



Northern Ireland  
Assembly

# Official Report (Hansard)

Tuesday 3 November 2020  
Volume 132, No 4



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# Northern Ireland Assembly

Tuesday 3 November 2020

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

*Members observed two minutes' silence.*

## Executive Committee Business

### Criminal Justice (Committal Reform) Bill: First Stage

**Mrs Long (The Minister of Justice):** I beg to introduce the Criminal Justice (Committal Reform) Bill, which is a Bill to amend the law relating to committal for trial.

*Bill passed First Stage and ordered to be printed.*

## Ministerial Statement

### Housing Policy

**Mr Speaker:** I have received notice from the Minister for Communities that she wishes to make a statement. Before I call the Minister, I remind Members that, in light of social distancing being observed by parties, the Speaker's ruling that Members must be in the Chamber to hear a statement if they wish to ask a question has been relaxed. Members still have to make sure that their name is on the speaking list if they wish to be called, but they can do that by rising in their place, as well as by notifying the Business Office or the Speaker's Table directly. I remind Members to be concise in asking their questions.

**Ms Ní Chuilín (The Minister for Communities):** Go raibh maith agat, a Cheann Comhairle. Thank you very much, Mr Speaker, and thank you for the opportunity to make this statement to the Assembly, in which I intend to outline my plans to address some of the most significant challenges facing our housing system. These are challenges that I will not shy away from, and I am asking today for Members' support in progressing this ambitious programme of work. Everything that I do will be focused on ensuring equality, addressing the highest need and fundamental transformation.

Members will know that the number of households in housing stress means the number of households on the social housing waiting list with an acute need for a home. At the end of 2002-03, the number of such households was 13,042. At September 2020, the number was 29,539. Successive Executives have invested in increased social housing supply, and I commend them for that. However, in that 18-year period, housing stress increased by 17,000. The Executive have invested £2.3 billion to build 30,000 new social houses and, in the last seven years, we have, on average, started the construction of nearly 1,550 new social homes each year. However, housing stress has risen by an average of 1,000 in each

of those years, and we see the human face of that every day in our constituency offices.

Our population is changing. The number of households is projected to increase as we are living longer. The broader housing market has also changed dramatically over the past few decades. A generation whose parents are homeowners or who live in social housing is now renting privately. There are far more families with children living in the private rented sector than in social housing, with all the insecurity of tenure and the high cost that comes with that. The demographic and economic forces that are pushing increasing numbers of households into housing stress are too great to be countered by our current efforts to increase supply. We must do more social housing development, but upscaling current action will not be enough, and we have to face that. We need to do more, but we also need change. We need to secure the future of the social houses that we have. We need to increase the rate at which we add to them. We need to build and allocate more social homes to meet growing need. We need housing sectors beyond social housing to provide affordable and suitable homes. That was reflected in New Decade, New Approach (NDNA), which, amongst a range of vital housing priorities, committed to the inclusion of a housing outcome in the next Programme for Government. That was a recognition that a good home is the foundation of social, physical and mental well-being and is central to addressing our most pressing societal challenges, including poverty and inequality.

Today, I wish to specify how I plan to deliver against those challenges in the current mandate. This will include proposals for legislative and structural change. My ambition in delivering that programme of work is, ultimately, to ensure that every household has access to a good-quality, affordable and sustainable home that is appropriate to its needs. First, I will revitalise the Housing Executive. The huge investment challenge facing the Housing Executive is a long-standing issue that has previously been communicated to the Assembly. New Decade, New Approach committed the Executive to tackling that challenge. I have, therefore, recently written a letter to my Executive colleagues setting out my plans, and I may now share those with the Assembly.

Many of you will be aware of the current set-up of the Housing Executive. It comprises two areas: the landlord piece and the overarching regional housing authority. The housing authority side is responsible for vital and

sensitive housing functions such as assessment of need, the management of the common waiting list and the geographical distribution of new social build. The landlord side is focused on 85,000 homes. A 2018 analysis found that the landlord side needed to invest around £7.1 billion in those 85,000 homes over the next 30 years if they are to remain decent homes for households and families. Of that investment, £3 billion is required over the next 11 years, but the Housing Executive can only afford about half of that requirement. The Executive could fund this by allocating about £100 million from capital DEL each year to the landlord maintenance requirement, but where should we take that from? Should we take it from hospitals or schools, or from all the money that my Department currently invests in building social homes? That would be the choice were the Executive to fund the Housing Executive's investment requirement. Our choice would be to lose either 40,000 of our old social homes or the next 11 years of new social development. Either option would propel housing stress faster and higher. Neither option is acceptable to me or, without doubt, to the Assembly. We are seeking an alternative that will enable the Housing Executive, as a landlord, to borrow. While the Housing Executive remains classified as a quasi-public corporation, as a landlord it cannot borrow.

If we can change that classification, the Housing Executive as a landlord will secure the freedom to borrow and have the ability to invest in its own homes.

I plan to change the classification of the Housing Executive landlord to a mutual or cooperative designation so that it may borrow and secure a sustainable future for all of its 85,000 homes and provide security for current tenants and future generations. To change the classification of the Housing Executive landlord in the manner that I propose will mean its separation from the regional part of the Housing Executive. The Housing Executive regional authority will remain accountable to a publicly appointed board and will continue to remain under the oversight of an Executive Minister, meeting objective housing need in an equality and human rights context.

The current rental structure does not work. An important part of these plans therefore will be a comprehensive rental review, leading to financial sustainability, in line with the commitments agreed in New Decade, New Approach. Social rents must be affordable to tenants, and they will be. The Housing Executive currently has the lowest social rents

in these islands. I will ensure that they remain the lowest.

An important contribution to my plans for revitalisation may also be made by exempting the Housing Executive from corporation tax liabilities and by finding better options to remove its historical debts. My officials are actively exploring those issues with colleagues in the Department of Finance and the British Government, as those were commitments made in New Decade, New Approach.

More work needs to be done on the proposal briefly outlined here, and two years have passed since the most recent analysis of the scale of the investment challenge. The current situation is most certainly worse, and the scale of the investment needed is even greater. The new investment requirements have materialised since 2018, as a consequence of the Grenfell Tower disaster and the ambition to reach a position of carbon neutralisation in our homes by 2050.

I have set out to my Executive colleagues that I will focus consideration on options that promise to retain what is valuable about our Housing Executive model. I am interested in options that will see part of the Housing Executive revitalised as a cooperative, or as a mutual. We can learn from models of best practice. We can avoid the pitfalls that other models have experienced. Ultimately, we can build a model that is effective and that meets the needs of our tenants. I have asked officials to commence the work, and I anticipate that I will return to the Executive before the end of 2021-22.

The revitalisation of the Housing Executive is also about the other ways in which we need to protect social housing stock and about the imperative on the Department to reduce housing stress. Although the Department has invested well over £100 million of capital in building about 1,800 new social homes, we have sold, on average, 483 social homes under the right-to-buy scheme. We have sold those social homes at a discount of up to £24,000: a discount that the public have funded. Clearly, we have one policy that is in direct conflict with another. I will make sure that we have a suite of options to secure community stability and enable everyone to buy a home if they so wish. That must not reduce the social housing supply that we are striving to increase, however.

