance between communities; decreasing levels of health arising from reliance on private cars; decreasing performance of Northern Ireland's largest asset, namely its road network; and Northern Ireland's becoming a less attractive place to invest.

In addressing the Committee on January monitoring, Department for Regional Development officials advised of the consequences of bids for the structural maintenance programme's not being met. They said that failure to meet that bid would mean that maintenance priority would focus on repairing safety defects and only the highest priority remedial sites would receive resurfacing treatment. They said that that is likely to attract significant criticism from elected representatives and the construction industry as a whole, and that the cost of reactive patching is likely to increase, drawing further funding away from good-value maintenance activities, such as resurfacing and surface dressing. They also said that numbers and cost of public-liability claims is also likely to increase.

In the absence of a secure budget given the economic environment that we have been operating in, it is therefore imperative that DRD can bid in-year for additional money to address that deficit and that it is successful in doing so, not just because of the need to maintain our infrastructure. The benefits that accrue from maintaining our network are more than physical; for every £1 million invested in our roads, 28 jobs are sustained. The economic knock-on effect that these works have on our construction industry and the suppliers in the industry is immense; every £1 invested in construction generates £2-84 in total economic activity. The impact that the infrastructure has on tourism, driving our exports and imports and linking our communities is colossal. I again congratulate the Executive as a whole for the strategic approach they adopted when they considered the in-year bids for roads structural maintenance.

The Department has declared some significant reduced requirements. A total of £36 million is a reduced requirement for roads depreciation. This is in respect of land that the Department had been revaluing, which has not depreciated as significantly as it had assumed it would. It is a non-cash item and is ring-fenced.

The second easement was in respect of the A5 project and amounted to £108 million. That money has been reallocated, principally to the Department for Regional Development and the Department of Health. I do not intend to open a debate on the A5; the Minister for Regional Development has been very effective in keeping the House up to date on the matter.

I will return to the increased capital allocations and deal with the £7 million that has been gifted to the Northern Ireland Transport Holding

Company, or Translink as it is more commonly referred to. The Committee is not opposed to investment in Translink per se. The Committee remains vociferously in support of the Belfast rapid transit project and the principle of the Belfast transport hub, which is now starting to formulate. However, the Committee is opposed to the automatic awarding of long-term and lucrative contracts to Translink without proper testing of the market — testing similar to that in the Republic of Ireland, which is putting 10% of its network out to tender and is, in the process, creating more jobs. The Committee believes that it reduces the incentive for Translink to be efficient, and it brings about incentives.

We are opposed to the chief executive of Translink coming to the Committee and brazenly declaring that Translink has £60 million in the bank while consistently running cap in hand to the Department for handouts. There is scope in existing legislation for the Minister for Regional Development to recoup such profits, and the Committee has called on the Minister to ease the burden on the public purse by doing so. Northern Ireland Water pays the Department a dividend of nearly £30 million each year. Why should Translink not do something similar? These issues were raised recently when the House debated the transport issue.

As the Committee sees it, Northern Ireland Water has very successfully come from its position under the previous chief executive, Mr Trevor Haslett CBE, to a company that is very much upfront and doing a pretty excellent job.

I urge the Finance Minister to continue to look at end-year flexibility. I know that he has been doing that with Northern Ireland Water. The benefits of such an arrangement to allow Northern Ireland Water the ability to undertake strategic infrastructural programmes are enormous and, again, would be of enormous benefit to the construction industry, constituents plagued by flooding and to our environment generally. I ask the Minister to look at those areas —

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

**Mr Spratt:** — and to consider the issues with the Treasury in end-year flexibility.

Ms Maeve McLaughlin (The Chairperson of the Committee for Health, Social Services and Public Safety): Go raibh maith agat. I welcome the opportunity to address the House as Chair of the Committee for Health, Social Services and Public Safety. This year, the Department of Health had to find £139 million of savings. By September 2013, it was able to make £20 million of those savings. The latest correspondence that the Committee has received via the Department of Finance and Personnel is that the Department is still on track to make the £139 million of savings by the end of this financial year. However, given the pressures that the Department is facing, there are, in my view, some very serious questions around how those savings will actually be made.

I note that £35 million of headroom has been built into the spring Supplementary Estimates for the Department of Health. There is certainly a view that that is a sensible move, given the pressures that the Department is under.

In December, the Committee held an evidence session with departmental officials on the financial position for 2013-14, and we are due to receive a further update directly from the Minister at our meeting this week. In December, officials told us that the Department still has a funding gap for 2013-14. Given the extent of that gap, the Department submitted a bid of £67 million under the January monitoring round. That comprised £20 million for clinical nealigence settlements: £12 million for elective care; £10 million for winter pressures; £7 million for safety of services; £7 million for Transforming Your Care (TYC) transitional funding; £5 million for domiciliary care; and £5 million for children's services.

The Department advised the Committee that it prioritised those bids for submission to DFP. The highest priority bid was £20 million for clinical negligence settlements. Three bids were classified at the next tier of importance, because they would have an impact on safety. Those were the bids for quality and safety of services, winter pressures and children's services.

The outcome of the January monitoring round was announced on 21 January. The Assembly was advised that the Department of Health would receive £30 million. However, there were no precise details about how the £30 million would be allocated across the range of bids that were submitted. The Committee, therefore, wrote to the Department to seek clarification. In addition, the Department originally bid for £67 million, which means that £37 million of the bid was not met. Again, the Committee wrote to the Department to ask how it intended to meet that gap. Unfortunately, we have not yet received answers to those questions.

We are concerned, therefore, about whether money will be made available out of the £30 million received in the January monitoring round to drive forward the changes set out in Transforming Your Care. It was originally estimated that £70 million would be needed over three years to implement TYC. The Department received £19 million from the Executive in 2012-13 to fund TYC transitional costs and a further £9·4 million in the June monitoring round this year. However, further money is required in 2013-14 to keep things moving forward. This is long-term work. If the funds are not made available to implement it, a lot of hard work may come to very little.

#### 4.45 pm

The Department of Health also made bids in the June and October monitoring rounds for 2013-14. In the October monitoring round, the Department submitted a bid of £64 million: £26 million for elective care, £20 million for clinical negligence and £18 million for Transforming Your Care. It received £14 million to address elective care waiting lists. Although the Committee welcomed that money coming into the Department of Health, it is fair to say that we are concerned that a substantial proportion of it is being spent on the private sector. In our view, that is not a sustainable solution, does not represent best value for money and is not getting to the root of the problem.

The Committee also noted that the Department has, since October 2011, been making bids in the monitoring rounds to address waiting lists. Under DFP rules, bids are supposed to be only for major and unforeseen circumstances. Given that the Department has been aware of the issue for years, there is a question over whether the problems with the waiting lists are really unforeseen. The Committee is doing a review of waiting times, and we will present our recommendations to the Minister in due course.

I will make my final comments in my capacity as an individual MLA. Concerns are rife that Transforming Your Care transitional funding is at risk. However, in return for additional in-year flexibilities, the Executive had stipulated that the Department of Health should not table current expenditure bids except in the event of "major and unforeseeable circumstances". This year, the Department of Health has received £56 million in resource and £43 million in capital through monitoring rounds. Many will challenge that £20 million for clinical negligence is major and unforeseeable.

Mrs Cochrane: I welcome the opportunity to speak on the motions, which seek our approval for the Executive's final spending plans for 2013-14 and for interim resources and funding for the first few months of 2014-15 in the form of a Vote on Account.

As a member of the Finance and Personnel Committee, I have had the opportunity to examine the reconciliation between the figures in the Main Estimates, which were agreed last June, and the spring Supplementary Estimates before us today. As already stated, the amounts are significant, and this process gives legal form to the financial decisions made by the Executive in the monitoring rounds during this financial year. The monitoring rounds have allowed the Executive to redistribute reduced requirements from various Departments to emerging issues, and today is an opportunity to debate the changes that happened and the allocations made during this financial year.

This financial year continued to be a difficult one for the local economy. However, there are indications that the economic climate is improving. Indeed, just this morning, we heard that, in January, local businesses experienced their fastest rate of growth in almost 10 years. The Northern Ireland growth rate was also faster than that across the UK as a whole. So it is certainly not all doom and gloom, and we should take the opportunity to be positive about some things that we have achieved in the past year.

The Minister, in his opening remarks, outlined a number of those things and mentioned that, thanks to funding in part by the Executive, we can host a Heineken Cup quarter-final at the newly expanded capacity Ravenhill ground. I just hope that the weather on 5 April is kinder to us than it was last Friday night. The recent news of increasing employment is also to be welcomed and no doubt is, in some part, due to the continuing good work of Invest NI, which has benefited from monitoring round allocations on the resource and capital sides to enable it to continue to assist businesses here to realise their maximum potential in our economy.

The Department of Health also benefited significantly through an additional resource allocation of £57 million for a range of measures, including elective care and Transforming Your Care, and £44 million of capital for a range of infrastructure and medical equipment investments. I welcome those allocations, but, given the issues that have arisen when progressing Transforming Your Care, does the Minister believe that the

financial resources available for its implementation are adequate?

The Department for Regional Development received almost £50 million for a range of areas including road repairs and street lighting improvements, and that, too, should be welcomed. Indeed, I have noticed a much improved can-do attitude from it in recent months in response to many requests.

Another positive allocation was the £5 million in capital to the Department of Education for minor works. Having taken the Education Minister to visit Strandtown Primary School this time last year so that he could see at first hand the challenges that the current building poses to staff and pupils, I am delighted that it is now benefiting during this financial year and undergoing a programme of minor works. However, there is still much pressure on our schools estate and a long way to go in addressing all the maintenance issues and newbuild requirements.

The Vote on Account for the 2014-15 financial year will ensure the continuation of services into that year. As we go into 2014-15, we must recognise that we do so with a significant overcommitment on both resource expenditure and capital investment. It is therefore important that we maximise the amount that we can carry forward under the Budget exchange scheme. We must also consider the burden that the failure to implement welfare reform will place on our Budget and, although I have concerns about some aspects of the Welfare Reform Bill, reductions of over £100 million in the next financial year are simply not affordable and will have a major impact on our public services.

Before I finish, I wish to raise again the issue of the review of the financial process. If we are to be able to scrutinise ministerial decisions effectively, we need to have better read-across between the various financial documents that are before us. I understand that the Education Minister still has some outstanding concerns about the proposed changes, and I am interested to know whether the Finance Minister believes that he can make any more headway than his predecessor in resolving that so that we can have enhance transparency and improved Assembly scrutiny. I support both motions.

Mr Irwin (The Deputy Chairperson of the Committee for Culture, Arts and Leisure): I welcome the opportunity to speak in the debate.

It is widely recognised that the Department of Culture, Arts and Leisure has proportionately

the smallest budget. Nonetheless, the Committee has undertaken a robust and active scrutiny role throughout the 2013-14 budgetary year.

In this financial year, the Department briefed the Committee on the management of its annual budget. Sessions were held with departmental officials in May, September and December, during which the Committee was updated on a range of adjustments that affected spending profiles in advance of each monitoring round. On all occasions, the Committee challenged the Department to explain its reasons for making bids and surrendering resources.

The Committee exercised its scrutiny role of significant public investment, including the UK City of Culture project, the World Police and Fire Games, and the redevelopment of Windsor Park, Casement Park and Ravenhill.

The most significant adjustment in this financial year is DCAL's return of £9.5 million capital. Although £1.4 million of that total is from the sale of the Public Record Office of Northern Ireland (PRONI) site at Balmoral, the substantial proportion of the return is £8.2 million from the stadia redevelopment programme. The Committee welcomes the sale of the site at Balmoral, given that it has been on the market for quite some time. However, the Committee is concerned that it was not made aware of the full extent of the easement for the stadia programme. In October, the Committee was advised that the Department was returning £3-669 million capital from slippage in the stadia programme. It has only just come to the Committee's attention that an additional £4.5 million is also being handed back from the project. On that occasion, the Committee was prevented from properly fulfilling its scrutiny role of the financial management of the project.

Following the Audit Office's findings on DCAL's management of previous capital projects, as well as the departure of the stadia programme director to the private sector, the Committee has sought assurances from the Minister of Culture, Arts and Leisure that her Department has the expertise to complete the project on time and in budget. The Committee is fully aware of the pressures facing the project as a result of legal challenges and objections made regarding the Windsor and Casement redevelopments. It is also aware that there has been some engagement with the Finance Minister and his officials regarding a potential extension into 2015-16 and profiling of expenditure. I look forward to hearing from the

Finance Minister regarding his position on the profiling of that major capital project.

The Committee will continue to scrutinise the Department's management of the stadia redevelopment and urges the Culture Minister to ensure that it is informed of significant financial adjustments in a timely manner.

Of the £6.5 million capital that DCAL has successfully bid for in this financial year, around half has been allocated for the development of library services, including building works, replacement of mobile libraries and an IT replacement project known as E2. Libraries have been and will remain a key area of focus for the Committee.

The Committee is aware of the Minister's priorities in respect of tackling poverty and social exclusion and promoting equality in the culture, arts and leisure sectors. That commitment is evidenced through the Department's successful bids for £2·2 million capital and £2·5 million resource. The Committee sought assurances from the Department that any imbalances under its section 75 obligations that might result from the priority will be minimised and addressed.

The Committee is also aware of the Department's shift towards zero-based budgeting, and that its arm's-length bodies are currently going through that process. The method of funding is being adopted to ensure that DCAL's arm's-length bodies meet the ministerial priority. Nonetheless, the Committee will scrutinise the practicalities of such an approach, including the overall impact that the funding might have on the general development of the arts, sport and culture.

Other successful bids for the Department during this financial year secured £1 million capital and £1 million resource for the Department's legacy plans following the UK City of Culture year. The Committee is aware that that will cover the January-March period, and that the Minister has longer-term plans, including a DCAL office in the north-west to oversee and manage a new company limited by guarantee focusing on developing and delivering a legacy programme. Although the Minister has a very clear intention of how to take that forward, the financial profile has not, as yet, been drawn up. The Committee looks forward to scrutinising that and seeking an evidence base that demonstrates value for money. Given the significant public investment in the delivery of the project, and concerns about sourcing private sponsorship, a legacy programme and

funding must be secured through collaboration and a partnership approach.

Another key focus for the Committee over the past year has been the World Police and Fire Games. Over the next few weeks, the Committee will hear from the Department and the World Police and Fire Games company about the evaluation of the games. The Committee will look forward to hearing whether DCAL's investment of £3-93 million in the games was value for money.

Finally, the Committee has been looking at DCAL's expenditure on the Minister's Líofa initiative. To date, over £200,000 has been spent on Líofa, with another £260,000 expected on an advertising campaign and website. All that expenditure is being considered and approved on a case-by-case basis. The lack of a budget for Líofa means that there are no parameters through which the Committee can determine whether the initiative is value for money or whether it is being managed properly. As we move towards considering departmental budget requirements for 2015-16, the Committee calls on the Minister to properly budget for that ongoing programme.

On behalf of the Committee, I support the motion.

**Mr Hazzard:** Go raibh maith agat, a LeasCheann Comhairle. I welcome the opportunity to speak to the motion today. I will make a few points on education matters before perhaps finishing with some wider comments.

Despite the very tight economic conditions, the Department of Education was able to announce a large number of new school builds, minor works and school enhancements in the past year. Despite the often lethargic nature of planning processes and officialdom, the expected investment of some £500 million of public money is not merely a fantastic boost for our local pupils and teachers, who will undoubtedly benefit from world-class facilities; it will have a knock-on effect on our local construction industry and the micro-economies in our regional towns.

Like the decentralisation of the fisheries office jobs to Downpatrick, the construction of the Down High School in the months and years ahead will provide plenty of cheer and will help lead local communities in economic recovery. It is also important, of course, that those schools provide a fit-for-purpose education system, with the right number of schools in the right places. We must continue to see the creation and celebration of high-quality education through a

network of strong, sustainable schools that command the confidence of the communities they serve.

The Department invested more than £50 million in the preschool programme in 2013-14, enabling 99-9% of target-age children whose parents fully engaged with the admissions process to be offered a preschool place last September.

At the heart of that admissions arrangement are criteria that enable children from socially disadvantaged areas to gain a foothold on the educational ladder and that help them to overcome the barriers that socio-economic hardship would otherwise put in their way.

#### 5.00 pm

Sinn Féin shares the Education Minister's concerns that the current common funding scheme does not adequately support his Department's core policy objectives. We strongly advocate more being done to raise standards in all our schools to effectively target social need and to build a sustainable and equitable schools estate. For that to be achieved, a revised funding scheme would have to be not only fit for purpose but would have to meet the principles of objectivity, equality and transparency. With that in mind, the Minister's plans to reform the funding scheme are to be welcomed and no doubt will prove instrumental in raising the educational achievements of so many of our young people. as laid out in Bob Salisbury's report.

I welcome the recent debate in the House and the fact that the relationship between social deprivation and educational achievement has received the spotlight. In tandem with an extensive body of international research, we recognise that pupils from socially disadvantaged backgrounds have greater obstacles to overcome and that good schools with the necessary resources can assist them in breaking that toxic link.

We agree that more must be done to ensure the effective targeting of resources. That will undoubtedly enable schools to provide the necessary support for young people from disadvantaged backgrounds to address the level of underachievement that, despite recent improvements, is still too high. We cannot grow as a society and an economy if we are prepared to tolerate a situation in which, after 12 years of compulsory schooling, children from poor families have half the chances of their better-off counterparts to reach the levels of

attainment that we all desire. The international experience of education systems, such as that in Ontario in Canada, prove that, by targeting resources in that way, you not only narrow the attainment gap between socially disadvantaged children and more affluent pupils but you raise the bar for all learners.

Sinn Féin strongly endorses the fact that Bob Salisbury's report focuses on the needs of all our young people, regardless of where they go to school or the sector in which they are educated. Moreover, we welcome the panel's recognition that targeting poverty is one of the five key strategic priorities of the Executive's Programme for Government. Given that the Executive's aim is to stimulate interventions that break the cycle of deprivation and educational underachievement, it makes perfect sense that the Minister should look to close the gap in achievement between those who are least and most disadvantaged and to improve the participation of young people in education, employment and learning. Indeed, the all-party Public Accounts Committee called on the Education Minister to undertake a full review of the common funding formula to ensure that funding is directed to where it is needed most. As a member of the Public Accounts Committee and, indeed, of the Education Committee, I call on those opposite to put the interests of all our young people to the fore. This is public money, and it must be used in the interests of all the people.