In June of this year, the Assembly passed legislation that will end the house sales scheme for housing associations in August 2022. At that time, I committed to bringing forward a consultation on the future of the Housing

Executive's sales scheme. I will do that this month, and I aim to make changes before the end of this electoral mandate. That will address the need to protect social housing stock and deal with the inequality in social housing.

We have never achieved more than 2,200 social new-build starts in one year. I want to change that as soon as possible. I have already told the Assembly that the targets for social housing are far too low. I am looking at assigning significant budget and policy changes to increase the capacity of the social housing development programme. I need to ensure that areas such as north and west Belfast and Derry city, and all other areas with acute housing need, are prioritised. I therefore intend to reintroduce ring-fencing.

We need mechanisms that mean that houses are built where they are needed. I have asked the Housing Executive to identify those mechanisms, and I am confident that it will provide them.

#### **10.45 am**

I am also working with housing associations and have been encouraging them to identify land that is available for social housing. I am conducting, on behalf of our Executive, an exercise to identify surplus public land that can be used for social housing. My officials and Housing Executive officials have been engaging with a range of public bodies to explore the delivery of increased social housing. Some of the initiatives can be implemented in the immediate to short term; others are more strategic measures to be explored in the longer term.

The revitalisation of the Housing Executive is also about how it allocates social housing. Ensuring an effective and fair social housing allocations system is fundamental to easing housing stress and making sure that allocations to social housing are based on objective need. That is why I have been actively considering how I wish to progress the outcomes of the 2017 consultation, 'A Fundamental Review of Social Housing Allocations'. I have committed to Executive colleagues that, later this autumn, I will publish a report of that consultation and an action plan for implementing changes.

Two of the 20 proposals need more work. The first is regarding intimidation points. I do not intend to proceed with the proposal to remove intimidation points. People in danger in their own home need prioritisation under the selection scheme. The manner of that

prioritisation needs to be tightly focused on such people, including victims of domestic violence. Consistent with that, the mechanisms for such prioritisation need to prevent abuse and provide robust verification. They need to ensure that the manner in which the scheme responds to cases of intimidation does not distort the list. Officials are investigating options for an alternative proposal, including consideration of a statutory body to independently manage the verification process. I will be able to update the Assembly further on that in due course. The second proposal that I will not proceed with as per the consultation is the removal of interim or temporary accommodation points. I believe that people who find themselves in any form of temporary accommodation should be awarded points to recognise the additional stress associated with being insecurely housed in whatever form that takes, whether in hostel accommodation or sofa surfing with friends or family. That would involve extending interim points to a wider range of people who are homeless. The new proposal will require further analysis, and, again, I will update the House on that in due course.

As the plan will make clear, I will implement the other 18 of the 20 changes proposed in the 2017 consultation. The changes will make our selection scheme fairer and better at responding to objective need. We will also consider what support before and after allocation can facilitate a successful and sustainable tenancy.

There are other areas of challenge. I know that there are long-standing issues with adaptations. We have affected some of the most vulnerable people in our society. Issues with procurement have led to some of the problems that have been experienced. The Housing Executive's pilot scheme in its southern region has shown that it is possible to reduce the time taken for that work by an average of 43 weeks. I will ensure that the Housing Executive continues to prioritise that work.

I will revitalise our social housing. I will make it work better, and I will make sure that there is a lot more of it.

I also want to talk about another group of people who struggle with their housing: our private renters. The private rented sector is now similar in size to our social sector. It houses an increasingly diverse range of households, including a growing number of households with children. There are twice as many families with children in private rentals than in social housing. They can be asked to leave within four weeks. Just imagine the stress if that happened

to you. The private rented sector was one of our most urgent areas of intervention as the coronavirus crisis developed. An emergency Bill was drafted from a blank piece of paper and passed by the Assembly in less than five weeks. That was a remarkable achievement, and I thank you all for your help. It has ensured that around 140,000 private-rented households will not have to leave their home during the crisis. For me, the Bill focused our attention on the tens of thousands of families and hundreds of thousands of people who live in private rentals and highlighted just how vulnerable they are. For some, it is a suitable option, but, for many others, it is their only choice. We have not built enough social housing, and therefore a generation has been excluded from having a secure home. I will provide a suite of options to help people get a family home and secure community stability.

I will develop new ways to help people into homeownership if that is their choice. We have supported shared ownership schemes such as the Co-ownership, which has helped more than 30,000 families into homeownership. The Co-ownership scheme is currently helping over 1,000 people a year to buy their first home, whether that be a new build or an existing home, but we need to deliver more.

As well as increasing the supply of social housing, I will expand the rental options available by introducing intermediate rent here. That will provide an additional supply of good, well-managed and maintained homes that are affordable for lower-income people and families. Intermediate rent homes can be a stepping stone for some into low-cost homeownership or can provide a better, more affordable rental solution for others. My officials are working closely with the sector and exploring options to develop a type of intermediate rent that works here.

I will ensure that there is no need to choose between social housing investment and affordable intermediate housing by maximising the potential of newer funding streams, such as financial transactions capital (FTC) loan funding, to deliver on the additional housing options.

I will develop a fundamental housing supply strategy. The strategy will have mixed tenure at its heart, ensuring stable, secure communities for everyone. I will work with Executive colleagues and councils through the local development plans.

About 40% of housing benefit is paid to private landlords. More than half of private tenants get

housing benefit. It is right that we make sure that, when hundreds of millions of pounds of taxpayers' money is paid to private landlords, it is not paying for low-quality, overpriced housing.

I will bring forward legislation to the Assembly that will improve the safety, security and quality of the private rented sector. Four weeks is too short a time for anyone to be asked to leave their home, find a suitable new house that they can afford, maybe find a new school and childcare for their kids and pack up their belongings. It is just not enough. My Department previously consulted on extending notice to quit to eight weeks. That would be a start, but my view is that it should be a lot longer, more like six months. I will see what is possible, given the limits of our legislation, and bring proposals to the Assembly.

Rented homes should have safe electrics, and tenants should be safe from the threat of carbon monoxide poisoning. This is all fundamental stuff, and I am sure that no Member of the Assembly will disagree with any of it. Part of my work will be to consider an enhanced role for our councils in registration and enforcement.

I talked earlier about making sure that social rents were fair. My work on that will extend to rents in the private rented sector. Tenants in that sector face the highest rents and often get least for their money. I accept that landlords run a business, but I will not let them exploit tenants, especially given that so much of the rent they receive comes straight from taxpayers. It does not matter if you rent a social home or rent from a private landlord: I will bring forward proposals to ensure that your rent is fair and secures you a good home.

I am not stopping there. There are other things that we need to look at over a longer timescale, including letting agent regulation, the introduction of grounds for eviction and fitness standards. We will start work on those as well. I am calling time on bad landlords and rogue letting agents. Houses are homes. Everything that we do must be based on that fundamental principle. It is a basic human right for individuals and families to have a safe and secure home.

On average, 1,500 people present as homeless here every month. In parallel with all the work to protect and enhance our social housing and to improve the situation for those in the private rented sector, I will prioritise action to improve our response to homelessness. Our future homelessness policy will build on lessons learned from how we dealt with the COVID-19

crisis. That will include informing the roll-out of an interdepartmental homelessness action plan, as well as our work in continuing to support the Housing Executive to deliver on its statutory responsibility for responding to homelessness.