Finally, I want to talk briefly about the need for fresh thinking from those on the opposite Benches. Public services need to be efficient and effective, yet the duplication of services, particularly in border counties, is allowed to continue. That fails not only our citizens but the public purse.

It has been illustrated that, where cooperation is developed, such as in health or education, not only does it provide a higher standard of care but it produces better economic outcomes. It improves the economic and physical well-being of all our citizens. The new jointly funded cancer centre in Derry and the Centre for Autism in Middletown demonstrate that progressive thinking can deliver public services across Ireland effectively and efficiently. A substantial start to achieving maximum efficiencies would be for all Departments in both jurisdictions to identify mutually beneficial projects that could be jointly developed from planning stage to completion, with an emphasis on delivering targets and expected outcomes.

We need a new approach to economic development across the island that does not

promote austerity, perpetuate two fractured economies or, indeed, force thousands of our young people to emigrate in search of employment opportunities. There is no difference in the effects of the London or Dublin austerity policies, which are crippling the lives of our people. Cooperation alone will not deliver prosperity for the people of Ireland, and an economy that is built on fairness and equality will deliver a bright future for all our people in a new Ireland. There is a better way for the people of Ireland, and that is through taking control of our sovereign economic and political destiny.

Mr Rogers: The SDLP has consistently argued against the way in which the current financial arrangements are being managed. The spring Supplementary Estimates provide a welcome opportunity to assess the areas of need in our education system. I also welcome the new Bills, but my concern is with the length of time that is taken between decisions being made in the House to the first sod being cut.

The Education and Skills Authority was introduced as a means of cutting costs and bureaucracy in the education service. In fact, so far, it has had the opposite effect. It has swallowed up approximately £16.5 million without any tangible output, and that has led to a crisis in the delivery of capital programmes in our schools. When the former NIO Minister Angela Smith introduced ESA in 2005, it was with a view to delivering more resources to the classroom. The SDLP was supportive of any initiative to deliver the real changes that ESA promised. Any supposed changes to date have been achieved by scaling down the level of services, which has caused unnecessary stress to teachers. In every education debate, we speak about raising standards, but, to raise standards, we must invest in our teaching staff. We have great teachers, but they need ongoing professional development and support.

When I question the departmental officials regularly at Committee, they still refer to CASS, which has been haemorrhaging for years. Board officials will tell you that they can only firefight; they can provide only minimal assistance for schools in formal intervention. For many years, there has been a focus on school self-evaluation, but the ETI acknowledges that it is still not well enough embedded in schools. Many schools need professional help from outside to get monitoring and self-evaluation right. What did the Department do? It did not even maintain the level of continuing professional development but cut £15 million out of the budget.

I wonder what type of joined-up thinking takes place in the Department at times between ETI, the officials who report to the Committee and the accountants who balance the books. Obviously, the accountants are winning and education is losing. It is ironic that an Education Department is being driven by an economic rather than an educational agenda. Teachers will tell you that, in essence, there is no CASS, but it is not the boards' fault. Where is the power-sharing Executive? Only two parties, the DUP and Sinn Féin, seem to know what is going on with ESA. The Minister must get to grips with ESA and make sure that it represents value for money.

Investment in a long-term early years strategy is essential if we are to create the building blocks for our children's educational future. Current funding arrangements favour education at secondary or third level rather than at an early stage of learning. We believe that a child's development hinges on high-quality early childhood education. Increasing investment at an early stage is essential to address poor rates of literacy and numeracy. As I indicated last week, the involvement of parents and carers in their child's development is essential. The good practice that has developed through the extended schools programme needs to be disseminated to all schools.

An Audit Office report published in February 2013 pointed to the stark reality that thousands of young people in this region leave school unable to read or write. Although there have been some modest improvements, Northern Ireland's global education position in literacy and numeracy has been falling since 2006. In 2010-11, 9,000 pupils left full-time education after failing to reach the required standard in literacy and numeracy. We must do better.

Not only is an effective early years plan right for the development of young people, but it would help to improve our economy in the long term. A well-educated population can bring innovation, creativity and ingenuity into our economy. The SDLP believes that there must be a more robust focus on attainment in science, technology, engineering and mathematics (STEM) throughout our education system in order to provide young people with the right skills. As a consequence, our businesses, with the necessary skills base, will excel in this era of global competition. It must start in primary schools. The Department will tell us that it does, but it is buried in the world around us. You must satisfy the enquiring mind of the young child.

If we are to see our economic outlook improve. we need to address the skills imbalances that characterise our island economy. Critically, those imbalances lead to lacklustre productivity and stifle foreign direct investment and business start-up. Skills gaps act as an impediment to productivity and can, therefore, generate lags in growth. Skills shortages refer to an imbalance between demand and supply in the labour market. Labour demands may not be fully met if the labour supply does not possess the right skills to meet those needs. There seems to be a recognition that, across our island, there needs to be greater engagement between higher education and enterprise to ensure that there is no mismatch between the skills requirement of Ireland and the output of its higher education systems.

I await the rework of the common funding formula, as the current version will not accurately address social need or improve delivery of the Department of Education's key policy objectives. A proposal that leaves almost 80% of our schools with less money will not just leave many of our small schools at a greater disadvantage; it will close many. Maybe that is the real intention. If we add area-based planning into the mix, the heart is being ripped out of rural communities. Without rural schools, we do not have rural communities.

The SDLP is only too aware of the finite nature of the resources that are available for education services. However, increased budgetary restrictions on schools will result only in more expensive problems in school maintenance and future provision. Schools are astounded that the Department did not bid for extra funding as part of the January monitoring round. The Department stated:

"As the ability of DE funded organisations to commission and incur significant additional resource expenditure prior to the 31 March 2014 is limited at this late stage of the financial year it was not considered prudent to bid for additional funding; due to the risk that the budget could not be effectively utilised."

Every principal could have effectively utilised extra resources to replace computers that are so slow that they are useless or to carry out essential maintenance such as painting classrooms and fixing leaks. All schools are sitting with little projects that they could do if they had the money. They all could raise an order before the end of the day. Remember, it was the January monitoring round: there were still 10 weeks of the financial year left.

I do not understand why the Minister of Education has advised that his Department will not be participating in any future savings delivery plan. Surely, Budget 2011-15 required him to. So, the Executive, like the rest of us, are kept in the dark with respect to monitoring and whether the Department is meeting its objectives. We know that the principle behind one of those has not been met, namely that savings should be cash releasing and should not result in a diminution of services. CASS comes to mind.

Sound financial planning is intrinsic to improving our education system. The Minister of Education must work with the whole Executive, allocate funding to strengthen the educational prospects of all our young people and ensure that ESA is not an acronym for education still awaits.

Mr Beggs: The spring Supplementary Estimates set out and seek approval for changes since the Main Estimates were approved earlier in the financial year. As an Ulster Unionist member of the Health Committee, I will concentrate on the Department of Health, Social Services and Public Safety.

When I examined the changes in gross provision in the Department of Health, Social Services and Public Safety's Estimates, there were a couple of significant changes that stood out, on which I will seek further explanation from the Minister.

I refer to RfR A-13 for "Business Services Organisation", the funding for which appears to have significantly increased. Net provision was initially recorded as £15-6 million, but that was increased to £45-9 million. That represents an almost trebling of the Budget allocation. Will the Minister give an explanation of what has happened for such significant changes to be made? In particular, what has happened to the levels of savings and efficiencies that were predicted when the Minister of Health brought in the new business services organisation restructuring and when the health trust administrations were centralised?

I also refer to RfR A-7 for the Department's training and further education budget. There appears to have been a £27 million reduction in the funding originally allocated. I find that surprising because, at a time of Transforming Your Care and of many shortages in many specialities, I would have thought that there would be additional pressures on the training budget and not a 43% reduction. Again, will the Minister explain that significant change and

reassure me and the community that that does not mean short-term cuts in the training budget for specialist nurses, doctors and allied health professionals that we will regret in the immediate future?

The spring Supplementary Estimates also incorporate the monitoring rounds into departmental figures. I noticed recently that, at the Finance Committee, the Chairman questioned a senior Department of Finance and Personnel official on the 2011-15 Budget's "special terms" that were agreed by DFP. Those terms held that DHSSPS could reallocate internal reduced requirements but that it should not bid during in-year monitoring rounds except in the event of major and unforeseen circumstances.

The public and I will be glad that this stipulation appears to have been put aside and that there has been a U-turn. It would be helpful if the Minister of Finance would confirm this.

#### 5.15 pm

Mr Wells: Will the Member give way?

Mr Beggs: Yes.

Mr Wells: The Member may remember that it was actually the predecessor to the present Minister, Mr McGimpsey, who negotiated this provision; therefore, if it is not going too well, the Member could blame the honourable Member for South Belfast. Secondly, the Member and I sit on the Health Committee, and he knows that the Minister does come forward to show that his bids in the monitoring round are for inescapable financial demands on the Health Department that could not have been foreseen at the start of the financial year.

Mr Beggs: That is interesting. When I looked at the in-year monitoring bids for 2011-12, I discovered that the Department of Health received £25 million that year, £72.5 million in 2012-13 and, if my figures are right, it will be £98 million in the current year, almost twice the amount that the previous Minister would have been given. You will recall that, although he welcomed in-year flexibility, the previous Health Minister was dissatisfied with the health budget and, indeed, voted against it. However, you and your colleagues, and the current Health Minister, appeared to be satisfied with it. What we are finding is that it is not sufficient, and with inescapable pressures, we find, in virtually every in-year monitoring round, that we have bids for elective operations in order to reduce waiting lists. That could have been predicted.

It happens virtually every year, so it is not something that is unforeseen. I beg to differ with your interpretation.

The health service now faces huge pressures on its accident and emergency service; a discussion earlier today reflects that. Does the health service have enough finance in this year, and indeed, next year's funding? By examining the recent monitoring round bid of £67 million. one is able to see the considerable pressures that exist and were not dealt with in the monitoring round. Some £30 million was awarded to the Department of Health, but I notice that the Minister of Finance, in a rather Pontius Pilate-like fashion, did not allocate the £30 million against individual bids submitted. He is letting the Minister of Health decide where to allocate and ultimately what not to allocate or how else to provide for inescapable pressures that were not provided for in that monitoring round.

As far as the inescapable pressures are concerned, we have the clinical negligence settlement of £20 million, the children's services bid of £5 million for additional pressures for children in care, a bid of £7 million for the quality and safety of services and a bid for unscheduled admissions and winter pressures of £11 million — and winter pressures are fairly predictable, Mr Wells, as they normally happen every winter. What were described to the Committee and prioritised as inescapable pressures totalled £43 million.

I would first like to record my appreciation and that of the Ulster Unionist Party to all health service staff who strive to maintain our health service in Northern Ireland, despite having insufficient resources allocated to them to meet the level of demand they are facing. As I said, only £30 million was contributed to £43 million of inescapable pressures, so a further £13 million will have to be found from the rest of the health budget in order to meet these inescapable pressures.

Mr Wells: Will the Member give way?

**Mr Beggs:** I have already given way and I am pressed for time.

The Health Committee was advised recently that each health trust in Northern Ireland is in deficit. On top of that, we are moving into the most heavily demanding time for the health service, when we have winter pressures. The health service is expected to find cuts to meet these inescapable pressures.

Additionally, some of the other bids that were not funded included a bid for £5 million for domiciliary care services, which help to improve patient flow out of our hospitals, take pressure off our accident and emergency units and provide additional care in the community, which means that, hopefully, fewer people will return to hospital. That was not inescapable, and the Minister did not prioritise it, but clearly it is very important. An elective care bid for £12 million was also not funded. It was not prioritised, and I suspect that, regrettably, waiting lists will grow. There was even a £7 million flagship bid for transitional TYC funding. Again, funding could not be found for that because of the inescapable priorities.

Many of the important changes that we are led to believe are essential will not have been funded this year. These were described as strategically important to the Department and critical to maintaining and improving the quality of care provided to patients and clients. However, they have not been funded.

There are huge pressures on our A&Es. During 2013, some 641 people had to wait more than 24 hours. We had a major incident at the Royal recently, which was due not to a major event but to a build-up of pressures and a shortage of hospital beds. The pressures at A&E are resulting in delays in ambulances handing over patients. I notice from the figures that, in the first six months up to September, over 500 ambulances had to wait at accident and emergency for more than one hour. One even had to wait for four hours. That results in fewer ambulances being available to respond to 999 calls, which means extended waiting times, with life-saving paramedics taking longer to get to scenes of accidents and emergencies. That can be critical. A few weeks ago, at Craigavon Area Hospital, ambulances had to be diverted to the Daisy Hill and South West hospitals.

As I said, the Health Committee has been advised that each trust is in deficit and that there are inescapable pressures. I wonder whether Mr Michael McGimpsey will receive an apology —

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

**Mr Beggs:** — from the First Minister and his colleagues for saying that he was behaving in an "obscene" fashion. There is an urgent need to improve funding to the health service to meet the needs of our local community.

**Mr Wells:** Before I go into the main part of my speech, I have to say that Mr Beggs, if nothing else, is at least predictable. When Mr Beggs sees light at the end of the tunnel, he goes out and orders more tunnel. He simply cannot accept that huge strides have been made in health since May 2011.

The obvious success has been that, despite the very difficult fiscal straitjacket that we are all in, health has continued to deliver. The Minister, rather than simply complaining, moaning and demanding more money, set about finding inefficiencies in the present budget. Since May 2011, £700 million of inefficiencies have been taken out and redirected to essential care. I will put that amount of money in context: it is more than the budgets of seven Departments in Northern Ireland and almost as much as the budgets of the five smallest Departments combined.

That has been going on behind the scenes with a great deal of efficiency and diligence. Has anybody really noticed? No, we have not. However, it indicates that there were inefficiencies in the system left by the previous Sinn Féin, Ulster Unionist and direct rule Ministers. The Department has set about getting to the bottom of the situation and taking out the unessential and inefficient element of the health service budget.

Mr Beggs: Will the Member give way?

**Mr Wells:** Certainly. I will be more generous than the Member was.

Mr Beggs: The Member says that everything is behaving wonderfully. Is he aware that there has been a deterioration in performance on four-hour waiting times at our type 1 A&E units? In the best months in the past three years, an additional 1,350 people have had to wait more than four hours. In the worst months in the winter, an additional 3,000 people have had to wait more than four hours. In other words, an additional 100 people a day are having to wait more than four hours in accident and emergency. Does he call that a success?

Mr Wells: Yet again, the honourable Member for East Antrim is being selective with his statistics. He has failed to recognise, of course, the dramatic fall in the number of patients waiting 12 hours, particularly in his own Northern Trust area where the Minister moved in and took action on Antrim Area Hospital with dramatic success.

Therefore, I accept that we will never have enough money for health. In the entire world, only Brunei can say that it has enough money for health. There will always these stresses and strains.

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

We have to remember that the Minister, in addition to taking out £700 million in efficiencies — I am sure that Mr Beggs is itching to stand up and congratulate him on that, and I will give him the opportunity to do so later — is faced with a situation in which the health element has, in real terms, had a 1.9% increase in the comprehensive spending review (CSR) period. There has been no increase at all, of course, at the social care end.

As I repeat very often, demand is rising by between 5% and 6%. Therefore, to square that circle, the Minister has had to take action to remove inefficiencies. I have to be honest and say that we are now well into that programme, and I believe that the vast majority of inefficiencies have been detected and removed. There is not much left to take. The budget is stretched, and that is probably the only thing on which I will agree with Mr Beggs. We will have to find further funding for several reasons, the first being the increase in demand. Secondly, Mr Beggs is right in saving that the Finance Ministers, Mr Hamilton and his predecessor Mr Wilson, have been generous at the monitoring rounds, and we applaud them for that. Remember, however, that over one third of the entire Budget in Northern Ireland is spent on health, and, therefore, it is to be expected that the health budget will get significant additional funding through the monitoring rounds.

However, we also have to accept that things such as the A5 will not be with us for much longer. We were fortunate, in a sense, that, for various reasons, that major infrastructure project had to be put on ice. That meant that the Finance Minister was able to give a very generous settlement to the Health Department. There will not be an A5, as far as we can detect, in the incoming year. Therefore, that monitoring round may not be as generous. We need to keep ensuring that, if possible, extra money is put into health because we know that it will be very wisely spent.

There have been some considerable successes in the year that has just passed: for instance, the Minister announced capital spending for the new children's hospital at the Royal Victoria Hospital site, for which every Member has been calling for many years. We were told that it was

almost impossible to fund, but money was found. That is a success. We have had ongoing work in the hospital at Omagh and, as I mentioned earlier, a significant reduction in 12-hour waiting times. In addition, we have had the significant development of the clinics in places such as Banbridge. There has been real progress in very difficult times.

Every year about this time of year, the Health Department's chief finance officer comes before the Health Committee, and I always remind her that she is like Houdini in the glass water tank with chains and padlocks on her hands. Every year, she seems to get out of that tank later and later, but she always seems to make it, and we always seem to balance the budget. BUT, it is getting harder and harder to come out of the financial year with the books in balance, and we all have to accept that. Any additional provision that the Department of Finance and Personnel can give will be much welcomed.

Last week, the Assembly showed responsibility in the pensions debate. You may ask why I am raising that, Mr Principal Deputy Speaker. Had the Assembly not taken that difficult decision — I accept that it was difficult for us all that we simply could not afford to pay for pension provision for the next 30 or 40 years — at least a third of any cuts required to fund a different decision would have been to health. That is how serious it was.

We are now coming to probably the most important decision that this Assembly will ever take, which is on the Welfare Reform Bill. It is a terribly difficult issue, and none of us will want to be where we will be in a few months' time with that Bill. We do not want to be in that situation, but we are stuck with it, and, because of parity, we will have to introduce measures that will bring pain to our community, and we accept that. However, remember that, if we decide to hide our head in the sand and not go down the line of social security parity, whatever we decide to spend will not come as additional money from the block grant but will be taken from it, and at least 35% of that will be shaved off our health service.

The reality is that, when you look at the money involved two years down the line, the Health Department simply cannot afford to take that hit. Before we decide to beat our breast and say that we are not in favour of any change in social security spending, we must remember that the inevitable outcome of that decision would be that our major spending Departments — Health, Education, Justice, Regional Development etc — take a very significant hit.

#### 5.30 pm

Ms Maeve McLaughlin: Thank you for giving way. Can the Member outline to the House how he believes that a £20 million bid for outstanding clinical negligence is both major and unforeseen?

**Mr Wells:** Funnily, I was just about to come to that point in reaction to Mr Beggs's contribution.

I think that we need to distinguish between "unexpected" and "inescapable". "Unexpected" is an element that has suddenly appeared, that we knew nothing about and that could not have been predicted. "Inescapable" is something that we put in a bid for originally but, because of the finite budget, we could not fund. In the monitoring rounds, when more money has become available, we are asking for some more. Therefore, the Minister is not living in some naive land. Much of what he bid for was inescapable, but it was not unexpected, and that is the important distinction.

On medical negligence, we have no way of predicting at the start of the financial year what will come through the system. It is the courts that decide that, and we cannot dictate what happens. When the Minister became aware of the case, he made the bid for £20 million, and that is exactly right. I make no apology whatsoever for the Minister making as strong a bid as he can for additional money in the monitoring round. I do not believe that there is anything wrong with that, and if the system that was set up by Mr McGimpsey is flawed, that is where it came from. Remember, Mr Beggs, that originally the system was such that the Health Department was allowed full latitude in the distribution of money in its budget, but it automatically got the first £25 million of any monitoring round money. It was automatic in that the Health Minister did not have to bid for it.

We now have a different system whereby, of course, the Minister can bid. I would far rather have our Minister get £90 million by bidding than £25 million automatically. That is clearly a better system, and the Department of Finance and Personnel will have looked at the competing bids and thought that those were genuinely inescapable pressures on the Department and funded them accordingly.

We are living in cloud cuckoo land if we believe that any Minister will stand up in any fiscal situation and say, "We have enough". That is impossible. We will always have conflicting demands, but the Department has done extremely well over this past two and half years. It is to be congratulated for being able to

employ more people to deliver better outcomes for patients, for being able to put more people through hospitals for various procedures and for being able to do so given such a straitjacket of funding.

Mr McAleer: Go raibh maith agat, a Phríomh-LeasCheann Comhairle. Last October, in a blaze of publicity, the Minister of Enterprise, Trade and Investment and the Minister of Finance and Personnel announced the launch of the agrifood loan scheme. Its objective was to help local food producers, who are part of the integrated food supply chain, by providing them with finance through loans. The scheme was to start off by giving funding to broiler producers, before moving on to the dairy sector and producers of pig meat and red meat. At the scheme's launch. Minister Foster acknowledged that there were difficulties for the industry to access finance and that the scheme was very important for the Going for Growth strategy. The Minister said that they had worked very hard to ensure that the scheme was as straightforward as possible.

The Finance Minister reiterated those comments. He then said that the scheme would be rolled out on a phased basis, the first phase of which would be open for applications the following month. That would be last November. Now we are into the new year, and I have learnt that the £10 million that was given to INI for the scheme has been surrendered and that the scheme has not been put in place.

Farmers, local producers and, indeed, prospective producers are very frustrated. I have dealt with some constituents who have planning permission in place, have come to agreements with the main producers and have some matched funding in place, yet the scheme has not happened. I hope that, when he responds to today's debate, the Minister will tell us what happened. Where did it all go wrong? What is the situation with the £10 million? Will the scheme be resuscitated? The scheme is very important for the industry, and it wants answers.

Mr McKinney: I will contribute to this debate by talking about the Department of Health, Social Services and Public Safety. I have already expressed my party's concern about the moneys requested in the January monitoring round, particularly those for clinical negligence. I know that the Minister made the point that clinical negligence costs are accrued over a long time — years, in fact. However, that is not a suitable reason for simply ignoring the fact that the amount requested for clinical negligence stands in stark contrast to the other

amounts. We must interrogate the breakdown of the additional £30 million requested in January, and we have not had sufficient answers.

I have to reflect on Mr Wells's comments about clinical negligence: that it is now the courts' fault. That is a classic case of issue avoidance that now it is the courts' responsibility. How do these cases end up in the courts? Is there another approach that the Health Department could take when it comes to these types of cases and mistakes being made in the health service? Perhaps the Member could point to something that the Minister has done in relation to that. How else could we look at those costs and not have to have a £20 million additional inescapable —

Mr Wells: Will the Member give way?

Mr McKinney: I will, of course.

Mr Wells: The honourable Member, in this life and in a previous life, knows that medical negligence cases can take eight or nine years before they come to court and any final settlement is reached. The present Minister was not in position when that happened, nor was the previous one. In no way can he intervene at such a late stage in those cases. He has no way of knowing what the outcomes will be, as they are very difficult to predict. That is the nature of the beast, unfortunately, as far as medical negligence is concerned. Even if he took action now, it would be four or five years before there would be any change in the system.

Mr McKinney: I notice that the Member did not actually comment on what I asked, which was: can he point to anything that the Minister has done? The Minister has a responsibility to look after historic and present costs, but he also has a responsibility to deal with future potential costs, and he has not yet been able to point at anything that the Minister has done in relation to that.

The Minister and Mr Wells should also reflect on the fact that they have taken £700 million out of the health service. The SDLP recognises that, given that 50p in every pound is spent on health here, we have to look at how that money is spent and make sure that it is spent wisely. Given the big numbers that are talked about in the January monitoring round and in other rounds, we must make sure that, with the moneys that are claimed through clinical negligence, and the practical implementation of TYC — they become even more crucial. They

have a bigger impact on a reducing budget. That underscores the need to ensure that those moneys do not end up with front line services being harmed. We must properly fund front line services.

We cannot ignore the Minister's announcement this morning on issues around accident and emergency at the Royal. Our narrative has been that these cases apply all across the North, but the Minister was able to tell us that, after consulting 100 staff, he has found intolerable pressures in that system. Some of those reductions, combined with demands for money elsewhere, are adding increased pressure on to that system.

As the Minister well knows, the pressures on health are many, and they are all very genuine. We have only to look at the crisis situations recently seen in many of our accident and emergency departments to know that funding needs to be sufficient in order to maintain a high quality of patient care.

The invest-to-save aspect of the current health budget requirements has at its heart Transforming Your Care. I trust that the Finance Minister will continue to cast a clinical eye on every aspect of Transforming Your Care and whether or not the financial cuts are actually beneficial in the long term.

For it to work, it is important that investments that are made to save money down the line genuinely achieve those savings and are in credible invest-to-save options. Many in the professional side of management, the clinical side, the representative organisations, the patient groups and a significant number of Members still have reservations about aspects of Transforming Your Care being able to deliver the savings that are being suggested. Indeed, we met UNISON and the Royal College of Nursing, both of which have those concerns.

Other aspects of health and social care policy will present us with real and deep financial challenges, not least the cost of social care. Given that we have an integrated health and social care system here, it would be a great pity if we ended up having to ask people at the very limit of their means to make contributions to the social care of elderly people in particular, which are well beyond their ability to afford. In our view, such a scenario would be a breach of the basic contract at the heart of the NHS, which is to provide health and social care free at the point of need. I trust that the Minister will continue to respect and uphold that principle.

As we reflect and begin to face up to the challenges of providing an increasingly ageing population with social care, we must do so in a way that does not cripple working families or provide little more than a shifting of debt from one generation to the other.

Finally, I want to talk about all-island efficiencies and opportunities. Those are significant in the health and social care arena, whether they are through the commissioning of specialist surgical and secondary care services, greater opportunity for cooperation in the primary care sector in and along the border region, integrating emergency services in the border region or through the specialist and strategic investments that could be made in our very good and very modern hospitals north of the border. I think about the success of the cancer centre in Belfast City Hospital and the opportunity for further cardiac services to be developed in Altnagelvin.

There are many financial opportunities out there, and we need to ensure that the Minister and his Department maximise each of them to achieve the standards that are necessary for 21st-century healthcare provision. There is one thing that the SDLP fears, and that is the provision of healthcare under the strategic direction of the 'Transforming Your Care' document must not become simply a financial exercise rather than one that has patient care and front line services at its core.

## Mr Swann (The Chairperson of the Committee for Employment and Learning):

Speaking as Chair of the Employment and Learning Committee, I welcome the opportunity to outline the Committee's views on the spring Supplementary Estimates 2013-14.

Given that it is one of the Executive's largest spenders, the Committee takes scrutiny of the DEL budget very seriously. The Committee understands the challenges to the forecasting of the budget, given that the Department's services are so closely linked to the wider economic conditions. Throughout the 2013-14 period, the Committee listened with interest as officials from the Department explained the subtle shifts in funding to meet changing demands and the requirements of decreasing budgets.

In this financial year, the Committee has had seven briefings from DEL officials on its savings delivery plans and monitoring rounds. The difficulty in estimating a demand-led budget such as DEL's was best exemplified by the Department coming to the Committee last May and advising that, in the June monitoring round,

it included a bid for £5 million to help to ease the pressure with employment programmes. It also advised that it was confident in the success of the bid and that, if it was not successful, it would resubmit the bid in the October monitoring round. However, the bid was unsuccessful, and it did not show up again in the October monitoring round. When asked what had happened in the intervening period, the Department outlined that it had better estimates of its future spend and was able to find savings elsewhere.

From that anecdote on how estimates can be wrong, I will now move to comment on the spring Supplementary Estimates. The Committee acknowledges the £9-2 million resource easement in the Department and notes that that may have been larger if the £5 million bid had been successful. The Committee notes that £6 million of the money that was surrendered was from the further education colleges' end-of-year flexibility schemes and that up to £6 million will go back to the colleges in June if it is required.

The fact that £1 million has been returned because the youth employment scheme was unable to spend it is a concern to the Committee, given the current high levels of vouth unemployment. The Committee also notes the technical changes in student loans and the adjustment of £22.1 million in resource from the Treasury to increase the student loans impairments line, which will therefore not come from other Departments. The Committee notes that that headroom has been built in to the Department for Employment and Learning's student loan budget following a very recent change in the way that student loans are recorded throughout the UK. That change was notified to the Finance Minister on 15 January 2014.

The Committee also notes with interest that DEL has made a technical transfer of £3·3 million to the Department of Health for its condition management programme. The Committee was briefed on that programme last year and has taken a keen interest in its continuance, as both DEL and the Department of Health are reviewing the funding sources. The Committee is particularly pleased to see the £25 million capital allocation from the Strategic Investment Board via OFMDFM for the University of Ulster as a loan for funding the relocation of the university's Jordanstown campus to Belfast city centre.

The Committee is content to note the spring Supplementary Estimates and looks forward to reviewing their accuracy in future briefings. Speaking as Ulster Unionist employment and learning spokesperson, I can say that the most concerning fact to us is the £1 million that was returned, especially in the current situation, given increased levels of youth unemployment. We think that the Department should have made better use of that money to ease the critical situation at this time. There are a number of programmes and delivery schemes out there, and the Department keeps bringing forward further programmes. How is it going to tackle this programme? We think that to hand back £1 million is reprehensible in the current situation.

#### 5.45 pm

Mr Attwood: I apologise that I have not been in the Chamber to hear much of the debate, but other duties took me elsewhere in the Building. Mr Swann said in his contribution that his Committee took the scrutiny of the DEL budget very seriously. I think that any Chair and any member of any Committee would echo those comments. That is why, in opening, I want to make a general comment about the conduct of the OFMDFM Committee.

Two weeks ago, it wrote unanimously to the permanent secretary and head of the Civil Service asking him to come to the Committee to discuss the inability of the Committee to extract from the Office of the First Minister and deputy First Minister relevant information for it to fulfil its statutory function of accountability, including accountability in respect of Estimates and Votes on Account. The Committee had to write to the head of the Civil Service asking that he come to the Committee to see whether he could work with the Committee to resolve the issues that the Committee has with the Office of the First Minister and deputy First Minister in respect of questions that it has on policy implementation, the proper spending of resources and the allocation of moneys.

I could speak at length, as could other members of the Committee, about how that situation has arisen. A Committee of the House, further to devolution, is, in my view, being frustrated and is unable to fulfil its statutory function, including when it comes to budgetary issues, to the point where it has to ask to see the permanent secretary.

The Committee has agreed that, as a preamble to that meeting, the Chair and the Deputy Chair of the Committee will meet the head of the Civil Service to discuss the difficulty, which long predates my joining the Committee in October, about questions to the First Minister and the

deputy First Minister not being asked, papers not being provided and answers not being given to proper questions further to our statutory responsibility.

It took years of democratic struggle to achieve devolution, only to see devolution now being frustrated by the failure of one Department to account properly to the Committee to which it is answerable on behalf of the people of Northern Ireland.

The Minister has left the House, but he will be aware that, earlier today, the First Minister confirmed how 40% of the budget allocation for the social investment fund would be spent. Does the Minister accept the argument that the OFMDFM Committee is being frustrated in discharging its statutory function in the way that I have outlined?

I have a second question for the Minister. In 2011, there was a budget allocation for SIF. However, nearly three years later, the only money spent has been on consultants. Over the weekend, I heard the leader of another political party on this island, at his annual ard fheis, criticise the Irish Government for spending money on Irish Water, because all of it was going into the pockets of consultants. When I heard the leader of that party say those words in Wexford. I wondered whether the leader of that party would apply those very same words to the allocation of moneys up until today to the social investment fund. Up until today, all the money has gone into the pockets of consultants. I wonder whether I will get an answer to that question.

Mr Hamilton (The Minister of Finance and Personnel): Not from me.

**Mr Attwood:** You would be tempting fate, I think, if you were to answer that, Minister.

My question to the Minister is this: what sense does it make that a Budget allocation in 2014 has, as of today, been spent only on consultants? The First Minister confirmed in the House today that the full spend of the £80 million would now stretch into the next mandate. Is there any government policy or spend where a Budget allocation of three years ago has not been spent until today and where it will take another three years to spend even the £80 million that was allocated under the Budget headline? Does it not prove that when it comes to proper management of finances, you put the money where the policy is located? When it comes to neighbourhood disadvantage and renewal, the policy is located in DSD. That is not to take away from the fact that SIF may

fund good projects; but it does not take away the concern that, around SIF, there is still a level of cronyism, party politics and insider trading in the allocation of some of that money.

I have a third question for the Minister. I know that earlier, my colleague the Chair of the Enterprise Committee asked questions about Horizon 2020, the £80 billion fund for research, development and innovation that comes from Europe. I acknowledge that DETI and INI have appointed additional staff — I think that they are five or six in number, but they are nonetheless additional staff — to try to better deliver the funding opportunities that arise from Horizon 2020.

Does the Minister not agree, not least because of the need to develop the financial profile of Northern Ireland when it comes to research and development, that the current ambition of a drawdown of only £100 million from the Horizon 2020 budget for 2014-2020 is scandalous when you compare it with the anticipated drawdown in Dublin from the same budget of €1·4 billion, being mindful that, just as they surpassed their notional targets for FP7, they will surpass that and will get closer to a drawdown of €2 billion over those six years?

With regard to that low-hanging fruit, is there not an opportunity for the Government in the North to develop the systems and structures in government to draw down the potential funding that could see the money that is being allocated under these Estimates to research and development in universities, for example, being multiplied many times?

My fourth question to the Minister is one that the SDLP raised in 2009. The Minister will be fully aware of it. Where are we now, five years later, with regard to using to the public's benefit some of the money that was gathered through the Harbour Commissioners' very efficient management of the port of Northern Ireland? Are we any closer either to getting cash —

Mr Allister: No.

**Mr Attwood:** I am hearing over here that the answer is no. Maybe the answer will be yes from over there shortly. Are we any closer to being able to use either the cash reserves, if they have not been spent on alternative projects by the Harbour Commissioners, or, in some other way, the financing and profits of the Harbour Commissioners for the wider interest beyond that of the harbour?

The harbour is a very important asset in this part of the North. It is one of the two main

harbours on the island of Ireland. It has a profit margin of 35% of its annual income. It is probably the most profitable organisation in the North of Ireland. Are we any closer to ensuring that some of its funds come back into the public purse for the wider public benefit? Are we any closer, for example, to seeing a contribution from the Harbour Commissioners to the construction of the underpass by his ministerial colleague in DRD? Given that they have responsibility for the harbour area, it seems to me that it is a small hop, skip and jump to contribute to the funding of a road and underpass that are a matter of metres or yards away.

My final point is that there is a responsibility in these times, given the profile of issues around victims and survivors generally and, not least, because of the Haass talks, for government to be looking at and probing more deeply the work of the Victims and Survivors Service (VSS). Work is ongoing. I acknowledge the work of the Victims' Commission in that regard. However, in my view, when it comes to money that is going to the VSS, a lot of it would be better spent by third-party accredited organisations who know best what needs to be done on behalf of victims and survivors generally.

Mr B McCrea: I listened to the Minister's opening remarks, when he reminded us of the purpose of the debate. I think that he rather forlornly hoped that we would stick to it but accepted that we might stray a little. However, I will try to deal with some of the issues raised.

I am disappointed by the progress towards how we look at the Budget process. Perhaps the Minister will agree. Frankly, it is rather difficult to understand what is going on in many cases. I have a Research and Information Service paper on DFP's review of financial process. It outlines guite a number of recommendations that, I understand, have the support of the Committee for Finance and Personnel. I wonder whether the Minister might, at some stage, take some time to explain to us why we have not been able to make more progress on that. He may choose to reflect on the process happening in Scotland where, because of the potential for the enhanced devolution of fiscal powers, they are looking at an even better streamlined system. The reason that is important is this: if the devolution of corporation tax is one of the key objectives of the Minister, he will know that it is one of the most volatile taxes that we can manage and we need better fiscal powers and better fiscal control to make sure that we can deal with it. That was one of the reasons why my party, NI21, called for an overarching review of all our fiscal powers.

I quote what the Minister said last week on 4 February when he said that we have had a number of difficult years. In fact, he repeated it. He said:

"we have had a difficult number of years — times will get tougher even as the economy improves, particularly in respect of public expenditure." [Official Report, Vol 91, No 6, p57, col 2].

That is a really interesting statement to make only last week: even as the economy improves, things will get tougher. That means that we need better financial control.

I put to the Minister a quotation from Liam Fox, a member of the Conservative Party, speaking about his desire to stop the ring-fencing of health:

"I think we've tested to destruction the idea that simply throwing ... money at the health service will make it better."

That is a stark warning. A lot of our revenue is unhypothecated, and, if we lose health and education's ring-fenced status, we will have real problems with our Budget.