I know that I can rely on your support in this work. I have covered a lot of ground in the statement and set out a way forward on a number of important issues. Some of those are deep, underlying issues that have been there for some years. If it sounds like a lot of work, that is because we can no longer afford to talk as housing stress spirals out of control. We need to get on with it. We need to build more social homes, to sort out the long-term future of the Housing Executive and to make sure that it can repair its homes, regenerate its estates and start building again. We need to get the Housing Executive building again. We need to make sure that our social housing system works better and that it is fair and helps the people and families who need it most. We need to help people and families in the private rented sector. If homeownership is right for them, we need to help them. If it is not, we need to help them. If the private rented sector is their only option, we need to make sure that people and families pay a fair rent for a decent, secure home. We need to change our approach to homelessness to focus on prevention rather than management and to make sure that homelessness occurs as seldom as possible. If it occurs, we need to make that time of homelessness as short as possible. We need to make sure that people do not fall back into homelessness.

I look forward to your questions and comments, but, before I sit down, I remind you all of our human rights obligation. Equality and rights are the basis of my approach, and you cannot get more basic than the right to housing. Article 25 of the Universal Declaration of Human Rights recognises that right. Everyone has the right to a house adequate for their health and well-being. We have work to do. We all agreed in NDNA that we would do it. I look forward to your help and a busy two years.

**Ms P Bradley (The Chairperson of the Committee for Communities):** I thank the Minister for today's extremely comprehensive statement. I also thank her for meeting me and the Committee Clerk yesterday, giving us advance notice and getting a copy to all the members early. We have had so much doom and gloom in the Chamber over recent months that it is good at this stage to get a statement that is positive, visionary and very much welcome.

With your permission, Mr Speaker, I want to ask a couple of questions, if that is OK. The first is on our constituency of North Belfast. The Minister and I represent a constituency that has major housing stress. On top of that, we have a tower block strategy, and we have the most tower blocks in Northern Ireland. How does that displacement of people fit into the already overburdened housing list?

Secondly, as MLAs, we represent not just one section of the community but everybody. That includes all those young people who would not naturally want social housing. They are first-time buyers and young professionals. The Minister mentioned having some sort of scheme to allow them to buy and to get into the housing market, but some of them want to rent. How do you see that fitting into the model, when they will not have housing points?

Lastly, I want to ask about the Minister's timeline. We want to see this through as quickly as possible, with the right scrutiny from the Committee, of course. What are your priorities? Will you prioritise the points system or something else?

**Mr Speaker:** You got four questions in there. It is up to the Minister to determine how many she answers.

**Ms Ní Chuilín:** I will answer them all. I have to look after the Committee Chair.

The Chair is right about our constituency. Fair play for getting that in first pot, Paula. North Belfast has the most tower blocks, and that is where the challenge lies. For anyone to be decanted from those tower blocks, the Housing Executive needs to get land. Until now, land has been very scarce. We are trawling to look at what land is there in the social and even private sectors. We will work out how we can purchase it to enable decanting.

**11.00 am**

The Member asked about intermediate rents. I chatted to representatives from the Housing Executive yesterday and asked them for timelines, which might tie in with some of the Member's other questions. I have not prioritised my priorities; I want a timeline for all of them. I want to know what can be done in the short to medium term and in the medium to long term. All of it needs to be completed in this mandate.

The Member asked for information on the rent-to-buy co-ownership scheme. I also want that to be more accessible to young people or, for that

matter, anyone else. It is a scheme for affordable home ownership, if that is what people choose, but among the feedback that I have received recently is that people have to pay six months' rent in advance. For one person, that is almost £15,000. That is not accessible. At the end of this item of business, I will gather all the questions, share them with Members and keep the Committee informed as we progress.

**Ms Anderson:** I am blown away by the statement. It is the most important housing statement that I have heard in years. The Minister is delivering not only on a strategic level but on the ground. I got her response in relation to the Triangle area in the Waterside, and I am pleased to see that that is moving forward. I would love to take this opportunity to ask a number of questions, but I know that I will not be allowed. I will stick to one. Paragraph 23 of the statement mentions the Minister's intention to reintroduce ring-fencing and states:

*"We need mechanisms that mean houses are built where houses are needed."*

Will robust monitoring be put in place in order to ensure that that policy is delivered, given its importance in addressing persistent and chronic inequality in housing in Derry and in north and west Belfast?

**Ms Ní Chuilín:** I thank the Member for her question and sentiments. Míle buíochas. They are much appreciated. All the priorities will be monitored by the Minister for Communities. I have made the statement on behalf of not only the Department but the Executive. I assure the Member that we will bring in protections for the areas that have not only faced the most housing stress but have done so consistently and suffered the greatest increase in housing stress for decades. We will ensure — I will ensure, for as long as I am here — that that will happen. Since our meeting yesterday, the Housing Executive knows what it needs to do. Its officials and my officials will be sitting down this morning and over the following days to work through what some of the priorities mean, and the Committee will have first sight. I assure the Member that all the priorities will be closely monitored by the Minister for Communities.

**Mr Durkan:** I thank the Minister and very much welcome her statement. It outlines her ambition and approach to tackling our housing crisis. However, as legislators, we will be judged on what we do, not on what we want to do. I look forward to working with the Minister and

colleagues to realise these much-needed and desirable changes.

It is difficult to find something that is not in the statement, but I have managed it. As the Minister outlined, prevention must play a part in the homelessness strategy, but the statement does not mention how we can support people or prevent them from falling into homelessness. I am thinking particularly of those people who are struggling now to pay their mortgage and those who will struggle greatly to do so in the future. Previously, we had a mortgage support scheme. Will the Minister commit, with her Executive colleagues, to looking at the possible reintroduction of such a scheme, given the high likelihood if not inevitability that a lot of people will fall into difficulty?

**Ms Ní Chuilín:** I thank the Member for his question. I asked for information on support for mortgages. As the Member will know, the British Government ended that support some time ago, much to the dismay of many of the devolved institutions, but more so to the people who found themselves in hard times. That was well before the COVID-19 crisis. I commit to exploring again any opportunity to support people who are in mortgage distress. Since the emergence of COVID, the Executive have gone above and beyond in trying to support people as best they can. I am acutely aware of not only the financial but the emotional turmoil, stress and shame caused by losing your home. I want to ensure that we try to help people as best we can. I do not have that information yet. When and if I get that information, I will share it with you and the rest of the Committee.

**Mr Nesbitt:** I welcome the Minister's statement. The Ulster Unionist Party is broadly supportive of this in principle, although obviously we would like to scrutinise the detail. On the detail, will the Minister tell us a little bit more about the governance arrangements for the proposed new body that will be the landlord? As I understand it, it will have to sit outside the public sector in order to secure borrowing powers, so will it have access to financial transactions capital (FTC), for example? What happens if a tenant comes to one of our constituency offices to complain about this new body? Where is the control mechanism?

**Ms Ní Chuilín:** I thank the Member for his questions. He can be assured that Andy Allen will definitely scrutinise the detail in his absence.

I will deal with your last question first. Any service, product or support delivered by the

Housing Executive, regardless of how it is configured, will be accountable to tenants and, indeed, to the Department. I give the Member that assurance. I am looking at a mutual or a cooperative in designation, because the Housing Executive as it is currently configured cannot borrow money. In order to do that and to protect the 85,000 homes, let alone look at our maintenance budget and our much-needed adaptations, we need to give it the freedom and flexibility to be able to borrow money, including FTC. We also need to do that to make the Housing Executive exempt from corporation tax and to try to get its historical debt written off. There will be no threat to any public accountability. People will not even notice any difference. In my opinion, this also protects for the future the jobs of Housing Executive staff who currently work on the landlord side. This is what we need to do. We need to protect our public services, but, even more so, we need to protect our social housing stock, which 85,000 tenants live in.

**Ms Armstrong:** Thank you very much to the Minister for a very ambitious housing plan that has come to the House today. At the start of your statement, you asked us for support. The Alliance Party will not be found wanting in that, because this is well needed across Northern Ireland. I noticed that, in paragraph 38, you talk about mixed tenure being at the heart of this. Does that mixed tenure extend to shared housing? The Executive's commitment to shared housing has been very welcome over the years. I want to make sure that, when you talk about mixed tenure, that extends to the people who live in those houses and shared housing.

**Ms Ní Chuilín:** I thank the Member for her sentiments and, indeed, for her party's support. Shared housing is there, and it will be there. Under the local development plans that local government is taking forward, mixed tenure for me means that if a private developer says, "I want to build 100 homes", 20 of those need to be social housing and they need to be on the same site as the development and tenure blind. That is what we need to do. This is not just about social clauses or developers' section 76 obligations. This is about them being part of the security of tenure for a lot of people. I have learnt many lessons from bad examples of this on these islands. I went to a place in Dublin where the social tenants were moved three miles out of the private development. That will not happen here.

**Mr Easton:** I thank the Minister for her statement on what promises to be the biggest shake-up in housing ever. It is all very exciting.

In my constituency, there are over 1,700 people on the housing list. Can the Minister guarantee that different types of housing will be looked at in order to address the different social needs and deal with adaptations, which there is a chronic shortage of?

**Ms Ní Chuilín:** I thank the Member for his question. Adaptations to homes is one of the issues that I get questioned on constantly here. Our population is living longer, and that is a brilliant thing. We need to look after our ageing population and ensure that their homes are fit for purpose. Part of this, on the landlord side, will make sure that there are additional budgets to look at those adaptations.

In looking at the different needs of the populations in our constituencies, we need to take a needs-based approach. I do not want to see families growing up in a one-bedroom flat anywhere. I do not want to see people who really need a stairlift or a downstairs bathroom going up and down the stairs on their backside. We know loads of people like that. That is inhumane, so we want to make sure that all that is changed and that we try to get the best mix, not just to deal with our population now but to try to future-proof it for generations to come.

**Ms Ennis:** I concur with my colleague Martina Anderson: this is an absolute game changer. I welcome the reclassification as the catalyst for the transformative changes in the Housing Executive, which are long overdue, but how realistic is this without the removal of historic debt and the continuation of being taxed as a corporation?

**Ms Ní Chuilín:** I thank the Member for her question. As I said to, I think, Mike Nesbitt, the Executive will not be able to make the Housing Executive exempt from corporation tax or, indeed, tackle its historic debt unless we go for this reclassification. My instinct is to go for a mutual or a cooperative that is non-profit and almost with a charity basis, that has its own board that will be as public and accountable as the Housing Executive board is now. I am in no doubt — I have exhausted this inside out — that this is the only way that we can secure the homes that we have and bring forward the additional capital that we need to invest in our homes and, indeed, as I said to Alex, for the adaptations and all the maintenance that we need. This, for me, and, indeed, for the Executive, is something that we have to do to

get over some of the most fundamental barriers that have stopped us from increasing housing supply.

**Mr Buckley:** I welcome the Minister's statement and support the transformation of the Housing Executive, but she will remember from my time on the Committee and from my comments in the House that I was critical and sceptical of the removal and closure of the right-to-buy scheme, which she mentioned. At the time, the Minister of the day and Department officials said that they would bring forward practical alternatives to that scheme, because I believed that it was crucial to allow working families to fulfil the aspiration of home ownership. Can the Minister elaborate on those potential alternatives? We know that land availability is a serious issue. A number of months ago, the House passed a Living over the Shop scheme. Has the Minister had any further consideration of a potential scheme to meet that need?

**Ms Ní Chuilín:** My memory is that we did not pass the Living over the Shop scheme, but maybe we did. I certainly did not support it.

The Member is on the record in the Committee, to be fair to him, about looking at alternatives to the right to buy. That is why co-ownership needs to provide better models. The right to buy was introduced in 1979. We have sold over 483 social homes under right to buy, and we have sold those homes at a discount of £24,000, which is all public money. The conflict that we have between increasing social housing and the right to buy is one that we cannot continue with, because, under right to buy, the stock was never replaced, and that is one of the reasons why we are in the position that we are in. If people want to own their homes, I am trying to help them as well. As I said to the Chair, I am happy to look at other ways in which co-ownership can be made easier for people who want to enter into home ownership at an affordable rate. It will certainly not be as affordable as we enjoyed under right to buy, but it does need to be affordable and they need to have access.

**Mr Lynch:** Minister, here in the North, the private rented sector is the most unregulated across these islands, and the tenants within it are the least protected. What is the Department's plan to address that issue?

**Ms Ní Chuilín:** The Member will have heard that this is all about intention. This is a statement of intentionality, but we certainly need to prevent tenants from being placed in homes that are not safe in the private rented

sector and being subject to the whims of a landlord or letting agent if it does not suit them any more. We also need to make sure that the public investment in the private rented sector gets a return. We need to protect residents in the private rented sector as much as we possibly can.

As I said in the statement, I will bring forward proposals to ensure that their rent is fair, but, more importantly, I will bring forward proposals to ensure that they are protected. We also need to ensure that the systems, intermediate rent homes and mediation that we need are in place so that people are clear about what is available to them and what support they have.

**11.15 am**

**Mr O'Toole:** Like others, I welcome much of the statement. There is definitely a lot of ambition in it. I am glad that the Minister has made the statement, but we will need to see delivery on it. She mentioned reclassification and the broader powers around borrowing but specifically mentioned financial transactions capital loan funding. If I am right, in the October monitoring round statement, which we got not orally but in written form last week, there is a £39.3 million allocation of FTC. Is the Minister confident that her Department can spend that this year? What will it be going to, and will it be spent in-year, as in by the end of the financial year?

**Ms Ní Chuilín:** Co-Ownership has given my Department the assurance that it can spend every bit of that FTC. I do not want any FTC ever being returned. Since COVID started in March, it has been more difficult, particularly for the construction industry, and that put pressure on the ability to spend the FTC budget.

The allocation will cover this year and, indeed, next year, so it is better to overcommit to that budget, and it is better for Co-Ownership to be overambitious about being able to spend that budget. As the Member said, with the landlord side having a new designation, that will hopefully mean that never again will this Department return any FTC underspend.

**Mr Butler:** I thank the Minister for her statement. I spent a very brief period on the Committee for Communities with you previously. Although there is much to applaud you for, Minister, one thing that jumps out at me is the piece in and around intimidation points. I understand that the sentiment to protect people who are under threat is well made. As has been spoken about many times, however, the scheme is also abused, and we see people in

housing stress being jumped over and overlooked. Will you outline what steps you will take, perhaps in conjunction with the Justice Minister, to ensure that the process is as fair and appropriate as possible?