I will move on to some of the specifics that the Minister may wish to deal with, since this is something of a tidying-up exercise. I will continue where the previous Member left off, with the Belfast Harbour Commissioners. One of the things that was interesting in the Hansard report of the Finance and Personnel Committee meeting was this:

"The DRD has a number of significant allocations and easements. In allocations, £20 million went to the DRD to make up the shortfall in the release of funds from the ports, which we thought we might get but did not work out that way."

That is a really interesting statement. It relates to the Budget statement. The Executive have agreed that the Harbour Commissioners will take forward measures to ensure that they can make a direct financial contribution of £20 million a year for 2013-14 and 2014-15. In answer to a question asked by Mr Attwood, Mr Len O'Hagan said that they had very clear legal advice:

"I think that is the same as that of DRD that there is no way in which any of the assets or cash of Belfast Harbour can be transferred to the Assembly." Given that you had that warning, you wonder why we have it in the Budget and why we were expecting it to come along but it did not work out that way.

I want to make some other points. In health spending, £56 million resource and £46 million capital were reallocated this year. Mr Wells was waxing lyrical about it. Did no other Department have any requirements? Where is the link to that expenditure in the Programme for Government? We had an agreed position, and suddenly we are just dishing out money. I am not saying that it was not right to give the money — I just do not know — but the idea was that it was supposed to be tied to the Programme for Government, and other Members have made the point that this is not really working out terribly well.

#### 6.00 pm

The Principal Deputy Speaker will probably be familiar with this point of argument, and I will quote him. In Committee, Mr McLaughlin asked:

"Are we giving the money to health because it can spend it?"

Mr Jakobsen replied, "Yes". Mr McLaughlin said:

"It is not that health needs it."

Mr Jakobsen said that health did need it because it had made a bid,

"but it can spend the money now, towards the year end. Most Departments cannot ramp up their spending quickly. That is the issue."

When we look for details, we cannot find them. So it comes down to this: how are we meant to manage a Budget when we do not get the figures and do not agree to the protocol? I want to hear from the Minister whether he thinks that the process is fit for purpose, regardless of the merits of the actual allocation. It seems doubtful to me.

I also want to mention social and affordable housing. Demand continually outstrips provision, yet, as far as I can see — I stand to be corrected — DSD has made limited in-year bids for extra resources to boost house building. Why is it that we cannot try to meet that build? Why did we decide to put all the money in health?

The social investment fund was announced today to great triumph. I read the tweets from the 'Belfast Telegraph' about how wonderfully we have done. In any other place, a budget that was delivered two and a half years late, after probably our worst recession, would be greeted not with cries of joy but with derision. How are we able to manage this Budget if we still do not know what has been paid for?

We then get to welfare reform. I see that we have made a provision for £5 million a month from January and that there has been £15 million for the past three months. How long will that carry on?

I am not sure whether the issue about the Titanic building is in the Budget, but Mr Allister was the last person to ask a question about this — a full year ago. You will remember that because, at the time, there was also a debate about the value of mints at the front of the Chamber. We were able to discuss who should pay for the mints in great detail, but, when it came to the £18-3 million, we were told that it could not be drawn down, would be put somewhere else, would be reallocated, might be lost or might not be lost. There is some talk about it in Hansard, but I still do not know what happened to that £18-3 million.

Going through the details, I see that, in the monitoring rounds, £17 million is allocated to the Invest NI building: 'Invest NI Snaps Up HQ Building'. That is £17 million that we have just spent. That seems rather strange. Paragraph 3.36 of the Budget for 2011-15 states:

"The Executive has now endorsed the establishment of a Central Asset Management Unit who will work to deliver the £100 million of additional capital receipts identified in the draft Budget."

In the Budget, we were planning to sell the estate and raise money, but suddenly we have decided to buy buildings. It may be that that is the correct decision — I do not know — but I am telling you that that 180-degree turn without any real discussion or oversight is a bit of a surprise, given what was agreed in the Budget. I have an issue about how we conduct our business in all these matters.

These debates, during which we stand up and say the same old thing time and time again and have 10 minutes to try to fix the travails of the world, are not the proper way to do government or to engage. We should have a Budget, and it should be discussed. Committees are entitled to paperwork and information, and we should

have proper oversight. That is good governance, but it is not what we get. I want the Minister, in his response, to state what he intends to do about it.

Mr Allister: Today, in this debate, I have heard a number of Members dutifully laud the Executive for the production of their Estimates, the diligence and thoughtfulness that goes into all these matters and the delivery that comes with it. Is this the Executive whose joint leader described them as an embarrassment? Are we talking about the same Executive?

Of course, if we want to talk about embarrassment, Mr McCrea has just referred to the episode today of the announcement of the social investment fund. When did we first hear about the social investment fund? It just happened to be just before the last election in 2011. We heard about the £80 million that was hard won by the DUP and Sinn Féin. They were going to spread it to causes of need throughout the community, and things were going to be wonderful. Today, three years later, after £42 million of it has had to be given back during various monitoring escapades, we have some announcements. However, the First Minister was careful to make sure that there was no scrutiny of the announcement by keeping the detail off the website until the time for OFMDFM questions in Question Time had passed. What do I find as a representative for North Antrim? I find that not one penny will come to North Antrim under this tranche of the social investment fund. The whole northern region is getting £400,000. This is the great announcement that was promised for years. Little wonder that the joint First Minister is embarrassed by the Executive. So he might be, though he seems to forget that he is their joint leader and therefore a great source of that embarrassment.

I have a few questions for the Minister. When you examine the financial process through the year and the changes in the in-year monitoring, it is noticeable that four Departments — three in particular: DARD, DCAL and the Department of Education — never give up anything under a single easement during the year. Is it just a coincidence that they are the three Sinn Féin Ministries? Not one penny was surrendered in the easements. While other Departments were expected to make savings to allow redistribution, they operated on the basis of holding their hand out and giving nothing. Why was it that those three Sinn Féin Departments had nothing to offer in easements? Are they the freeloading Departments of the Executive for which it is all take and no give? Of course, their Ministers are from the party that is holding

up the review of financial processes. It is courtesy of them that we do not even have basic transparency in our budgetary arrangements. If it is not a coincidence, why is the Finance Minister not going after them hard for their failure to deliver on easements? Of course, the same party is piling up the penalties on welfare reform and again wanting to freeload on that front but taking none of the pain in its Departments.

Indeed, some have had most lavish uplifts during the year. DCAL's cultural policy and language line increased by 100% over the year. And yet, other Departments are required, of necessity, to pull their weight. Why are the Sinn Féin Departments not pulling their weight in financial easements? That is a question that I would like to hear answered.

I would also like to hear what progress the Minister is making in dealing with another freeloading issue to which I referred in my question to the Minister for Employment and Learning: free education for students from the Irish Republic in our regional colleges. That costs over £7 million a year. Some 5% of the DEL budget for further education is spent on providing free education to Republic of Ireland students, and not a penny of it is paid back by the Southern Government. What progress is the Minister making there?

What progress has been made on the free healthcare that is provided on a cross-border basis, or is there just another saga of freeloading in that regard? Perhaps the Minister can tell us what progress has been made in balancing the books in that regard.

Something else that the Minister can maybe elaborate on is the progress that he is making in dealing with the outstanding equal pay claim of civil servants from the PSNI and other arms in Justice. How long will that saga continue? How long will those people be held out on before they get the equality of provision that others obtained? The Minister has told the House a number of times that he is looking at the matter. I hope that he is doing more than looking at it; I hope that he will deliver on it. Maybe it is now close enough to the election for him to make the announcement that he will deliver on it. Maybe tonight he will tell us.

There seem to be some very favoured organisations in the Estimates. One of them, I note, is the Strategic Investment Board, which gets an uplift during the year of not 100%, 200% or 300% but 400%. It gets a 400% increase in its funding. Why is that? One is left to wonder.

Something else that puzzles me about the Estimates is the uplift during the year for Invest NI of some £30 million, yet it is a serial underspender. In monitoring round after monitoring round in recent years, it has been returning funds. Will the Minister give the rhyme or reason for Invest NI nonetheless seeing that increase during the year?

How are we doing on the dispersal of and reduction in the number of quangos? I remember another brave, bold announcement that we were going to cull quangos, that this Executive were going to tackle the issue of quangos. Of course, they were also going to tackle the issue of surplus Departments, and we had a great to-do that DEL was going to be disappeared, only for there to be a total U-turn. How about the quangos? Why is it that tonight we have more people serving on quangos that when this Executive came into being?

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

**Mr Allister:** In 2007, in OFMDFM alone, there were 94 appointees on quangos. In just five years, that had increased to 108.

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

Mr Allister: So, where is the cull of quangos?

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

**Mr Allister:** Of course, there is also the £30 million that we continue to squander on the useless North/South bodies.

#### 6.15 pm

**Mr Principal Deputy Speaker:** I call the Minister of Finance and Personnel. You have used 16 minutes of your allocated hour.

Mr Hamilton: Thank you, Mr Deputy Speaker, for allowing me the opportunity to respond as best I can to Members. I would have been disappointed if the last Member had not got in the last point. I am sure that he would have been more disappointed, though. At one stage, I thought that he was going to whip himself up into such a frenzy that he might have put additional pressures on the Health Minister's already pressurised health budget.

I thank all Members, including the last Member. for their contributions to the debate today. particularly those who spoke on behalf of their Committee. This has been my first Supply resolution debate as Finance Minister but certainly not my first as a Member of the House. Over my time, I have seen a growing awareness and understanding in the House of the nature of the debate. I welcome the comments of those who contributed to that understanding. Nevertheless, as predicted. some Members took the opportunity to, shall we say, air subjects more loosely connected to the Supply resolutions before us. I will attempt to respond as fully as possible in the time available to me to as many of the relevant issues discussed as possible.

I acknowledge the confirmation today by the Chairperson of my Committee, Daithí McKay, on behalf of the Committee for Finance and Personnel, that there has been appropriate consultation with it on the spending plans reflected in the motions and that the Committee is content that the Budget Bill, which I hope to introduce after this debate, should proceed via accelerated passage. I very much appreciate the assistance, as always, of the Committee in this matter.

I now turn to the issues raised by Members. I will deal with one of Mr Allister's points. I know that he made several points, and I will endeavour to respond as best I can, but I lead with one about which there is — how can I put it? — an inexactitude in the facts. He made comments about how there had been no reduced requirements from Sinn Féin Departments. I am happy to stand corrected if he did not say that there had been no reduced requirements, but one does not have to go too far back — back to January, in fact, and the January monitoring round — to find that, in the first table supplied to Members after the statement, the first reduced requirement was from the Minister of Agriculture and Rural Development. It was £500,000 on a forestry fund, and there was a reduced requirement of £0.8 million for the Northern Ireland food and animal information system. There was a reduced requirement of £1.1 million in Department of Education surplus asset receipts. There was £4.5 million of a reduced requirement in DCAL's regional stadium programme. If you go back a little further to the October monitoring round, there was a reduced requirement of £3.7 million from the Culture Minister, and there were surplus asset receipts from the Department of Education of £1.6 million. It is not entirely accurate to say that there have been no reduced requirements from Sinn Féin Ministers.

Mr Allister: Will the Minister give way?

Mr Hamilton: Yes.

Mr Allister: In fact, I was quoting from a document produced by the Minister's Department as a briefing paper to the Finance Committee just a short time ago. It provided at annex A the reconciliation of DEL from Main Estimates to spring Supplementary Estimates 2013-14. Under the column on easements, it showed DARD — nil; DCAL — nil; and the Department of Education — nil. The source of my allegation is a departmental document from the Minister's Department.

Mr Hamilton: Reduced requirements are the important aspect of the management of finances in the Executive and the Assembly. It is very clear that all Departments — periodically some more than others, for various reasons -[Interruption.] The Member has been in the House for long enough now to realise that the papers that are produced and put forward, both in January monitoring and October monitoring I am sure that I could go back to June monitoring last year and, indeed, monitoring rounds before that in previous years — show that DARD, DE and DCAL in this mandate have offered reduced requirements on every occasion. It is not for me, as Minister of Finance and Personnel, to in any way defend the reasons behind all of those, but there are certainly reduced requirements coming forward in every case. If the Member looks at the annex that he has been brandishing, he will see that easements on the resource side have been zero. On the capital side, there have been significant easements and reduced requirements.

Of course, other Departments have had very low figures, but I do not hear the Member criticising them. Far be it from me to defend any Minister's Department, but, when the Member reads in Hansard his comments that there have been no easements — I think that that is what he said — he will, even by the piece of paper that he is brandishing, be shown to be wrong. I will not go into it further, as I have already used up five minutes of my time. I want to address some of the other issues that the Member and others raised.

Mr McKay and Mr Bradley raised issues about headroom. In fact, the Chair of the Committee described the quantum of headroom this year as perhaps a preparation for bad financial management. I have to say that I do not agree. It is important to emphasise that we are

factoring in to the headroom an additional £15 million for welfare reform penalties. Should progress on welfare reform be made before the end of the year, we might be able to utilise some of that funding. I believe that the inclusion of headroom in that case is prudent planning; it is certainly not preparing for bad budget management.

I also want to point out that Departments should be totally focused on adhering to their budgets as they stand, and I expect them to come in within those budgets. Headroom is in place only should significant late easements arise that allow us to avoid handing back funding to Her Majesty's Treasury. It ensures that we spend all our money and do not relinquish any of it back to the Treasury. I am sure that we would all agree with that.

The Committee Chair advised that the Committee of Finance and Personnel would like a report to be issued annually outlining the final out-turn position. Historically, the out-turn position has been reported to Departments at provisional out-turn stage, along with my statement to the House accompanying the June monitoring round. That is available much earlier than the final out-turn stage. There is rarely much change at the final out-turn stage, and it usually manifests itself in or around the summer period. My officials and I are happy to work with the Committee to develop reports that will provide an update at the final out-turn stage.

Mr McKay is a keen cyclist, although I am not sure whether that is still the case with the recent weather. I agree with him that there is enormous prestige in Northern Ireland being selected as the venue for the Grande Partenza of the Giro d'Italia. That, once again, proves that Northern Ireland is a world-class tourism and sporting venue. In recognition of the importance of the event, the Tourist Board has committed £3 million to it, and I understand that DETI dedicated a further half a million pounds to the Tourist Board to cover some Giro d'Italiarelated activities. The Member also mentioned that DSD had committed funds for what is perhaps best described as a spring clean for some of the towns along the route. Of course, the Executive would have to consider any further funding requirements for the event. I am certainly content to look at more spending if it is required, although I have to say that losing £15 million to welfare reform this year certainly does not help matters.

Mr Givan: Hear, hear.

**Mr Hamilton:** Mr Givan — right on cue — raised a number of issues on the Department of Justice's —

Mr Wells: Will the Minister give way?

Mr Hamilton: Yes, I will.

**Mr Wells:** The Minister quoted the figure of £15 million. Perhaps he could also alert the House to what the likely outcome will be in the following year if we do not adopt the Welfare Reform Bill in its entirety?

Mr Hamilton: I am happy to reiterate what I said in my opening statement about the estimated cost for next year being £105 million. I am sure that, having spoken to and debated with colleagues on the health budget, the Member will appreciate that that will have a very serious impact. There is a danger in dismissing £15 million as a paltry amount in the context of a £12 billion departmental budget overall. Once it rises from £15 million to £105 million and then escalates to over £1 billion in total over the next five years, the impact on vulnerable people and public services in Northern Ireland will be exceptionally acute.

Mr Givan raised issues about the Department of Justice's budget, and he is the Chair of the Justice Committee. I welcome the work of the Minister and the Committee in making efforts to manage the Department of Justice's budget, especially its legal aid budget. The Department of Justice's budget faces many pressures, and the Executive will, where possible, support the Minister in his work. Indeed, alongside the £115 million allocated by Treasury, the Executive supported the Department with some £16 million this year. The Department of Justice's budget, however, remains ring-fenced, and I expect the Justice Minister to continue to contain those pressures next year. The Member might be interested to know that I am scheduled to meet the Chief Constable and the Minister of Justice soon to look at pressures in future years.

The Member mentioned headroom for the Prison Service exit scheme. Although there is no guarantee that money will be available, I am hopeful that we will be able to meet that bid if funding becomes available between now and the end of the financial year.

A number of Members — Mr Bradley, Mr Cree, Mrs Cochrane and, latterly, Mr McCrea — raised the issue of the review of financial processes. I am as frustrated as everyone who raised the issue at the lack of progress on the

review. I strongly agree that this is an area where we need to see reform of what are outdated processes. It has, as Mr McCrea mentioned, been agreed by my Committee. Clearly, it has widespread support in the House.

As Members will be aware, and I think that Mr Cree and others mentioned this, the Education Minister has expressed concern around aspects of this review and, more specifically, around the level of scrutiny applied to his budget. I share the concerns of others, as, in my view, the Education Minister's issues have been addressed. However, I am willing to have further discussions with the Education Minister on this subject, as progress will, of course, require Executive agreement.

I am sure that many will agree with me that we want to get rid of an archaic, out-of-date and direct rule-era system of budgeting. I am sure that the Education Minister would similarly agree with the need to get rid of a direct rule-era system of budgeting.

Mr Bradley and Mrs McLaughlin, as did many other Members, raised issues about special arrangements for the Department of Health. It is true that the Executive have provided substantial additional funds to the health service in this financial year. I am sure that all Members would welcome that, although at times I listened to Members, Mr Bradley included and others, who sounded as if they were complaining about additional money being spent on the health service. The original agreement precluded Health from tabling routine bids, but it did not preclude allocations being made to the Department of Health.

The monitoring rounds exist to ensure that resources are distributed to the Executive's priorities, and the Executive have rightly considered our health service to be one of those top priorities. In the context where significant funding became available this year, I think that the Executive would be short-sighted if we decided not to fund our health services when this was considered a higher priority than other requests, especially at a time when the health service is facing considerable pressures.

I move to Anna Lo's comments; she was speaking as Chair of the Environment Committee. I thank her for her comments on the Budget. Although I am sympathetic to the call for budgets to be made available for cleaning up illegal waste, the Member will know that that is a matter more directly for the DOE Minister to prioritise and bring to the Executive if necessary.

The Member also raised the issue of local government reform and the Planning Service budget and road safety budget. The Member will know that the budget for planning and road safety is a matter for the DOE Minister, who will prioritise his overall budget accordingly. The Member drew attention to the reduction in the Planning Service's line by £2 million in the spring Supplementary Estimates. That is a result of some internal reallocations of budgets in DOE to ensure that back office costs are correctly apportioned across the various business areas, particularly planning and the NIEA. It does not represent a cut in front line services with the Planning Service and does not have any bearing on the transfer of responsibilities to local government under RPA.