**Ms Ní Chuilín:** I have not discussed this with the Justice Minister, and it is a good idea to do so, but the responsibility is mine, so I am not passing the buck to anyone.

Most of us will remember a debate that we had in the Chamber on a motion on intimidation points that, I think, Fra McCann brought forward. Every party agreed with the sentiment that the scheme was necessary but that it was widely abused and misused. As sure as the day is Tuesday, if a new housing scheme were released, allegations of intimidation would increase. That meant that the very people whom I spoke about in the statement — the people who are homeless, living in hostels or sofa-surfing — were effectively being queue-jumped by others. I want that situation to end, but, in my opinion, the difficulty with the scheme was that verification needed to be stronger to prevent that happening. I want to bring on board a statutory body or some other body to make sure that the need for such verification is in place. The PSNI will be involved.

I also want to make sure that people who have to leave their home as a result of domestic violence are now considered to have been intimidated. I want to make sure that asylum seekers and refugees who have come through the worst possible experiences and have made our place their home are also included on any intimidation lists, because currently they are not.

**Mr Stalford:** Like me, the Minister is from inner-city Belfast, and she knows that an insidious combination of private landlordism and overdevelopment is destroying the character of many of the communities in the inner city. Specifically in my constituency, I think of places such as the Woodstock Road, the Ravenhill Road, the Holylands, the Market, Sandy Row and Donegall Pass. Private landlordism is destroying the character of those communities, and, on the other side of that, they are being eaten away by overdevelopment and by the promotion of developments that local people simply cannot afford to live in. How can the Minister assure those communities that this policy statement will address those issues?

**Ms Ní Chuilín:** Deirdre Hargey would be delighted that you referred to her area in her constituency as "the Market", so fair play.

**Mr Stalford:** No "s".

**Ms Ní Chuilín:** Always.

**Mr Stalford:** No "s".

**Ms Ní Chuilín:** Yes, absolutely; BT7 all the way.

I have seen what has happened in the Village and Donegall Pass. As a Member, I have also seen and pointed out what has happened in the Market. On the one hand, you have a community where people are literally living on top of one another, while, on the other hand, you have tall, shiny buildings going up, but the people who would like to live in them cannot get access to them. That is the most hateful position to be in. They really are on the outside looking in. If people want to live in those buildings, we need to make it easy for them. That is the bottom line. Belfast will go through massive regeneration. As the Member will know, local development plans are the first to be put out by local government, and in them is a guarantee that there will be an eye to social and public housing along with private housing.

However, we need to ensure that the Housing Executive, in particular, uses the vesting powers that it has so that, if there is an opportunity to develop family homes in those communities, it ensures that it has that land. I have spoken to Conor Murphy on several occasions. As well as looking at the market rate measurement, he is also considering looking at the social-value measurement in order to make it easy to buy land in our constituencies to ensure that there is better housing supply. We do not need skyscrapers all over the place instead of social housing. What we need are good-quality homes to sustain our communities. Frankly, our communities have sustained us through thick and thin, and we need to look after them.

**Ms Flynn:** I thank the Minister for her statement. Since different parts of Belfast have been referenced, I want to highlight that, in areas of west and north Belfast, rents are increasing through a market demand that is coming from lower-income families that are struggling to access social housing. Will the Department consider looking at rent caps or creating rent-pressure zones in such areas?

**Ms Ní Chuilín:** I think that everybody has mentioned their constituency, so well done. That is what we are here for. At the minute, the local housing allowance almost puts a cap on what can be charged. However, it is too fragile

and too volatile, particularly when the market rate goes up and landlords or businesses put the rent up. That leaves people having to choose between their rent or their rations, as we used to call them — or food, for all you young people below the age of 30. The purpose of my looking at intermediate rents is to ensure that anyone caught in that cycle is protected. The position is also that the Housing Executive — fair play to it; I want to put that on the record — has done its best, as have this and previous Executives, to ensure that Housing Executive rents remain affordable. However, housing association rents are becoming unaffordable. Some are charging £125 a week, as opposed to the less than £70 a week being charged by the Housing Executive. That is a problem. We need to look at bringing that into the intermediate rent as well, because the last thing that we want is for tenancies not to be sustained even before an allocation is made, because they certainly should be sustained as part of anyone's experience of growing up in social or public housing.

**Mr Speaker:** I call Paula Bradshaw. You might want to mention Lenadoon and Tullymore while you are at it. *[Laughter.]*

**Ms Bradshaw:** Thank you, Mr Speaker. I thank the Minister for her impressive statement. I thank my colleague Christopher Stalford, who stole my question. However, I have another one. The Minister mentioned human rights and the right to family life. I work with constituents, and with one in particular whose child is on delayed discharge in the Iveagh Centre in west Belfast because there is no suitable accommodation to which to bring that child home. We have seen what has happened at Muckamore and other places, where beloved family members with complex needs have languished. Can the Minister tell me where she is collaborating with the Department of Health to start to introduce housing that would fit the needs of people who require a live-in carer or live-in nurse? Where is that mentioned in the statement?

**Ms Ní Chuilín:** It is covered by the part of the statement that talks about reclassifying the Housing Executive as a landlord in order to allow it to build homes, and also the adaptations. I have been here long enough to remember the Bamford strategy. We are still waiting on much of its implementation. That is not good enough. Families that are forced to separate, particularly ageing families looking after ageing children, need as much support as possible. This strategy will ensure that the Housing Executive will have the capital that it

needs to look at adaptations, to purchase and develop homes, and to look at the maintenance issues that will really improve the quality of life for all tenants and citizens. That is the intention of this statement.

That is one of the issues that I will be talking to the Minister of Health about. I will also be talking to other ministerial colleagues about how their Departments and mine can work together on the proposals in the statement.

**Mr Gildernew:** Go raibh maith agat, Minister. It will be no surprise that I will mention Fermanagh and South Tyrone, parts of which have huge housing stress. I welcome the statement. This is truly a once-in-a-generation shakeup of housing here and is long overdue.

Minister, I know that you recognise the problem of homelessness and that not all homelessness is necessarily rough sleeping. However, at the start of the pandemic, your Department's efforts in relation to homelessness were second to none. What work is being done now to ensure that the tackling homelessness strategy is not just successful but sustainable?

**Ms Ní Chuilín:** I thank the Member for his question. I recently had a meeting with the Chartered Institute of Housing. An issue that it majors on, which makes not only a lot of sense but articulates and encapsulates the concern that we have had in the Assembly, is sustainable tenancies.

If people are homeless, particularly if they are vulnerable and have mental health or addiction issues, we need to help them, work with them and support them when their tenancy is allocated and then support them throughout their tenancy. We need to give hope to the youngsters and families who are sleeping on people's living room sofas or on two sets of bunk beds in a tiny room that that is going to end and will not be the way that they are going to rear their kids, be that in Lenadoon, the Markets, Fermanagh and South Tyrone, Upper Bann, North Belfast or wherever. That is what we need to do.

We need to give people hope, but not just for the sake of it. They need to know that they have somebody in this Department who is working on behalf of all — not just my constituents or yours, but for us all. We are here to serve everyone, and that is what we will do.

**Mrs D Kelly:** I thank the Minister for her statement. I know that the Minister is passionate about social housing, which is going

to be an enormous ask given the opportunities around publicly owned land.