Michaela Boyle raised issues in respect of hardship funding through DARD. She mentioned the £5-3 million that was allocated to DARD. I am glad that the Executive were able to support our local agricultural industry in that way. The Member acknowledged that I was on record in stating that the Executive remain committed to the A5 project, and that is true. As we all know, the legal challenge by the Alternative A5 Alliance resulted in the statutory orders relating to the A5 scheme being quashed. The Regional Development Minister is seeking to address the area of concern that the court identified.

Mr Cree asked about a number of in-year financial movements, and I will do my best to address as many of those as I can. As part of January monitoring, DARD declared a small easement of £500,000 from the £4 million awarded to the Department to improve the tourism potential of our forests under the economy and jobs initiative. I am sure that Members will agree that our natural assets have considerable tourism potential. Therefore, I encourage the Agriculture Minister to ensure that this fund is prioritised.

Mr Cree also raised the issue of the £2·7 million capital receipt from the Department of Education. I can confirm that, in Education's case, that resulted from surplus capital receipts realised from asset disposals that arose as a result of the school sectors disposing of assets earlier than planned and above the level of Education's planned receipts budget.

Mr Cree queried the £9.2 million reduced requirement by the Department for Employment and Learning. I can confirm that £6 million is related to the further education (FE) college end-year flexibility (EYF) scheme, which is similar to the scheme that the Department of Education has. There was £1.5 million, which

was related to employment schemes and initiatives, and £1.8 million, which was related to ring-fenced depreciation.

#### 6.30 pm

Invest Northern Ireland's headquarters PFI buyout, which Mr Cree and Mr McCrea raised, will result in a saving of approximately £24 million over the lease period, representing an internal rate of return of 16%. All Members will agree that that represents a good deal for the Executive.

The £5 million surrendered by DETI from the economy and jobs initiative was reallocated and will not be held for redistribution next year. The £1.6 million released by my Department related to staff costs, and I am sure that the Member will welcome the work done by my Department to reduce the cost of administration.

Mr Cree and Mr Maskey raised the issue of the £66-3 million of reduced requirements from DSD, which included almost £15 million from the Housing Executive. Most of that related to the housing maintenance contracts, an issue that the whole House will be well aware of. My colleague the Social Development Minister has done good work to ensure that the contracts will be fit for purpose. He is right not to proceed if the contracts do not represent good value for money. I would rather see, as I am sure all Members would, the money being spent on the clear need in our housing stock. It should not be wasted on overly expensive contracts or on those that are not value for money.

Of the OFMDFM allocations that Mr Cree spoke about, the £5 million balance relates to almost £3 million for good relations, almost £1 million for PlayBoard and £1·3 million for the Hillsborough agreement sites.

Finally, the Member mentioned blank pages in the initial document. I can only assume that this was due to a printing error, but I am sure that he would agree that there are enough numbers on the other pages to keep him and the House well occupied.

Mr Frew, in his capacity as Chair of the Agriculture and Rural Development Committee, mentioned the 'Going for Growth' report. The agrifood sector has performed well, very much bucking the trend during the difficult economic conditions of the past number of years. We should commend the level of ambition that the Agri-Food Strategy Board outlined in its 'Going for Growth' report. 'Going for Growth' calls for major investment from government, which, as the Member highlighted, should lever in

significant investment from the industry. Ministers are in the process of considering a proposed response to the report, and I expect the way forward to be announced in the future. I have already indicated my support for it, and I have also publicly said that when it comes to backing 'Going for Growth', because of the value that I and the whole Executive place on that important sector in our economy, I will not be found wanting.

Anna Lo and Mr Frew raised the issue of funding for the 2014-2020 rural development programme. The Executive will need to engage in a Budget process for 2015-16 very shortly, and the issue of funding for the next rural development programme can be addressed as part of that process.

Mr Maskey, speaking as Chair of the Social Development Committee, raised issues in respect of the social housing development programme. That has been allocated £83.9 million to fund 1,275 new social and supported units, work on which will start this year.

I mentioned work being done by my colleague the Social Development Minister. He has done some good work on making sure that the new social housing maintenance contracts are designed to eliminate the potential for contractors to overcharge for services as highlighted in the 2012 Audit Office report on the management of response maintenance contracts. Setting aside the problems on the maintenance programme, the social housing development programme is on target and is expected to exceed the Programme for Government target of 8,000 new and affordable homes by 2015.

We can see the outworking of the performance and efficiency delivery unit's review of the programme, with more than half of the 25 recommendations for improved delivery already in place. For example, the regulatory burden on social housing design has been reduced to align them with those used for private sector housing so that associations can produce a more cost effective bill. I expect that we will see a less back-loaded delivery programme from this year on.

Mr Mervyn Storey noticed concerns about a lack of transparency in the education budget, particularly in relation to the information presented to the Education Committee. The Department of Education has significant flexibility to move resources within its budget and has significant scope to recycle reduced requirements rather than declare them to the Executive. As with all departmental budgets,

my officials will closely scrutinise the out-turn position for this year, revealing how Departments have used the resources available to them.

I share the Member's frustration that the Education Minister failed to participate in the Executive's process to monitor savings delivery plans. That takes away from the Executive's savings delivery plans monitoring process and forces me to present an incomplete picture to the Assembly. Transparency in the Executive's finances is vital in engendering confidence among the electorate. Non-cooperation in the provision of information, as demonstrated by the Education Minister, damages the Executive as a whole.

Mr Spratt, who is Chair of the Regional Development Committee, asked about Northern Ireland Water gaining greater end-year flexibility. I want to report back to him that my officials have been discussing the possibility of some flexibility being granted to Northern Ireland Water in its capital spending profile. However, this flexibility can be limited only to movements within the DRD capital budget, and any such flexibility will need to be agreed by the Executive.

With a Budget exchange scheme limit on the capital side of some £12 million annually, there is no scope to grant any end-year flexibility to a particular Department. This is because such flexibility would significantly increase the risk of funding being surrendered to the Treasury at year end. The Member should also note that this Budget exchange scheme limit is not open to negotiation with Her Majesty's Treasury. Although I have some sympathy for the Member's points, I think that he would agree, and I am sure that his Committee would agree, that things that would seriously jeopardise our overall block position are not a good idea.

Mr McGlone, the Chair of the Enterprise Committee, raised various issues about EU funding. He mentioned the drawdown of such funding, and I welcome his comments on trying to maximise the drawdown. It is imperative that we seek to do that, but as Finance Minister, I must caution that we should do so only when a scheme has proven to show value for money and to contribute to our Programme for Government priorities. There is no point in drawing down funds for projects that do not represent value for money, especially when the Executive are providing match funding to those projects. He mentioned a couple of other funds including the Emerald Fund, and I point out to the Member that such funds, perhaps including the other one that he mentioned, are not our

funds, so we do not have responsibility for the reasons why they spend or do not spend.

Mr McGlone mentioned, as did his colleague Mr Attwood, Horizon 2020. He made a specific point that there had been "no engagement" that is the phrase that he used — with the Northern Ireland Chamber of Commerce. I appreciate that that statement is being relayed by Mr McGlone as a third party, but I find it hard to fathom. I am sure that, if the Enterprise Minister were here, she would find it even more difficult to fathom, not least because Horizon 2020 is mentioned in the Executive's draft innovation strategy, DETI has its own Horizon 2020 action plan and a website dedicated to Horizon 2020. Although I appreciate the comments about having more ambitious funding targets, and I think that that is a measure for the Enterprise Minister to consider. I do not think that we can say that there has been no engagement, or at least no attempt at engagement, with any business organisation.

Mr Nesbitt raised some issues around financial transactions funding, specifically the £26 million capital allocation in OFMDFM's budget: £1 million of that is for the Crumlin Road Gaol development, and I am surprised that the Member is not aware of that bid; and the remaining £25 million, which the Member seemed confused about although I notice that his colleague Mr Swann had a good grasp and understanding of it, was allocated to OFMDFM for the Department for Employment and Learning's University of Ulster relocation project. The loan to the University of Ulster, which I announced a few weeks ago, is being channelled through the Strategic Investment Board because the Department for Employment and Learning did not have the legislative vires to issue the loan. This was agreed by the Executive in the January monitoring rounds, and, as such, officials may not have had time to update the Committee. This is a good example of cross-departmental working to deliver significant investment in our higher education infrastructure.

Mr William Irwin, on behalf of the Culture, Arts and Leisure Committee, raised some issues around the stadia programme. I welcome his comments on the early surrender of funds by Departments, and I am sure that we would encourage all Departments to do that. It is imperative that Departments, once they know of reduced requirements, surrender them for reallocation as early as possible in the financial year so that the Executive can redistribute them in line with their priorities. There is no doubt that the stadia projects will enhance the reputation and capacity for local sport, and, as I

mentioned, I am particularly pleased with the progress at Ravenhill, where an expected 18,000 — including me — will watch the Heineken Cup quarter-final in April.

Mr Hazzard's contribution, which I think contained elements of his ard fheis speech from the weekend, raised public service delivery and public sector reform. I know that he is an advocate of recycling, but I think that recycling a speech two days later is pushing it. As somebody who wants reform and innovation across the public sector, I encourage him and congratulate him on reusing his speech in an efficient way, even if I did not agree with the content. He mentioned the increased cost of public service delivery in border areas, a point that Mr Allister raised in a slightly more tangential way later.

I agree that we need to improve the efficiency and effectiveness of all aspects of the public service. That is why I established the public sector reform division in my Department. The role of the division will be to work collaboratively with Departments, business areas and front line staff to develop further reforms in the delivery of local public services and make improvements to existing plans for reform with a focus on reducing costs and enhancing the quality of public services.

Mr Beggs, Mr Wells, Mr McKinney and others raised issues about health changes. At times, I felt like a bit of a spectator at the Health Committee and felt that we should all step outside and let the Members continue with a debate that is obviously raging in the corridors of the Building. The arrangements for health do not preclude an allocation being made to the Department of Health, which we did in this financial year. It remains the case that the Executive decide whether the Department of Health should get an allocation in the monitoring rounds. I am barking so badly that I may need some assistance from the Department of Health if it continues.

Mr Beggs accused me of being Pontius Pilate in allocating money to the Department of Health in January monitoring, because I did not specifically allocate it. I have to say that I do not allocate. Mr Deputy Speaker, it is a point that you will appreciate given your extensive experience on the Finance Committee. Unfortunately, as much as I might like to be able to do so, I do not allocate any money. I recommend to the Executive. It is the job of the Executive to allocate funding to Departments. It is their decision that results in allocations being made. Of course, the Executive includes one Danny Kennedy.

Mrs Cochrane, Mr Wells, Mr Givan, Mr Bradlev, Mr Maskey, Mr McCrea and others raised concerns about welfare reform. I share those concerns. As detailed in my opening statement earlier today and pointed out in response to Mr Wells's question, the penalties are forecast at £105 million next year and will increase to over £300 million by 2018-19. This will require substantial cuts to departmental budgets and have a significantly detrimental impact on public services. I am also extremely concerned about the potential impact on claimants when, in the not too distant future, we reach the point of being unable to process payments to hundreds of thousands of the most vulnerable because we can no longer use Department for Work and Pensions IT systems. My opening statement also referred to the potential loss of over 1.400 iobs at local service centres in Belfast and Londonderry, which causes me grave concern.

The Chair of the Social Development Committee referred to the economic consequences of not implementing welfare reforms and suggested that we negotiate further concessions with the UK Government. As the Member well knows, there is no scope for further concessions beyond those that my colleague the Minister for Social Development has valiantly negotiated already. I suggest that any conversation at this stage with Treasury, as it sees savings that should have been realised not materialising, would be very short.

The economic cost to Northern of failure to progress welfare reform significantly outweighs the costs arising from implementing the reforms. I have highlighted the costs of not implementing the reforms. In addition, a key aspect of the reforms is that they will make work pay. This will undoubtedly incentivise many people back into work and help to grow our economy.

I also point out to the Chair of the Committee for Social Development, Mr Maskey, that the numbers that I put forward are not fantasy figures. They are very much real, and, very soon, we, and more importantly our constituents, will all begin to see and feel how real those figures are. In the spring Supplementary Estimates, a provision has been made and approved by Sinn Féin Ministers in the Executive of £15 million now and £105 million next year. That is the equivalent of 2,500 nurses, 2,100 teachers or a 1% cut to all Departments. The extent of that is so severe that I cannot see how it could be dealt with invear through the monitoring rounds. I will have no option other than putting forward what can

only be described as a cuts paper when we come to June monitoring.

The cost is now estimated to be in excess of £1 billion over the next five years.

### 6.45 pm

I listened to Mr Maskey give off extensively about handing back housing money. He may well have a point about people who need the money not getting it, but as he gives off about handing housing money back to me to redistribute through the Executive to other priority areas, at least we can point out that none of that money has been lost to London.

Declan McAleer raised issues around the agrifood loan scheme. I share his disappointment that the scheme has not been the reality in this financial year as we expected and hoped that it would be. He mentioned that he had talked to some people who had wished to avail themselves of the scheme, and I am sure that he appreciates that it is necessarily an incredibly complex scheme, given that it involves dealing with at least four parties, which are the farmer, the producer, the bank and government in the shape of Invest Northern Ireland.

I can assure him that, given the announcement that was made in October monitoring that a further £10 million would be allocated to the scheme, there is money there. We hope that it will be in place early in the next financial year. Certainly, if the Member is correct and the soundings that I have picked up are correct, there will be significant demand for that money next year. I hope that we will see that starting to benefit a growing agrifood sector in Northern Ireland very early in the next financial year.

Mr Attwood raised a series of issues and asked a considerable number of questions. I will do my best to answer them, although I am absolutely certain that it will not be done to his satisfaction. He asked about Committee engagement, and I have to say that, particularly for the OFMDFM Committee, I cannot account for Committee engagement, or lack of it, as he might perceive by any other Department. I try to be responsible as best I can for my Department's engagement with its Committee, which, I hope, is of a sufficiently high standard. That is a matter for each Department and is an issue that is better taken up with the relevant Ministers.

He also mentioned issues around SIF funding, as did others. He begrudgingly acknowledged

that there were allocations of some £33 million in total, for 12 capital schemes and 11 revenue-based schemes, accounting for almost half of the spend now being made. He begrudgingly accepted that the money was being spent on good projects.

Mr Attwood and Mr McCrea spoke about Belfast port. Again, that is a matter more directly for the Minister for Regional Development, and I encourage both Members to direct specific questions at that Minister. However, I support the objective that is contained in the Budget, an objective that is still being pursued in order to gain value from Belfast port. Progress has been slower than we would have liked, and the matter is still being dealt with on an ongoing basis by the Budget review group, which is discussing and exploring a range of options to realise that value from the port. I accept that it places a pressure on the DRD budget, but it is not an issue that has been given up at all.

Mr McCrea quoted me at least half favourably. In fact, he said that he was interested by what I said. I am glad that I can interest the Member. I do not interest everybody, but at least I seem to have interested him. [Interruption.] My colleague to my left has uncharitably said that very little of what the Member says interests anyone, but I will not go down that route.

Mr B McCrea: I was being nice to you.

**Mr Hamilton:** I know, but I pretended that it was not me who said it.

Mr McCrea acknowledged the public spending pressures. He made a very good point, so I will try to be as nice to him as I possibly can. I have made the point before and will say it again: the impression will be given, as we see a weekly, if not almost daily, diet of good economic news, that our private sector continues to grow and flourish.

Today's purchasing managers' index (PMI) results from Ulster Bank have shown for seven months in a row that all sectors are doing well, including sectors that have been under the cosh, such as construction and retail. They are all doing really well, and, in fact, the growth in the Northern Ireland manufacturing sector is higher than that in the rest of the UK as a whole and is higher than any of the markets that RBS Group measures in its PMI surveys. We should be very grateful for that and should recognise that the investments that made by the Executive to ensure that we could capitalise on growing economies globally are now starting to pay off.

I think that that will give something of a false impression to people, and I want to try to ensure that it does not give a false impression to Members here. Just because the economy is booming — we will see the British economy, even the euro zone economy and the global economy starting to take off this year, with the Northern Ireland economy following that and doing equally well — that does not necessarily and automatically translate into public spending going up at the same pace.

We have heard very clear indications from the Chancellor that, over the next number of years, he will continue to pursue an austerity programme. He has said that he wishes not only to balance the books but to create a surplus by the end of this decade. Indicators from the Office for Budget Responsibility show that, affirming what the Chancellor has said, austerity will continue to at least the end of this decade, if not beyond and into the 2020s. We have heard recently the Chancellor say that he thinks that there is scope to take a further £25 billion out of the UK Budget as a whole. The Barnett consequences of that for Northern Ireland will be around half a billion pounds.

We have had a difficult number of years, and the 2011-15 Budget was an exceptionally challenging Budget, but I think that it will be nothing compared with the pressures that we will face. The Member quoted Liam Fox, but I am not entirely sure that I would take that as an authoritative view on Tory thinking at this time. Certainly, if the ring-fencing of hospitals and schools at an English level does not continue. the impact on Northern Ireland will be guite severe, because that protection that has been afforded to Northern Ireland has been quite significant over the past number of years. I think that it is a reason why we should continue to pursue reform, and I have not suggested that we should reform the public sector in Northern Ireland just because I think that it is a good idea. There are some areas where there are obvious cuts and reductions that could be made.

Mr Allister mentioned the ugly scaffolding in this place, and those are obvious areas where savings could be made, but the bigger prize is in changing how we do things and how we get more for the money that we invest and how we get that elusive prize of doing more with less. So, when I come to this House or publicly and say that we need to reform, it is because of the Budget pressures that I see looming down the line. It is not a pet project or some hobby horse; it is a firm belief that we need to do that

or else we will face very serious pressures before this decade is out.

The Member admitted to getting most of his information from Twitter and from newspapers. I suggest to the Member that he is better coming into this House and listening, or even asking his deputy, who sits on the Finance and Personnel Committee. Had he done that, he would have heard the good news that there was a good deal for the Executive on the Invest Northern Ireland headquarters. As I highlighted earlier, that is realising over £20 million in savings for the Executive over the life of the lease. He mentioned the Titanic building and the £18 million that could not be drawn down from Europe for that. Perhaps if he followed the right Twitter accounts and read the right newspapers, he would have heard that that money has been reallocated to various transport projects, including, if I am right in recalling, the A8 and the A2. So, that money was not lost.

Mr B McCrea: Will the Member give way?

**Mr Hamilton:** Yes, I will, to take a breath more than anything.

Mr B McCrea: I am grateful that the Minister has taken time to cover my points in detail. I only mentioned the Twitter thing because that is what the public are hearing. Perhaps he can direct me, or maybe I should write to him, about where these announcements are in the public domain. I did search to see what had happened with the £18.3 million that came down, because I understood that it had to be reallocated, and, I have to confess, I could not find it in official sources. So, if there is a particular place to look, I will gladly look. This is a point that I think we have common cause in. We are saying that we want to have open and transparent government, and it is just difficult, given the current system.

Mr Hamilton: There is a worrying friendship starting to develop here, and I must do my best to ruin that. I can recall, both as Minister and from sitting in the seat beside when I was assisting Mr Wilson when he was Minister of Finance, that those very announcements, particularly on the Invest Northern Ireland headquarters and the Titanic building, were made in monitoring round statements. Of course, we are seeing the product of those today in that we are wrapping everything up and giving it a legislative authority.

Both of those issues and, probably, some of the other issues that the Member is concerned

about have been addressed in that way, because that is the proper way in which the Finance Minister, on behalf of the Executive, should be reporting those issues back to Members of this House. Of course, there are avenues through the various Committees to explore the issues in more depth. I appreciate that the Member is in a party that does not have broad representation on the Committees of this House, but I am sure that he could follow that through Hansard and the appropriate channels.

I will move on to an issue that Mr Allister raised — the issue of what he referred to as equal pay for people in the justice family. As I said to the previous Member to speak, I encourage him to listen to what has been said in the House. In fact, he could have listened to a response that I gave in the House to a question from Mr Givan about a fortnight ago when he asked me for an update on the matter. I point out that I am happy to inform the Member at any time about the issue if he asks me personally or in writing, but I cannot recall having received any correspondence from him on it in the recent past.

Mr Allister: Will the Minister give way?

Mr Hamilton: Yes.

**Mr Allister:** The Minister will find that there is an outstanding question for written answer of three months' vintage from me on this very issue.

Mr Hamilton: I am happy to respond to the Member's query now, in the same fashion as I responded before. You will not find a terrible lot of difference between what I will say today and what I said to Mr Givan a number of weeks ago. The Member mocked me for looking at the issue and for demanding that more be done. However, it is very clear that the Member is powerless to do anything on this matter and that he would need me to take action in consort with Executive colleagues.

I have been carefully considering it, and I will point out to the Member that the issue was sitting in a state of stasis and not moving until I looked at it again and breathed some life back into it. It was always with the caveat, which I made very clear over the past number of months, that I do not want to unnecessarily raise the expectations of anybody who may be affected. That is because I think that they have had their expectations unnecessarily raised in the past.

Although I have some sympathy for the arguments that are put forward on a moral basis, there is no legal basis for me to extend the Northern Ireland Civil Service equal pay settlement to those members of the justice family. However, I continue to examine options. I recently had a discussion, which was followed up with discussions between officials in my Department and the Department of Justice, to look at ways in which the issue could be addressed satisfactorily so that some recognition could be given to the people in the broad justice family who are affected.

Mr Givan: Will the Minister give way?

**Mr Hamilton:** Yes, very briefly; my time is short

Mr Givan: I am sure that the Member for North Antrim is acutely aware that that legal entitlement, or lack of it, was established by the courts. So, I am sure that the Member for North Antrim will recognise the courts' decision on that. Nevertheless, I appreciate this Minister's efforts to try to overcome the issues that that decision has presented to us.

Mr Hamilton: Absolutely. The Member is right. It was very clearly established in the court last March that there was no legal entitlement to extend the equal pay settlement to those members of staff. However, that does not take away, denigrate or dilute the moral argument that they put forward. I reassure him, I reassure Mr Allister, I reassure the House, and, more importantly, I reassure the members of staff who worked in the broad justice family that I will continue to make every effort to see what can be done, and we will attempt to expedite that as quickly as possible.

To draw my remarks to a conclusion, and with just over a minute left, I thank again all Members and Committees for their contributions. This financial year has seen welcome growth in our economy that has not been seen for some time. That is a testament to our private sector first and foremost, which continues to innovate and to perform in domestic and international markets.

Credit must also be given to our public sector, which has assisted in providing the conditions that have aided recovery. We have implemented, among many things, the jobs and economy initiative, directed resources to areas that have helped to educate our young people, develop our workers, equip those seeking employment and resource our businesses while

ensuring that we continue to care for the vulnerable and the elderly.

The distribution of funding this year reflects that balance of priorities, and it is important to acknowledge that the spring Supplementary Estimates represent the final outcome of those decisions made in the best interests of the citizens of Northern Ireland.

We must stop or even pause at this point; there is more that we must do. The spring Supplementary Estimates represent a point in time when we must put in place the necessary legislation. However, we must continue to stay focused on service delivery. We must also continue to reform our public services to ensure that we have the right components in place to continue on the path to economy recovery.

On that note, I commend the spring Supplementary Estimates for 2013-14 and the Vote on Account for 2014-15 to the Assembly, and I ask Members to support the motions.

**Mr Principal Deputy Speaker:** Before we proceed to the Question, I remind Members that the motion requires cross-community support.

Question put and agreed to.

Resolved (with cross-community support):

That this Assembly approves that a total sum, not exceeding £15,530,883,000, be granted out of the Consolidated Fund for or towards defraving the charges for Northern Ireland Departments, the Northern Ireland Assembly Commission, the Assembly Ombudsman for Northern Ireland and Northern Ireland Commissioner for Complaints, the Food Standards Agency, the Northern Ireland Audit Office, the Northern Ireland Authority for Utility Regulation and the Public Prosecution Service for Northern Ireland for the year ending 31 March 2014 and that total resources, not exceeding £16.606.564.000, be authorised for use by Northern Ireland Departments, the Northern Ireland Assembly Commission, the Assembly Ombudsman for Northern Ireland and Northern Ireland Commissioner for Complaints, the Food Standards Agency, the Northern Ireland Audit Office, the Northern Ireland Authority for Utility Regulation and the Public Prosecution Service for Northern Ireland for the year ending 31 March 2014 as summarised for each Department or other public body in columns 3(c) and 2(c) of table 1 in the volume of the Northern Ireland spring Supplementary Estimates 2013-14 that was laid before the Assembly on 3 February 2014.

#### 7.00 pm

**Mr Principal Deputy Speaker:** We now move to the motion on the Vote on Account, which has already been debated. I remind Members that this vote also requires cross-community support.

Resolved (with cross-community support):

That this Assembly approves that a sum, not exceeding £7,062,352,000, be granted out of the Consolidated Fund on account for or towards defraying the charges for Northern Ireland Departments, the Northern Ireland Assembly Commission, the Assembly Ombudsman for Northern Ireland and Northern Ireland Commissioner for Complaints, the Food Standards Agency, the Northern Ireland Audit Office, the Northern Ireland Authority for Utility Regulation and the Public Prosecution Service for Northern Ireland for the year ending 31 March 2015 and that resources, not exceeding £7,545,788,000, be authorised, on account, for use by Northern Ireland Departments, the Northern Ireland Assembly Commission, the Assembly Ombudsman for Northern Ireland and Northern Ireland Commissioner for Complaints. the Food Standards Agency, the Northern Ireland Audit Office, the Northern Ireland Authority for Utility Regulation and the Public Prosecution Service for Northern Ireland for the year ending 31 March 2015 as summarised for each Department or other public body in columns 4 and 6 of table 1 in the Vote on Account 2014-15 document that was laid before the Assembly on 3 February 2014. — [Mr Hamilton (The Minister of Finance and Personnel).]

# **Budget Bill: First Stage**

Mr Hamilton (The Minister of Finance and Personnel): I beg to introduce the Budget Bill (Northern Ireland) 2014 [NIA 32/11-15], which is a Bill to authorise the issue out of the Consolidated Fund of certain sums for the service of the years ending 31 March 2014 and 2015; to appropriate those sums for specified purposes; to authorise the Department of Finance and Personnel to borrow on the credit of the appropriated sums; to authorise the use for the public service of certain resources for the years ending 31 March 2014 and 2015; and to revise the limits on the use of certain accruing resources in the year ending 31 March 2014.

Bill passed First Stage and ordered to be printed.

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

The House will now take its ease while we change the top Table.

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

# Tobacco Retailers Bill: Further Consideration Stage

**Mr Deputy Speaker:** I call on the Minister of Health, Social Services and Public Safety to move the Further Consideration Stage of the Tobacco Retailers Bill.

Moved. — [Mr Poots (The Minister of Health, Social Services and Public Safety).]

Mr Deputy Speaker: As no amendments have been tabled, there is no opportunity to discuss the Tobacco Retailers Bill today. Members will, of course, be able to have a full debate at the Final Stage. The Further Consideration Stage is therefore concluded. The Bill stands referred to the Speaker.

# **Private Members' Business**

## Safer Internet Day 2014

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

Mr Weir: I beg to move

That this Assembly endorses and supports the Safer Internet Day 2014 campaign entitled "Let's create a better Internet together"; recognises that whilst it poses significant dangers to children and young people, used properly the Internet can also positively affect social, economic and educational advancement: acknowledges that all users have a part to play in making the Internet a safer and better place for everybody; and calls upon Her Majesty's Government to encourage a cross-cutting approach to online safety by incorporating it into the school curriculum, by affording parents and carers easy access to sufficient information to take necessary action and by encouraging businesses and industry to self-regulate their web-based content and services.

I rise to propose the motion and welcome the opportunity to debate it. There was an opportunity at Westminster with a similar motion, which was proposed by my colleague David Simpson, but I think that it is important that this House has an opportunity to give its view on what I believe to be a very important issue. I say at the outset, for those who are unfamiliar with Safer Internet Day, that we are facing what is effectively its tenth anniversary. It was initiated in 2004, originally from an EU project.

For those of us who are more sceptical about the European Union, I suppose we can at least find something positive to embrace. What started out as an annual Safer Internet Day has moved beyond the EU and is now embraced by over 100 countries worldwide. It is something that is being done in Northern Ireland, the rest of the UK and across a wide range of countries. The theme this year is, "Let's create a better internet together".

I believe, in the spirit of togetherness, that the whole House can unite around the motion. Different parties in the Chamber will have slightly nuanced views on the wording, but, for the sake of clarity at the start of the debate, I want to indicate that I am very happy with the amendment proposed by Mrs Overend and will be asking Members to support the motion and the amendment, and therefore the motion as amended. On this very important issue, the House can speak with one voice.

To dispel one potential myth, I will deal first with the fact that supporting the Safer Internet Day campaign is not some sort of Luddite opposition to the Internet or a belief that the Internet itself is in any way wrong. The Internet has transformed all our lives and society in many positive ways. The opportunity for education and information flow has been enhanced greatly in recent years by the Internet, particularly in the field of communication. What would have been regarded, in the lifetime of many of us in the Chamber, as almost some sort of fantastical science fiction is now reality; people can, in an instant, communicate with one another across continents.

So, it is right that we pause to pay tribute to the very positive aspects of the Internet. However, with that, undoubtedly and unfortunately, we need to ensure that sufficient safeguards are put in place against those who would use the Internet for evil purposes. In particular, we should look to protect our children and vulnerable people on the Internet.

The one thing that is beyond discussion is the all-pervasive nature of the Internet. For example, the latest figures from Ofcom suggest that 78% of households in Northern Ireland have access to the Internet and that nearly half the population has access via the mobile phone. From a generational point of view, it becomes all the more pervasive the younger you are. Around 93% of children between the ages of five and 15 in Northern Ireland have home access to the Internet and about 80% of children regularly use the Internet at home. Therefore, it is important we ensure that they are protected.

There are three main sources of concern. First, there is the extent to which young people have access to inappropriate imagery through pornography. Secondly, there is the issue of child sexual abuse, through imagery and grooming. Thirdly, there is the issue of online bullying. I will talk briefly about each of those in turn.

Looking at the statistics; a parliamentary inquiry held in 2012 found that one in three children aged 10 or under has seen sexual imagery online and that that figure increases greatly when you move into the teenage years. On numerous occasions, we have seen action taken by police on an international level to combat Internet sexual abuse.

Looking at the issue of grooming; across the UK, in 2012, there were 1,145 public reports related to incidents of grooming. On a number of those occasions, attempts were made by those online to meet a child offline. It is, if you like, being seen as a vehicle that could be used.

I suppose that the third issue is cyberbullying. Again, with regard to statistics, indications from the Department of Education highlight that around one sixth of children have been victims of cyberbullying. Perhaps, even more surprisingly, the same survey indicated that 5% of children in year 6 and nearly 7% of pupils in year 9 admitted to being bullies themselves. As we have seen, the all-pervasive effects of any form of bullying on children can have a very disturbing impact on their lives. Unfortunately, in Northern Ireland and beyond, we have seen it taken to extremes at times when children have felt so bullied that they have taken the ultimate sanction and taken their own lives. That is why I believe that this is a vital issue.

The motion, with the inclusion of the amendment, details four areas where we see that positive action needs to be taken. The first is the idea of a cross-cutting approach to incorporating safety in the school curriculum and addressing it at that level. The second is to ensure that parents and carers have easy access to sufficient information in order to take necessary action. The third is to encourage businesses and industry to self-regulate. In the amendment, there is the useful addition of the e-safety forum, which, I think, OFMDFM will spearhead. I look forward to the junior Minister's response on that. All those goals are quite achievable.

If we look first at what is available in the school curriculum with regard to Internet safety for pupils, we see that there is a range of activities, from the Internet proficiency scheme at Key Stage 2 through to the Kidsmart scheme at Key Stage 4; Know IT All for schools; and Thinkuknow. A range of things can be done and provided through that. Indeed, training can be given to teachers as well.

Similarly, via Safer Internet Day, a range of information could be provided and training given on Internet awareness for parents and

carers. It is important that it is not something that is simply tackled in schools. Given the fact that the greatest level of Internet access is in the home, it is important that parents be given the opportunity to learn further about the issue. A wide range of practical advice can be given to parents, pupils and teachers on tackling cyberbullying via the Department of Education, an organisation called BeatBullying and the Anti-Bullying Network. The opportunity is there to be grasped.

There are two other aspects. From the point of view of a local initiative, work that can be done via OFMDFM to help to coordinate what is there is vital. There is also a challenge for Internet providers. There has been some progress by Microsoft and Google towards self-regulation. If it can be effective, self-regulation is always the best option. Concerns have been raised about it, particularly in the House of Lords by Baroness Howe, who has looked at putting forward legislation on the subject. That might be the route that ultimately has to be gone down. A challenge should be thrown out, in the first instance, to the large companies to try to deliver on that issue. There is a wide range of things that they can do, such as stopping autocomplete features from offering people childabuse search terms; new algorithms that will block child-abuse images: and ClickSafe functions that can ensure that there is a degree of blocking mechanisms. Various things can be done by the major server providers.

I see you looking at me, Mr Deputy Speaker, so I will wind up my remarks. In conclusion, I think that the issue is one on which the House can unite, take very positive actions and send a clear signal from the Assembly that we can all enjoy the Internet in a safe way, particularly one that protects all our children.

**Mrs Overend:** I beg to move the following amendment:

Leave out all after "everybody;" and insert

"calls upon the Northern Ireland Executive and Her Majesty's Government to encourage a cross-cutting approach to online safety by incorporating it into the school curriculum, by affording parents and carers easy access to sufficient information to take necessary action and by encouraging businesses and industry to self-regulate their web-based content and services; and further calls upon the Office of the First Minister and deputy First Minister to assist with the prompt establishment of an e-safety forum, as recommended in the recent Safeguarding Board for Northern Ireland, 'An exploration of e-safety messages to young

people, parents and practitioners in Northern Ireland', and to coordinate e-safety responsibilities across all Executive Departments".

I welcome the opportunity to participate in the debate, and I thank the Members who raised this important issue. I thank the proposers for indicating their support for my amendment. I welcome the presence of junior Minister McCann this evening. I look forward to her response.

#### 7.15 pm

As children and young people's spokesperson for the Ulster Unionist Party, and as a mother of three children, I have a long-standing interest in ensuring the safety of children and young people online. Although we are always mindful of the dangers of Internet use, the aim of Safer Internet Day 2014 is to put the focus on the creative and positive things that young people are doing online.

The contrast between the potential risks and the rewards of Internet use are seen day and daily. Only this weekend, my eight-year-old son looked up a remote control car that he wanted to upgrade or something similar. He and I were both amazed to find a flashing advertisement at the bottom of that website showing pictures of half-naked women and asking the question: do you need a date? That is just one example.

On the positive side, I was delighted to learn that pupils from Cookstown High School had qualified for the national finals of RTÉ's 'Dragons' Den' with their location awareness GTracks app, DavaghNav, which offers route options and hazard warnings for cyclists who use the cycle trails at Davagh Forest outside Cookstown. That follows on from pupils in the same school who won a prestigious award last year for an app that they designed. That demonstrates the positive opportunities that can be opened up through the effective use of the Internet.

Of course, the potential positives of the Internet do not end there but neither, sadly, do the dangers. Those are often broken down into the four Cs: content — exposure to harmful material; contact — participation in adult-initiated online activity; conduct — as a perpetrator or victim in a peer-to-peer exchange; and commercial — exposure to inappropriate advertising or hidden costs, something that is now more prevalent with free apps such as Candy Crush or Angry Birds offering helpful add-ins at a price. We have

also seen the negative influence that peer pressure can have over online behaviour as our young people become young adults, with the recent Neknominate drinking game craze.

Developments in technology advance at such a rate that parents' ability to keep up can be severely tested. The fact remains that parents are often less technology-savvy than their children, making it even more important for them to be able to access the right information, and that is a very challenging issue.

The exponential increase in smartphone and tablet use among our children and young people vastly increases the ability to access the Internet and makes e-safety an even more pressing issue. We simply cannot sit on our hands or rest on our laurels when it comes to this issue. Taking responsible steps, such as the use of antivirus software, parental controls and privacy settings and providing helpful practical advice such as not sharing personal information, keeping your profile private, talking only to people you know, using only secure and trusted websites and password protection can go a long way to protect your child online.

Some of the best advice for parents that I have read is simply to have conversations with your children about staying safe online, something that I have tried to practise. You do not need to be a technology expert by any means; it is just like other types of parenting. It is best to have regular conversations with our children about what they like and dislike about the online world, what websites they use and view and agree on a set of rules together.