How does the strategy intend to address the issue of empty homes, of which there are many, and what plans do the Minister and her Department have for working alongside local authorities, which also are huge land owners, and for showing greater aggressiveness in vesting land for social housing?

**Ms Ní Chuilín:** I thank the Member for her question. She will know, like many of us, and going back years, that one of the biggest issues in your constituency office is that of homes. It is awful to have a family, or anyone, coming to you for a home and pointing out three houses that are steeled up, particularly in the social housing sector. That applies to the Housing Executive more than to housing associations because housing association properties are more modern. However, if homes are empty and beyond repair, we need to condemn them and regenerate that area.

I intend to be more aggressive on behalf of everyone on the housing waiting list, particularly those in stress, in ensuring that landbanking does not continue as the norm, and to get into sensible and mature conversations with developers about what we can do to buy that land off them. For me, land is key to increasing housing supply.

**Mr McGrath:** I thank the Minister for the comprehensive statement. I want to ask about the housing allocation scheme, to which I have referred before, and any scope in the statement for covering that.

We have a large development in Downpatrick of over 100 social houses. There is the usual concern that local people will not get access to those homes. At the same time, we have to recognise that the whole of the North is one unit, therefore people have to be offered those houses.

Is there a way in which we can give comfort to local people by enabling them to get access to those houses, so that they and their families and friends can remain in the communities in which they grew up?

**11.30 am**

**Ms Ní Chuilín:** To be honest, I cannot give any guarantee. You are right: it is seen as one unit. When someone is allocated their points and puts their preference down, that is what they are entitled to. What I can give the Member an

assurance on is that, when it comes to people claiming or alleging to have been intimidated, as we have seen across each of our constituencies, we will be very robust in verifying their claim and getting down to the nitty-gritty of it. As I said in response to, I think, Christopher Stalford, when new schemes come on board, the level of intimidation claims literally goes through the roof. I do not want that to happen in your constituency or, indeed, anyone else's.

**Miss Woods:** I thank the Minister for bringing this ambitious statement to the House today. I have a number of questions, including some about landlord function and unaffordable rents in the private rented sector. I look forward to engaging with the Minister in the future, if she will meet me, to discuss the issues, especially those in North Down — I had to get that in there.

I hope that the changes will come with an uplift for Supporting People. I note that there is an intention to implement all but two aspects of the 2017 consultation. Does that include the discharge of the homeless duty to the private rented sector? In order to qualify for the discharge, a secure tenancy must be one that lasts for a year only. Does she intend for the homelessness duty to be discharged to tenancies that last only for a year? Why can it not be two?

**Ms Ní Chuilín:** I thank the Member for her question. I am looking at that, because, for a lot of people — in fact, for everyone — a year is too short. To be fair to those working in Supporting People, particularly on homelessness, they have consistently raised that with us.

As I mentioned before, the other aspect is that, before someone is allocated a house or before they even go into the private rented sector, for example, I want to ensure that their application for a home is supported throughout the duration of their tenancy. Most of the Supporting People providers have told us that their level of engagement with people goes well beyond what they are statutorily obligated to do. Those people are doing the front-line work on our behalf, particularly during the pandemic, and we need to support them. I assure the Member that I am looking at that as well.

**Mr Carroll:** Thanks to the Minister for her statement. She mentioned the private rented sector and how it has been impacted and how support systems are needed for it. I refer to the Loughran v Piney Rentals judgement that

deemed letting fees to be unlawful and a joint ministerial communiqué from her Department — I think that this was before she was in the Department — and the Finance Minister earlier this year that provided further confirmation on the issue. It appears, however, that some letting agents openly continue to charge letting fees and are sometimes rebranding them. What are the Minister and her Department doing to challenge letting agents who charge those fees, and what is being done to support renters who are in a situation in which they feel powerless?

**Ms Ní Chuilín:** I will certainly pick that up. The Loughran judgement had a significant impact, given the changes and protections that it brought for private renters. Under company law, companies cannot change their title and status to suit their circumstances and expect public money and a difference in approach. I guarantee the Member that I will certainly look at that. I do not support any divergence from what was cited in the Loughran judgement. If anything, it should be the floor rather than the ceiling of protection for private renters.

**Mr Lunn:** There is so much to welcome in the statement that I almost feel like a party pooper for even asking a question about it. It is a very good statement.

I want to ask the Minister to develop her answer to Robbie Butler's question about intimidation points. I do not have a problem with their existence, but I have had a constant problem with their allocation. I note the proposal to bring together a statutory body. Can we take it that that statutory body, perhaps unlike some other statutory bodies in the past, will not contain members who may have a connection with organisations that may have intimidated people out of their property to start with?

**Ms Ní Chuilín:** You are so eloquent in your diplomacy, Trevor. Fair play to you. That is one of the reasons why I want to change the verification process. We should just call it for what it is: people can buy intimidation at one door and walk out with their points to another. That is ending. We are calling a quit to that and putting a halt to it. The PSNI needs to be more involved in the verification of intimidation. We also need to ensure that people who are genuinely intimidated are given the support that they need while showing the door to those who are not.

**Ms Sugden:** I thank the Minister for her statement. It is a comprehensive piece of work that, no doubt, started with Minister Hargey,

and I hope that she continues to recover from her illness.

Minister, I appreciate that, because of population, we will tend to focus on cities like Belfast and Derry. However, I want to point to my constituency of East Londonderry, which is a predominantly rural area. I would like to hear more about your plans for how we can provide housing in rural areas. I would also like to know how we will provide specific housing, because sometimes it is not possible to build houses for everyone, be they larger families, people with specific needs or people who want to live in the country away from bigger developments because of mental health issues. How will you address that in your plans moving forward?

**Ms Ní Chuilín:** I thank the Member for her question. I assure her that this is not just an urban regeneration plan for housing; we need to sustain and support rural communities as well. I have been talking to councils, particularly during the pandemic, about additional support, and I have asked them to look at their plans. Many councils are up for it, particularly with regard to sustaining rural families and looking at the needs of rural communities. They want to get into a position in which they are offering public land for public housing. They want to do that, and I want to do that. I recognise that there is need in every constituency, and I have to ensure that I address that need as best I can. I give that commitment to the Member.

**Mr O'Dowd:** I welcome the Minister's statement and the radical opportunity to change the failings in our housing system. The Minister will recall that she and I, along with a large delegation of Sinn Féin representatives, met the Housing Executive several years ago. During that meeting, it was revealed that 500 social houses had been built in the most affluent constituency in the North, while I and other representatives of the Woodville and Drumnamoe wards in north Lurgan, which are some of the most deprived wards in the North, saw only a small number of houses — 10 or 12 — built there in the last 10 years. Will the Minister assure us that housing will be built in areas of need and distributed fairly and equitably?

**Ms Ní Chuilín:** I thank the Member for his question and congratulate him for getting in not only his constituency but areas in his constituency. I am sure that they will be delighted to be namechecked. I remember that meeting well, and I know that the Housing Executive remembers that meeting well. It is not that any constituency is not entitled to housing,

but building more houses in areas that did not have the level of need of others was certainly questionable. I want to ensure that, in areas of highest demand and, indeed, in all areas of demand, land is available to deliver much-needed homes. Never again should we go into a meeting with any public body and look at fewer than 20 houses being built in an area that is busting at the seams while there are hundreds of houses for which people can just put down their name and get one with fewer than 40 points, with people in other constituencies sitting with over 200 points and no hope of getting a house. That will change.