There are so many statistics that illustrate the scale of the task that we have in making the Internet a safer place, and I will highlight a few. According to Ofcom, as Mr Weir mentioned, 93% of five- to 15-year-olds have access to the Internet, and that number is rising year on year. This is not a matter for a minority; it is a matter for all of us.

ChildLine recently revealed that it had experienced a 65% increase in young people contacting it for support and advice on how to deal with Internet safety issues in the past year and reported a very worrying 85% increase in the numbers contacting it for support and advice on cyberbullying over the same period. This is a cross-cutting, cross-community and cross-generational issue. We all have a role to play: Departments, schools, community groups, sports clubs, and parents, children and young people all have a role to play.

A number of organisations provide muchneeded support in research, programme
delivery and raising public awareness. The
NSPCC's contribution has been very influential.
I also pay tribute to the work of the National
Children's Bureau (NCB) and the Safeguarding
Board for Northern Ireland (SBNI) in compiling
the report, 'An Exploration of E-safety
Messages to Young People, Parents and
Practitioners in Northern Ireland'. It was
prepared on behalf of the Safeguarding Board
for Northern Ireland, and I join others in
commending its recommendations to the
House.

Similarly, I recognise the valuable work of the PSNI on Internet safety. It is taking a proactive approach by going into schools and delivering e-safety messages to pupils. I know that the PSNI is to visit my children's school shortly. I look forward to meeting the PSNI soon to discuss its Risk Avoidance and Danger Awareness Resource (RADAR) project, which will have e-safety as one of its key focuses.

Access to up-to-date information is important. We need to make the most of the resources available to us by building on the work of the three main UK organisations — the UK Safer Internet Centre, the Child Exploitation and Online Protection (CEOP) Centre and the UK Council for Child Internet Safety — and tailoring our efforts to best meet the needs of our children and young people. Coordination is key. With so many organisations offering information, we must not complicate matters and consistency of message is crucial.

Locally, we have arm's-length bodies and charities such as C2K, the Northern Ireland Commissioner for Children and Young People, the Northern Ireland Anti-Bullying Forum and, I am sure, many others operating alongside the Departments and UK-wide bodies.

The Prime Minister's intervention last summer was welcome. Her Majesty's Government, of course, have a significant role to play and, perhaps, could do so most usefully by pressing businesses and service providers to self-regulate. However, there are steps that we can and must take in Northern Ireland. That is where I want to bring the focus of today's debate — to Northern Ireland and the responsibilities that lie with legislators in this place.

I very much welcome the junior Ministers' commitment. I have lobbied both junior Ministers extensively on Internet safety. Most recently, I met them in November ahead of their visit to Brussels in December, where, I

understand, e-safety was on the agenda. Any lessons learned from other European states and opportunities for partnership will be of benefit.

I was particularly pleased to hear them endorse the Safeguarding Board for Northern Ireland's report and speak of their desire to put measures in place to keep children safe online and support parents in their efforts to protect their children when using the Internet. I know that OFMDFM has undertaken a gapping and mapping exercise, and I ask it for an update on its work in the area.

Once again, I call on OFMDFM to take the lead and help to bring forward the establishment and development of the e-safety forum and coordinate e-safety responsibilities across all Departments. The e-safety forum can act as a starting point for the coordination of a strategy that will work to identify gaps and opportunities and ensure consistency in messaging. A coordinated strategy is vital. We cannot afford to duplicate resources, and we cannot allow there to be gaps.

Through the work of the industry and the UK Government, much has happened at a UK level to protect children better, but there is a massive local element, and the need for a cross-Government e-safety strategy remains. As I said previously, time is of the essence, so I urge a speedy response and speedy work by OFMDFM to push the matter forward.

Ms Fearon: Go raibh maith agat, a LeasCheann Comhairle. Today, we will support the amendment moved by Mrs Overend. The safety of our children, particularly e-safety, is paramount. I think that we all agree that it is more difficult to protect young people online. given the vast nature of the Internet. We welcome the fact that the amendment gives the Executive a role. The motion called on the British Government to interfere with the school curriculum, but education is a devolved matter. Thankfully, the British Government have no input or say in our curriculum. That is not to take away from the point that is being made. It is hugely important that young people are fully aware of the dangers associated with the Internet and that children and parents have the necessary skills to stay safe online.

We should also recognise the huge benefits of online advancements to education. There is a wealth of information at our fingertips. Wikipedia, for example, has over 13 million articles, five million of which are in English, and, every minute, 72 hours of video are uploaded to YouTube. The Internet has made the world a

much smaller place. Young people are more engaged now than ever before, as information about world events is instantaneous.

We no longer search for the news; the news finds us. In fact, some in New York received tweets about a recent earthquake 30 seconds before they felt it.

That having been said, there are inherent dangers associated with the Internet, and, as Mrs Overend said, there have already been tragedies associated with NekNominations, which have spread around social media like wildfire. Of course, we cannot solely place the blame on Facebook, Twitter or other social media sites. It has a lot to do with our society's unhealthy relationship with alcohol. There are almost 90 alcohol-related deaths a month in Ireland. However, social media sites were a catalyst for the dangerous behaviour and undoubtedly fuelled the fire.

Another obvious danger that has grown along with the Internet is cyberbullying. Bullying is now inescapable for young people. No longer is it confined to the schoolvard or the classroom. Bullies now have 24/7 access to their victims. That comes with serious consequences for the mental health of our young people and has unfortunately led to too many suicides across this island. A website such as Ask.fm is a pertinent example of that. Users can post anonymous opinions about other people, often in the form of abusive comments. Threats and comments made online must be taken as seriously as if they were said anywhere else. Whether they are homophobic, sectarian, racist or sexist, we cannot tolerate them.

I note that, in Britain, the so-called porn filter has been introduced. However, there is a fine line between regulation to protect our children and censorship. Cameron's porn filter was never meant to be just about tackling pornography, but it was cleverly packaged in that way. It is, in fact, being used to promote a heterosexual lifestyle. In some instances, LGBT websites have been blocked, along with sites such as ChildLine, domestic violence refuge websites and sex education websites. There is a balance to be found, and there are obvious concerns over how children are being sexualised at such a young age. I know that parents are worried about the dangers that children can be exposed to, but the question remains about who exactly decides what is dangerous.

Although there are real and genuine dangers associated with the Internet, we must also be

positive about the impact that it can have on voung people's lives. Social media, for example, provide young people, particularly teenagers, with access to an online community that is dealing with similar issues, and it brings a whole new meaning to the word "community". Social networking has now become the number one online activity. It is a way for young people to socialise and express themselves, and it unites young people across the world. With 50% of the world's population under the age of 30, social media represent a fundamental shift in the way in which our world communicates. The evidence for that can be drawn from a single website. Facebook now has one billion users, and, if it were a country, it would be the third largest in the world.

We need to embrace change and technology while being mindful of children's safety. The world is a rapidly changing place, and it will not be very long before the iPad replaces the blackboard. We need to ensure that all young people have equal access to this vast resource. Rural broadband is still a huge issue in many places, and access to the Internet, particularly in areas of high deprivation, should be provided.

I welcome the motion from the DUP and the amendment from the Ulster Unionists. However, it rings slightly hollow, given that their track record on children's rights leaves a lot to be desired. Neither party supports extending age discrimination legislation to allow young people equal access to goods, facilities and services. The party opposite's use of flammable language around issues such as marriage equality and blood donation has adversely impacted on many young people's lives, yet it continues to take a discriminatory stance. I welcome this concern for children's rights and safety. Hopefully, it is a sign of improvement for the future.

Mr Rogers: I welcome the motion and the amendment, which adds to the motion. I welcome the opportunity to contribute to the debate and fully endorse Safer Internet Day on 11 February. It is imperative that we create an effective statutory framework for keeping our young people safe when they use the Internet. The Internet knows no boundaries. I call on Brussels, as Mrs Overend did, to encourage a cross-cutting approach to Internet safety.

The Internet is an incredible tool and has many positive benefits that have transformed our society. Ofcom's 2013 annual review of the communications market in Northern Ireland indicated that 78% of households in Northern Ireland had access to the Internet and that 45%

of people now use their mobile phone to access the Internet. We must, however, do all that is necessary to protect children from the inherent dangers of the Internet. Children often have more knowledge about electronic devices than their parents do. As a result, they need to be protected. Last year, Ofcom demonstrated that 93% of children aged five to 15 have access to the Internet at home.

Much violent and inappropriate material is too easily accessible online, and social networking sites can be used as a means of intimidating, threatening or bullying users. The phenomenon of cyberbullying is a serious issue in Northern Ireland for children and young people. According to research conducted by the Department of Education in 2011, 15% of year 6 pupils and 17% of year 9 pupils indicated that they had experienced cyberbullying in the past couple of months. Even more worrying, that research is now three years old. The Internet has got more sophisticated in the intervening time, and so has cyberbullying. Cyberbullying can have serious detrimental effects on victims, damaging their sense of worth and their selfesteem. In some cases, it is found to have contributed to children and young people selfharming or taking their own life. It must be acknowledged that, in recent years, that phenomenon has been taken increasingly seriously by schools and statutory agencies, with positive outcomes. However, much work is left to be done.

# 7.30 pm

There are shocking websites that are prosuicide and pro-eating disorders. That material is extremely damaging to the well-being of our young people. Only last year, a mother from Burren in my constituency highlighted that issue when she walked from Burren to London to highlight the issue after the death of her son. The latest dangerous online drinking game — NekNomination — in which participants are challenged to down a drink, is disturbing. The popularity of this reckless craze has become increasingly concerning for parents and families across the North. It is believed to have begun in Australia and spread from there. Many of our young people take it to extremes, downing large quantities of spirits and other alcoholic and intoxicating mixtures, sometimes with dangerous results. Most people who take part make a video of themselves carrying it out and post it on a social media platform. This is not a game; it is jeopardising the lives of our young people. Anybody who saw the father of Jonny Byrne — the Carlow teenager who lost his life in the River Barrow — tell his story on TV last weekend would certainly be moved. In fact, I

believe that such interviews should be shown to our young people.

The Assembly should support the Online Safety Bill, which is before the UK Parliament. Schools must also pursue a robust programme of education for our young people on safe Internet use. It must start early in primary school, and parents need to be actively involved in the education process. The era of the Internet has lots of positive consequences, but we must build in protection for our children and young people.

Mr Lyttle: I am delighted to offer the support of the Alliance Party for the motion and the amendment and to join the Assembly in celebrating Safer Internet Day 2014 and the creative possibilities of the Internet. We should also use it as an opportunity to check whether our Government are delivering on their responsibility to protect our children and young people against its dangers. The website for Safer Internet Day is saferinternet.org.uk, and there people can find out more information about how they can get involved on 11 February.

As many Members have said this evening, we are experiencing a communications revolution. Quite simply, information, both good and bad, can travel at the speed of light. Three billion people are connected by the Internet, and around 3 million emails are sent every second. There are almost as many mobile devices as there are people on the planet. The birth of Prince George — probably of more interest to some Members than others — was heralded by around 25,000 tweets a minute. So, evidence of a hyperconnected world and an immensely powerful communications tool that offers immense hope and opportunity is readily available all around us. The Internet is a platform from which to foster creativity and innovation, tackle inequality, break down barriers of all types and promote an inclusive and shared society. Cloud computing and smart technology achieve better outcomes for businesses, communities, children and young people across the globe. In recent months, I have been delighted to work with a group of young people in east Belfast to develop a youth services directory app and to support the work of an organisation called Thinkspace that is going to create app development rooms in schools and youth clubs across Northern Ireland.

The Internet is indeed a power for great good, but it can, as we have heard this evening, be used to cause great damage and danger. That is the reality that we have to face up to in the Assembly. As a Member of the Assembly and the father of two young children, I believe that we share a significant responsibility and duty of care for our children and young people. We need to maximise the opportunity of the Internet and protect children and young people from the dangers of the digital world.

What are the significant dangers? Mrs Overend eloquently set out the four Cs: content, contact. conduct and commercial. There are some very specific dangers that we have also heard about this evening, one of which is cyberbullying. Figures from the Department of Education from 2011 show that 15.5% of year 6 pupils and 17% of year 9 pupils had experienced cyberbullying. Some great work is ongoing by the Northern Ireland Anti-Bullying Forum to tackle the issue. In 2011, the Childhood Wellbeing Research Centre showed that particular groups were at greater risk of cyberbullying. They include children with special educational needs and children from black and minority ethnic groups. We also heard about the dangers of pornography and other harmful content, and 11% of nine- to 16-year-olds in the UK in 2011 reported exposure to pornography.

How adequate is the current approach taken by our Government here? There seems to be a lack of overarching policy to address e-safety. There is, however, a cross-departmental review of current and future actions in the field of esafety. The Northern Ireland Direct website provides some advice and information on different aspects of e-safety for young people and parents. We also have work to promote Internet safety day here in Northern Ireland, which is to be welcomed. However, if we want to keep pace with what is a communications revolution, we need to see an e-safety revolution. We need to empower our parents, children and young people to remain safe in a digital world. I add my support to the Safeguarding Board for Northern Ireland/National Children's Bureau report, which has called for the establishment of an e-safety forum in Northern Ireland to lead that work. The motion states that industry self-regulation of web-based content and services is essential. The UK Government's work in that regard should be supported by the Northern Ireland Executive. We need to see greater adequacy and effectiveness of self-regulation.

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

**Mr Lyttle:** I strongly support the work to coordinate approaches, raise awareness and enhance protection for our children and young

people while they explore the possibilities and opportunities of the digital world online.

Mr Givan: Undoubtedly, the Internet has, in the main, been hugely positive and beneficial to our society. We can think about how it has impacted on our economy in commerce, ebanking and conference calls. Socially, it has enabled families and friends to be connected all across the world. As recently as Christmas, I was able to Skype my sister, who was holidaying in Australia over that period. It shows how small this world really is. Educationally, it has changed the classroom environment. Practically, we can think about how people really have no excuse for getting lost now, because you can very quickly Google Maps somewhere and you should be able to find your way.

Undoubtedly, the Internet has brought huge benefit to our society, but it has also created extreme dangers. It is right that we focus on that and ensure that, where gaps are found and established, action is taken. We can think of some of the dangers that Members have highlighted. You can throw out statistics, and, although they do not always resonate, it is frightening to consider that a third of three- to four-year-olds in the United Kingdom have used the Internet. I have three daughters: one is six, one is four and one is 14 months old. Already, I watch my youngest girl scrolling across on the iPad, trying to get access to the different apps. My eldest girl, who is only six, has already been able to memorise my password. She was able to get into it, so I had to change my password. Whenever you are on apps such as Angry Birds or Candy Crush Saga and you get stuck, it asks whether you want to pay 69p to get to the next level. Thankfully, she does not know the password to access my credit card details, which are already on the iPad, but that just shows how young people are so advanced in how they can navigate the Internet and different electronic devices. Although that can be a good thing, it is also important that there is an awareness of how we can address that.

Colleagues have talked about the inherent dangers, and we should consider how pornographic material is being accessed, particularly by young boys. Over 56% of 15-year-olds admit to regularly viewing pornographic material. That is those who admit to it. That will have a huge impact on their cognitive thinking and how they consider people. Rather than recognising them as persons, they will see them as commodities. There are dangers that we need to be alert to.

Recently, I have noticed the number of adverts for online gambling. That also has an impact. The growing evidence shows that around 2% of children aged between 11 and 15 have gambling problems because of the Internet. Look at how it impacts on adults as well. We should be rightly concerned about that.

Members have touched on the cyberbullying and grooming aspects. There are clear dangers that need to be considered and addressed.

Awareness is key, and parents need to be aware. The research shows that the overwhelming majority of parents would take action to deal with something if they were aware that it was harmful. However, many parents do not understand the different technologies. They are often not properly aware of the dangers that exist or of their children's ability to access material. One statistic shows that 62% of 12- to 15-year-olds now have a smartphone that can access the Internet. However, 70% of those with smartphones do not have any parental controls on them that could be used to block inappropriate images. Parents need to be responsible.

We can encourage the businesses involved to be responsible and self-regulate — that is obviously where the first port of call should be — but government should not rule out taking a form of statutory control over this area. If that is needed, it is right that government should act. We have a duty to protect the most vulnerable in our society, and that should be considered if there is a failure to self-regulate.

Finally, the other aspect —

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

**Mr Givan:** — is the National Crime Agency. It would be remiss of me not to mention it. It is key to tackling the exploitation of children and young people, and the parties opposite need to consider their continued blockage of it and the risks that that presents.

**Mr Hazzard:** Go raibh maith agat, a LeasCheann Comhairle. As my party colleagues have said, we welcome the motion and are more than happy to support the motion as amended.

Some of our counterparts on the Benches opposite have been fascinated by the Sinn Féin ard fheis at the weekend and some of the

speeches at it. One of the contributors at our ard fheis was Catherine Seeley, a young teacher who had been harassed and bullied through the Internet and felt intimidated and unable to go back to her workplace. We very much saw the dangers of the Internet and what can happen. On the flip side of that, the young pupils of the school in question went on to social media to support their teacher and showed that the Internet can be empowering and a force for good, just as it can be a negative force. That is an appropriate example of why we need balance.

Chris Lyttle talked about the communications revolution, and we need to face the fact that no lawmakers anywhere will ever keep pace with the communications revolution. By its very nature, a revolution is not to be contained. We need to build a culture and a respect among our young people, our teachers and everyone else that teaches our young people how to deal with it. Our young people are growing up in a very different world from that which most of us could have imagined. They connect, share, learn, explore and play in a way that was simply unimaginable a generation ago. That is the only world that they know, and their parents, teachers, political leaders and even the media are all doing what they can to catch up.

The emergence of social media in all its forms pushes the boundaries of what we think of as private, while giving us and our children a platform to express ourselves at any time and anywhere. Undoubtedly, it can be a very unnerving prospect for a parent or a teacher to see their kids pack so much processing power in their pocket. The media have played on those fears to a large extent with screaming headlines and nightly news leads about online predators, pornography, cyberbullying etc. Indeed, some lawmakers have proposed online safety legislation following one incident or another. One such proposal was an age limit of 16 years for accessing social media and the Internet. Although understandable, those reactions are not always helpful or healthy. The promotion of fear, uncertainty and doubt may make for provocative headlines, but it does little to create an informed and empowered young citizenry that is prepared to take on the challenges of the future.

## 7.45 pm

The power of social media and the Internet and new technologies as a whole has transformed the notion of citizenship, the pro-social set of behaviours that enable people to be connected to the world around them. With these new powers ultimately come new responsibilities.

Parents and educators must be prepared to guide their kids in a new digital world.
Policymakers must help to advance the right ideas that help to keep kids safe, and teens must be equipped to make smart, safe and responsible choices online in order to reap many of the opportunities presented in this new world.

We should not allow negative hype or let it preclude us from providing social media opportunities for our kids. We should be frank with ourselves and our children and young people in developing online environments that protect younger kids but are not so limiting that they stifle all the benefits of social media and the Internet.

We need to ensure that our children are fully aware of how to navigate the Internet and social media safely. However, we need to avoid the fear-mongering of social media and the perpetuation of myths that are focused solely on raising alarm. There is ample evidence that the Internet in general, and social media specifically, provide our children with opportunities to learn, interact, participate and connect with the world to make a difference like we never had before. A Harris Interactive survey of teens found that 68% felt that the benefits of social media outweighed the risks. especially when people were coming together to promote positive social change. In addition, more than half of teens said that social media sites such as Facebook and Twitter had made them more aware of the needs of others.

Dr Michael Rich, director of the center on media and child health at Boston Children's Hospital, said:

"We should not view social media as either positive or negative but as essentially neutral. It's what we do with the tools that decide how they affect us and those around us."

Indeed, much as we can control positive and negative aspects of automobiles by observing the speed limit, employing intellect and caution and collaboratively working with drivers, social media requires its own behaviours, commonly referred to as "digital citizenship". Industry, policymakers and others stakeholders, such as schools, need to ensure that some simple ideas and best practices are applied to social networking services that cater to children. Employing key safety principles will help to change a deeply damaging cultural attitude that makes technology something to fear. We should build media literacy skills, focus on the good and promote the idea of family accounts

for young children. Let us not give into the myths but focus instead on the positives —

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

Mr Hazzard: — and benefits of our evolving digital lives. Our next generation of entrepreneurs, philanthropists and cultural leaders will have the Internet and social media as part of their DNA. We need to work together to provide our children with a strong foundation of life skills that will enable them to convert this into a means of doing good across their entire life.

Ms J McCann (Junior Minister, Office of the First Minister and deputy First Minister): I welcome the opportunity to respond to what has been an extremely encouraging debate, given that there seems to be an agreed view on how serious an issue this is and how we need to tackle it.

I indicated in last year's Assembly debate on child Internet safety that it was a real concern for me as a parent of three teenagers and as a Minister. In both roles, I am very aware of my responsibility to help ensure that our children and young people are safe and protected from dangers online. That remains the case.

I very much welcome the opportunity to debate the issues around Internet safety and hear the concerns and issues that Members have brought forward. The increased focus on Safer Internet Day reflects a broader concern in society on the issue, and Junior Minister Bell and I will reflect that through a number of activities that we have planned for tomorrow to promote and celebrate Safer Internet Day. I do not want anyone to be in any doubt about our continued commitment to the issue of child Internet safety.

Everyone here this evening will know just how capable children and young people are in embracing new technology with relative ease, instinctively finding their favourite website or game and song to download. For many adults, it can be daunting to keep up with them and worrying to know that, alongside the fun, games and educational sites, there are considerable dangers from which children and young people need to be protected. As a parent, therefore, you are left with a dilemma. You want your children to learn all those digital skills and have that educational tool, which is essential in everyday life, but you also want to protect them and keep them from the danger they are

exposed to, particularly in a place where people would exploit it.

So, in response, we must educate and empower our young people, parents, teachers and everyone who plays a role in educating and caring for our children. With the right information, and the explanation that every action has consequences, we can arm children with the right information and the tools to keep them safe online.

I empathise with all those who feel confused and daunted about how to protect our children from the potential risks online. Part of the problem is that children are very often more digitally active than their parents. I know that from first-hand experience. However, there is a lot of advice and help on offer. Indeed, that is one of the issues that the recent SBNI report, which some Members mentioned, demonstrated. We need to ensure that we are providing clear and consistent messages for children and young people, their parents and those who are working with them.

In light of the report from SBNI, I will make some points. I will try to answer some of the questions that Members asked: if I do not answer a Member's point, forgive me, but I will try my best.

First, I congratulate the Safeguarding Board and the National Children's Bureau for the report, which marks an important staging post in our efforts to protect children online. Just as we need to educate children to have the confidence to say no, we need to empower and engage those looking after children with clear and relevant e-safety messages so that they are not alone when objecting to what children are being enticed to access. Ms Overend was at the launch of the report, and, time and time again, it came across that the messages were not clear.

Secondly, the theme for Safer Internet Day this year is, "Let's create a better internet together". That recognises the balance between encouraging users to embrace the positive opportunities offered online and responding to, and dealing with, the negative aspects of the online world.

As the motion sets out, and as I said when I mentioned the launch of the report, we should not lose sight of the positive side of the Internet as a fantastic educational resource, even as we seek to protect the most vulnerable from its negative side. Unfortunately, however, we know that it can also subject children to inappropriate or harmful material. Children can

also, through their behaviour, inadvertently put themselves at risk. It is important that we recognise that children need to be empowered with the tools and the skills to know when they are putting themselves at risk.

The most recent survey evidence bears that out. Although access to the Internet can be seen as beneficial for educational and social development, one in six children indicated that they had seen something on the Internet in the past year that had upset or worried them. Also, one in eight children told a recent ARK survey that they had been bullied by someone sending nasty texts or putting up bad things about them on the Internet. We have work to do to make sure that clear, concise and consistent messages are provided to our children and young people, their parents and carers.

However, it would be unfair to expect people who look after children to take all the responsibility for making sure that children are safe when they go online. The industry and retailers have to share the responsibility for esafety messages as well. They must do all that they can to support those looking after children in understanding how to ensure that their children stay safe. They have a big responsibility in this. In that context, we welcome the recent announcement by the Internet service providers on work that they are taking forward to block child abuse and other illegal content on the Internet.

Turning to some more specific aspects of the motion and taking account of the amendment from Ms Overend, the Department is fully supportive of cross-departmental working on the issue and of the development by the Safeguarding Board of an e-safety forum.

Some Members asked about the mechanics of that forum. The Safeguarding Board is spearheading the forum, but OFMDFM will be playing an active role in it. We will be helping to coordinate the forum, and we will be using the framework that we use for Delivering Social Change because that will give us the cross-departmental mechanism that we need. We are keen to use that and the existing children's champions in the various Departments. I emphasise that the Safeguarding Board will have the spearheading role.

As I said, e-safety is an issue that cuts across all Departments that interface with children and young people. A number of Members mentioned the Brussels visit that Minister Bell and I were on and how we can learn from the European example. We met Commission representatives when we were there last

November and discussed the research that we were doing here as well as the research that they were carrying out in a European capacity. Again, it is about learning best models of practice and how the type of information that they can give us can inform our policy here when we take it forward. It is important to recognise European developments in helping to inform our policies at a local level.

We recognise that there is considerable merit in the adoption of an overarching approach to ensure that our children are adequately protected in all areas of their lives, particularly in e-safety. Another Member, I think that it was Mr Lyttle, mentioned the NCB report that was commissioned by the Safeguarding Board, which looked at an Executive strategy around e-safety. Again, we would use the forum to develop that. Although the Department of Health has the overarching responsibility for child protection and safety, we will play our part to ensure that, through the mechanisms that we have in our coordinating role in OFMDFM, other Departments will also hopefully play their part.

In 2013, we carried out an exercise to identify any risks to children and young people from access to the Internet across Departments. You asked for an update on that. We have compiled a report that we gave to the Safeguarding Board, as we said during meetings that we had with the Member, so we are waiting for the Safeguarding Board to come back to us with a report on that research. I will let Members know when that meeting happens.

As I said, I am very pleased to have taken part in the debate. I support the amendment on the importance of establishing an e-safety forum, as recommended by the SBNI. The forum would provide an excellent opportunity to bring together those organisations best placed to contribute to the development of an Executive-wide approach that would incorporate that forum and an Executive strategy on it. For its part, OFMDFM will be happy to take part.

I believe that the steps that the Executive have put in place over the past year represent a strong foundation through which we can address the challenges posed by the Internet. On that basis, I would welcome cross-party support today. I ask everyone to support Safer Internet Day tomorrow.

**Mr Nesbitt:** As is traditional, I will begin by thanking the proposers of the motion and Mrs Overend for her amendment. It is an important debate, and it is good to see Members in the Chamber and, indeed, Members in agreement on the issues. However, look around the

Chamber, Members. Who is here? The DUP is here, Sinn Féin is here, the SDLP is here, the Alliance Party is here, and the Ulster Unionist Party is here. The five parties of the Executive. The so-called parties of opposition are absent.

I thank Mr Weir not only for tabling the motion but for making it clear early on that he has no difficulty with Mrs Overend's amendment, which gives us a very good platform for unanimity this evening. I also thank him for acknowledging the positive influence of the Internet, not least for people such as us.

On Friday, in my constituency office in Newtownards, I dealt with a woman who had an issue that involved me sending some data to another agency. Luckily enough, I did it as she was sitting there. The recipient of the email came straight back and said, "Yes, but could I refer you to somebody else?" I pinged the email on. Incredibly, within the time of the meeting, the second person came back to me. We had an answer for that woman in the space of 90 minutes. By first class post, it would have taken, at best, five working days. We can now do in 90 minutes what used to take us over a week.

#### 8.00 pm

The Internet is technology that is fantastically beneficial when it goes our way. However, as with anything and everything in life, there are those who are out to exploit it and to do damage with it. We, as an Assembly, have a duty to act to protect and prevent. Mrs Overend gave the example of her eight-year-old looking for a toy on the Internet and coming across an entirely inappropriate adult advertisement. Mr Givan talked about a six-year-old cracking his password but being thankful that the child did not get the password for his bank details. I am tempted to say, "Your wife was on the phone. You are to call home urgently. The bank manager is in the driveway."

On a more serious point, the fact that we do not have the full protections of the National Crime Agency (NCA) is a very important point for the House to reflect on. As we go forward, we will continue to return to the damage done by an ideological decision not to bring the National Crime Agency into Northern Ireland.

Mrs Overend defined in some detail the sort of software and behavioural advice that is available today to make the positive difference that we seek. We do not have to go off and do an awful lot of research; it is out there to be grasped.

Ms Fearon gave data that provided some definition of the fact that 93% of five- to 15-year-olds have access to the Internet. She gave us some startling figures on the activity of uploading videos and images, which emphasised the scope for abuse. Ms Fearon also talked about goods, facilities and services (GFS) and how she wants GFS to be made available to young people as well as older people. I just wonder whether, in suggesting that protections be brought in, you are admitting that GFS are not entirely suitable for younger people. You would have to legislate to take account of the age of these people.

I thank junior Minister Ms McCann, who confirmed that OFMDFM will lead the drive in establishing the e-safety forum. That is extremely welcome news, but, of course, the proof of the pudding is in the eating. Much reference was made to the Safeguarding Board. Sharon Beattie, its director of operations, talks about a parent who likened looking for information on e-safety to looking up something that the doctor tells you on the Internet and being put off because:

"so much comes up when you do a search".

We have to help to mould this. I searched "NI Assembly" —

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

**Mr Nesbitt:** — on Bing and got 6,680,000 references. Let us hope that the next one is a reference to the fact that the House was united tonight in supporting the motion as amended by Mrs Overend.

Lord Morrow: I am pleased to wind on the motion. As my colleague Peter Weir said, we are quite content to adopt and accept the amendment moved by Mrs Overend. I do not intend to comment on individuals who have spoken, except to say that I feel that all the speeches were of excellent quality. I am delighted that the House is united. It is good to see that the House can unite around some things. There is nothing more important or better to unite around than this motion.

I have taken a close interest in online safety over recent years. On 28 January, I attended a debate in the House of Lords on the Children and Families Bill, which included a discussion on online safety. Baroness Howe, a cross-Bench peer, moved an amendment to introduce in statute an opt-in system of online regulation. She really struck me when she mentioned

some statistics related to tube sites, which offer hard-core pornographic and violent material at the click of a play button, with no warnings, no splash pages or any means of restricting children's access. She said:

"If we look at some Experian Hitwise statistics for UK visits to just six 'tube' sites, the figures are staggering: PornHub gets 66 million monthly UK hits; xHamster, 63 million; XNXX, 29 million; RedTube, 28 million; Xvideos, 28 million; and YouPorn, 26 million. That is a total of 240 million hits from the UK in a single month to adult sites, without any form of onsite child protection."

Members, no doubt like many of you, I find those statistics to be truly shocking and very worrying. It is abundantly clear that easy access to such material for children and young people can be deeply damaging. I could point to a range of academic studies that outline that point, but in the limited time available to me, I will highlight only one. In 2010, Dr Linda Papadopoulos, in a Home Office report considering the sexualisation of children, stated:

"The evidence gathered in the review suggests a clear link between consumption of sexualised images, a tendency to view women as objects and the acceptance of aggressive attitudes and behaviour as the norm."

Confronted with the very real dangers online that face our children and young people, I believe that it is crucial that we take action. To my mind, two steps must be taken. First, we must seek the introduction in statute of an optin system to protect children and young people from stumbling accidentally on or purposely seeking harmful material online. Secondly, we must seek to ensure that parents and children are effectively educated about online safety. It is not one or the other; it must be both.

In the time available to me, I want to concentrate particularly on the opt-in, default adult content filters that can be lifted at any time with age verification demonstrating that the person is over 18. I know that the Assembly does not have the power to introduce such a system in our Province, but I believe that we should urge our parliamentary counterparts at Westminster to make the change.

The first thing to say is that I very much welcome the progress that has been made over the past year on a self-regulatory basis. Since we debated the issue last February, there has been considerable progress. The introduction

of a code of practice for the four major Internet service providers is clearly a positive step forward. It is fantastic that three of the four have voluntarily introduced an opt-in system.

However, there are six major problems with self-regulation, which Baroness Howe set out powerfully in the debate in the House of Lords on 28 January and in a recent article on politics.co.uk. I will quickly run through the problems that she outlined.

First, it is important to recognise that self-regulation does not cover all the market. Between 5% and 10% of the market, which amounts to over one million homes and hundreds of thousands of children, will not be covered by the default filters. Put quite simply, what is the point of plugging a leak if it covers only 90% of the hole?

Baroness Howe notes that one Internet service provider (ISP) — namely Andrews and Arnold Ltd — has no plans to introduce default filters at all. Indeed, on its home page, it proclaims its commitment to "Unfiltered Internet for all". To my mind, it is clear that, if effective protection is to be provided for all children, we need a statutory approach that will cover the entirety of the market.

Secondly, in the context of ISP self-regulation, there are very real fears that big corporations are given too much power, because it is up to companies to define what constitutes adult content. Currently, there is no requirement for the definition of adult content to be consistent across the sector. There is no accountability of those companies.

I do acknowledge that there is a legitimate concern about websites being blocked in error. The statutory approach that Baroness Howe has proposed addresses both of these concerns by giving Ofcom, an accountable public body, responsibility for defining adult content and for providing a mechanism for dealing with claims of over-blocking in a timely manner.

Thirdly, if default filters are to achieve their goal, they must be complemented with effective age verification so that we can be certain that those people who are disabling adult content filters are 18 years or over. The current approach that is used by the industry, which is called the closed loop, involves sending the ISP account-holder an email informing them that their filters have been disabled. This presents two problems. First, no age verification takes place before default filters are disabled. Secondly, it depends entirely on parents reading and acting

on these ISP emails immediately, and, in many cases, that simply will not happen. It seems apparent to me that the UK Government need to require all ISPs to introduce robust verification of the age of the person who is deciding to disable default filters before filters are disabled.

Fourthly, it seems very strange to me that the UK Government are reluctant to introduce such statutory regulation. As the eminent peer Lord Mackay of Clashfern has argued, it is illogical for us as a society to believe that child protection is a sufficiently important subject to merit statutory protections offline but then to decide that self-regulation will do online.

The British Government have been very quick to make the point that what is illegal offline is also illegal online. However, Members, we need to ask the question: if that was sufficient security, why have the Government seen the need for default filters? The reality, of course, is that legal protection for children is not just about pronouncing some things to be illegal. It is also about using the law to protect children from coming into contact with things that are illegal and, crucially, about using the law to protect children and young people from accessing things that, although not illegal, are, nonetheless, inappropriate for children to access.

Fifthly and finally, the mobile phone operators code has not been properly adhered to by the industry. As many Members will be aware, many children and young people these days access the Internet through their phones. In 2010, it was revealed that BlackBerry mobiles were not offering default filters, in contravention of the 2005 code. That had left children able to access inappropriate material for five years.

Last month, Tesco Mobile was similarly found to be ignoring the code. Fortunately, both companies have now rectified matters, but the history of the code makes the weakness of self-regulation obvious. Moreover, it has been ignored by companies not once but twice, and, no doubt, it could easily happen again. Indeed, it is quite possible —

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

Lord Morrow: — although I am not certain, that other mobile companies could be ignoring the requirements of the 2005 code. It seems clear that we need to see the default filtering obligation, with effective age verification, in statute so that mobile phone operators take

their responsibilities more seriously. I commend the motion to the House.

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

Main Question, as amended, put and agreed to.

#### Resolved:

That this Assembly endorses and supports the Safer Internet Day 2014 campaign entitled "Let's create a better Internet together"; recognises that whilst it poses significant dangers to children and young people, used properly the Internet can also positively affect social, economic and educational advancement; acknowledges that all users have a part to play in making the Internet a safer and better place for everybody; calls upon the Northern Ireland Executive and Her Majesty's Government to encourage a crosscutting approach to online safety by incorporating it into the school curriculum, by affording parents and carers easy access to sufficient information to take necessary action and by encouraging businesses and industry to self-regulate their web-based content and services; and further calls upon the Office of the First Minister and deputy First Minister to assist with the prompt establishment of an e-safety forum, as recommended in the recent Safeguarding Board for Northern Ireland, 'An exploration of e-safety messages to young people, parents and practitioners in Northern Ireland', and to coordinate e-safety responsibilities across all Executive Departments.

Adjourned at 8.14 pm.



Published by Authority of the Northern Ireland Assembly, Belfast: The Stationery Office

and available from:

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www.tsoshop.co.uk

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ISSN 1463-7162

Daily Editions: Single copies £5, Annual subscriptions £325

Bound Volumes of Debates are issued periodically during the session: Single copies: £90

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