**Mr Allister:** I want to follow on from Ms Sudgen's point about rural areas. In the north of my constituency, there is a string of five villages: Armoy, Bushmills, Dervock, Mosside and Stranocum. The Minister told me yesterday in answer that there are plans for nine new social housing units in Armoy. The problem is, Minister, that there is no sewage capacity left in Armoy. In all the other villages that I named, there are no plans for social housing, and none of them, apart from Bushmills, has sewage capacity. Where is the joined-up delivery? It is all very well to say that there is a commitment to provide extra houses in certain villages, but, if there is no sewage capacity, there will be no houses.

**Ms Ní Chuilín:** I thank the Member for his question and for getting five villages in his constituency namechecked. The Member is right: there needs to be the infrastructure for those houses to be developed. I will be talking to the Minister for Infrastructure, who quite rightly has been banging on about the issue since she came into her Department. There is a lot that we can do. We cannot build houses without that infrastructure, but nor can we leave areas like Armoy and Dervock without any hope of getting homes built to meet the needs of a growing population. Is the task that is in front of us a mighty one? It absolutely is, but we will tackle it as best we can to bring change to people and give them hope of having a home in their community.

**Mr Speaker:** That concludes questions on the statement. I ask Members to take their ease for a few minutes, please.

## Executive Committee Business

### Corporate Insolvency and Governance Act 2020 (Coronavirus) (Amendment of Relevant Period for Meetings of Registered Societies and Credit Unions) Regulations (Northern Ireland) 2020

**Mrs Dodds (The Minister for the Economy):** I beg to move

*That the Corporate Insolvency and Governance Act 2020 (Coronavirus) (Amendment of Relevant Period for Meetings of Registered Societies and Credit Unions) Regulations (Northern Ireland) 2020 be approved.*

**Mr Speaker:** The Business Committee has agreed that there should be no time limit on the debate.

**Mrs Dodds:** I seek the Assembly's approval of the statutory rule, which was made on 28 September and came into operation on 1 October. The regulations are made under powers set out in the Corporate Insolvency and Governance Act 2020, which was made at Westminster on 25 June 2020. The Act is a piece of emergency legislation that extends to the whole of the United Kingdom following a legislative consent motion passed by the Assembly on 2 June 2020. The Act contains provisions to help companies and mutual societies, cooperatives, community benefit societies and credit unions to deal with the serious economic consequences resulting from the COVID-19 pandemic and includes corporate insolvency and governance measures.

In relation to the regulations, the Act includes a temporary relaxation of the manner in which meetings of mutual societies can be held. As some mutuals are bound by their constitution to hold meetings in a physical location, the Act sets aside requirements to hold physical meetings so that those organisations can continue to operate throughout the period of public health restrictions. The measure allows flexibility in how a meeting can be held; for example, an organisation may make use of technology and hold a virtual meeting or postal votes could be used instead of the usual show of hands at a meeting. That temporary measure was originally to expire on 30 September 2020; however, the Act allows my Department to

extend the temporary measures for mutuals in Northern Ireland if it is considered necessary.

Meetings, especially annual general meetings (AGMs), are required to progress corporate governance in mutuals, and crucial decisions can be made only following a vote by members. Trade representatives have detailed how corporate governance and oversight is likely to be affected or, indeed, suspended, if flexibility in how they hold their statutory meetings cannot be extended.

Credit union representatives specifically explained how planned annual general meetings must be held in the coming months so that decisions can be taken about dividends. Many of their members are financially excluded and rely on annual dividends and interest rebate payments as part of their financial planning.

#### 11.45 am

The coronavirus pandemic has not been the isolated and short-term event that was envisaged when the Act was passed earlier this year. I consider that it is now prudent to extend the measure to provide continued support to local mutual organisations. The Act allows my Department to extend the measure by up to three months at a time, so this statutory rule extends the temporary period by three months until 30 December 2020. Following consultation with sector representatives, it is appropriate to extend this measure from 1 October 2020 to allow cooperatives to hold their annual general meetings.

The regulations that the House is being asked to approve have been agreed with the Department's Committee, and the Executive were advised prior to their being made. The measure has the support of sector representatives. The extension of this measure and the date to which it will be extended correspond with what is being done in the rest of the United Kingdom. It is imperative that mutual societies in Northern Ireland can avail themselves of the same easing of requirements as their counterparts in Great Britain. However, I am aware that many credit unions hold their AGMs in January and February, and my officials are working on a subsequent statutory rule to further extend the period to ensure that none of our hard-working mutuals are disadvantaged. I have written to the Committee and the Executive to inform them of this further extension of support to the sector.

In conclusion, the extension of this temporary measure will provide continuing support and assistance to local mutuals and their members. Therefore, I move that the Assembly should now approve these regulations. Thank you.

**Dr Archibald (The Chairperson of the Committee for the Economy):** I rise to speak, briefly, on behalf of the Committee and to support the motion on its behalf.

As the Minister has indicated, the Corporate Insolvency and Governance Act 2020 (Coronavirus) (Amendment of Relevant Period for Meetings of Registered Societies and Credit Unions) Regulations (NI) 2020 amend the Corporate Insolvency and Governance Act 2020 by extending the temporary relevant period for mutual societies to hold meetings in a flexible manner. The regulation replaces the end date of 30 September with the new date of 30 December 2020.

The Committee considered the SL1 for the regulations at its meeting on 23 September 2020, and members were content with the policy direction. The Committee agreed to the statutory rule for the regulations at its meeting on 7 October, subject to the report of the Examiner of Statutory Rules. The rule came into operation in September 2020. The Examiner of Statutory Rules has raised no issues with the rule. I support the motion to affirm the statutory rule on the Committee's behalf.

I also support the motion in my role as Sinn Féin's economy spokesperson. I had been contacted in September by some credit unions that were concerned about the expiration of the previous regulations, as the Minister has outlined, and the need to hold AGMs. This regulation extends the relevant period until the end of December and allows credit unions to conduct their business and continue to operate, either virtually or by other means.

It is important that we support businesses and other organisations during the exceptional circumstances that we continue to face. I welcome the fact that the Minister has outlined a further extension of support, if necessary, to support our local mutual organisations. This is a very difficult time for businesses and individuals, and it is important that these mitigating measures are put in place to allow business to continue.

**Mr Stalford:** I support the statutory rule that the Minister has brought forward. This represents just the latest example of the suite of measures that her Department has undertaken to support

credit unions and mutual organisations during this difficult time. I declare an interest, as I am a member of a credit union. Those of us who know the credit union movement know the valuable and very important work that it undertakes in our communities. For many people, it is the credit union movement that provides access to the credit that they would not get through banks or other lenders. I am pleased that the Minister has moved to protect the credit union sector throughout the pandemic.

This is a positive measure, allowing credit unions and other organisations to undertake their important work and further protecting them during these difficult times. I say on behalf of the Democratic Unionist Party that we support the measures.

**Mrs Dodds:** I thank colleagues across the Chamber for their support for this very important issue. It is incredibly important that our mutual societies and credit unions can operate efficiently and function on behalf of their members in very difficult circumstances. I am content that the regulations will meet that need.

*Question put and agreed to.*

*Resolved:*

*That the Corporate Insolvency and Governance Act 2020 (Coronavirus) (Amendment of Relevant Period for Meetings of Registered Societies and Credit Unions) Regulations (Northern Ireland) 2020 be approved.*

**Mr Speaker:** I ask Members to take their ease for a few minutes.

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

## **Licensing and Registration of Clubs (Amendment) Bill: Second Stage**

**Ms Ní Chuilín (The Minister for Communities):** I beg to move

*That the Second Stage of the Licensing and Registration of Clubs (Amendment) Bill [NIA Bill 10/17-22] be agreed.*

**Mr Deputy Speaker (Mr Beggs):** In accordance with convention, the Business Committee has not allocated any time limit to the debate.

**Ms Ní Chuilín:** I think that everyone in the Chamber will welcome the Bill, particularly the measures that will support the hospitality sector when we reach a time — hopefully in the near future — that society can operate under more normal circumstances. The majority of the measures in the Bill mirror those that were brought to the Assembly during the previous mandate, with some notable amendments and additions. The aim of the measures remains the same: to contribute to a reduction in alcohol-related harm while providing some much-needed assistance to the hospitality sector as it supports our tourist offering.

The Bill contains 36 clauses, which are divided into provisions that affect licensed premises — pubs, restaurants, hotels and the like — and will amend the Licensing (Northern Ireland) Order 1996 and provisions that affect registered private member clubs and will amend the Registration of Clubs (Northern Ireland) Order 1996. There are two schedules to the Bill. One details minor and consequential amendments and the other details repeals. Many of the provisions affect both licensed premises and registered clubs. Although they are provided for separately in the Bill, the policy is ultimately the same.

I now turn to the detailed provisions. I am removing all additional restrictions on licensed premises and registered clubs over the Easter weekend.

That will mean that, for licensed premises and registered clubs, the Easter weekend will be treated like any other weekend throughout the year. The period of drinking-up time at the end of a licensed premises' and registered club's permitted hours will be extended by 30 minutes to one hour. That will discourage customers from stockpiling drinks during last orders and

drinking too quickly and will allow for a more gradual dispersal of people onto the streets, allowing staff more time to clear the premises in an orderly fashion. It will reduce the impact on communities at closing time, in particular allowing people to remain inside while waiting for a taxi. The Bill also includes a power to revert to 30 minutes by regulation should there be difficulties with the new arrangements.

The Department will have a power to designate an event as a major event. This is intended only for prestigious events, such as last year's Open golf championship in Portrush or the MTV European music awards. Once an event has been designated as a major event, the Department will be allowed to vary the permitted hours for it.

Licensed premises and registered clubs will no longer be required to obtain a children's certificate; however, all current conditions must be met if children are to be permitted on the premises. Young people will be allowed to attend functions in certain licensed premises and registered clubs, provided that a number of conditions are met. That will ensure that young people have a safe environment in which to hold events, such as school formals, where adequate safeguards are in place and no opportunity exists for young people to obtain alcoholic drinks. Young people will also be allowed to stay with their parent or guardian in certain premises to celebrate a special occasion together, provided that a number of conditions are met.

The sale and supply of alcohol by self-service and vending machines will be prohibited. That will ensure that the sale of alcoholic drinks is always supervised, allowing trained staff in a regulated environment the opportunity to monitor alcohol consumption and to refuse the sale of alcoholic drinks if necessary.

The Department will be able to approve a code of practice for the licensed trade. Courts will then need to be satisfied, either at grant or renewal, that the licence holder is aware of their responsibilities under the code and has been complying with those responsibilities.

Those pubs and hotels that are already permitted additional hours to 1.00 am will be permitted to apply for an additional hour up to 2.00 am up to 104 times a year. That would, in effect, allow later opening every weekend, but, equally, late openings could be saved for special occasions, such as New Year's Eve if it occurs during the working week. Liquor licences and entertainment licences will be aligned so that the entertainment cannot continue after the

end of drinking-up time. That will ensure that there is no opportunity for illegal sales of alcoholic drinks and ensures a level playing field for all licensed premises.

Smaller pubs that do not provide food or entertainment will be allowed to apply to the police for late opening to 1.00 am on up to 85 occasions. That is an increase from the current 20 and in line with the number of late nights permitted for registered clubs. Larger pubs that have late opening granted by the courts will also be allowed to apply to the police for ad hoc late nights up to 20 times a year. That will mean that they can react to late-night events that are on days not included in those allowed by the courts.

Licensed racetracks will be permitted to sell alcoholic drinks on a Sunday. That will be restricted to 30 minutes before and up to 30 minutes after the entertainment and only between the hours of 12.30 pm and 10:00 pm.

Local producers of ciders, beers and spirits will be permitted to apply to the court for a liquor licence that will permit three things: local producers to sell their own product from their own premises for consumption off the premises. That will, by default, include online sales. It will allow local producers to sell their own products from certain other licensed premises for consumption off the premises, and it will also allow local producers to sell their own products from unlicensed premises for consumption off the premises. In all three scenarios, samples can be provided for consumption on the premises, but the size of those samples will be prescribed in regulations.

### **12.00 noon**

Over the past number of years, there has been an increase in the use of websites and apps for buying off-sales. Where a sale takes place in any way other than face to face, the place of dispatch must be licensed. There will also be a requirement placed on delivery drivers collecting alcoholic drinks on behalf of the customer to carry a receipt from the sale with the purchase and to deliver without unreasonable delay.

The law in respect of children will be strengthened to ensure that young people can no longer accept a delivery of intoxicating liquor at the home address of the purchaser. Delivery drivers will be required to record in a logbook the occasions on which they requested identification and detail the form of identification provided.

Licensed restaurants will be required to display a notice detailing the conditions under which alcohol may be sold on the premises. This will provide clarity to the restaurants by openly showing the conditions they are bound by. That will address growing concerns in relation to licensed restaurants that are operating more like pubs but without the associated overheads of a pub.

Off-sales premises, including supermarkets, will be permitted to advertise alcoholic drinks only within the licensed area of their premises, the area where drink is displayed for sale. That is intended to reduce instances of impulse buys of alcoholic drinks, particularly in supermarkets. They will also be prohibited from advertising alcohol promotions within 200 metres of their premises.

All licensed premises will be prohibited from awarding or redeeming loyalty or bonus points for the purchase of alcoholic drinks. That will reinforce the message that the sale of alcoholic drinks is regulated because they are not a normal commodity such as groceries.

Courts will be able to impose conditions on an occasional licence, and, if conditions are not complied with, there will be repercussions for the licence holder. Body corporate licence holders will be required to notify the courts and the police of any change in directorship within 28 days.

Angostura bitters — I hope I said that right — will no longer be exempt from the definition of "intoxicating liquor" and, as such, may only be sold in licensed premises. That brings the duty of licensing regimes into line, following the repeal of the excise duty exemption that previously applied to Angostura bitters.

A sporting club will be able to apply on six occasions per year to extend the area of its premises licensed to supply alcohol, provided certain conditions are met. That will allow sporting clubs to take advantage of events at their clubs, such as Captain's Day, which attracts large numbers of members and guests, by extending the area where they can supply alcohol to the club grounds.

Young people will be allowed to remain in the bar area of a registered club until 11.00 pm during the summer months, from 1 June to 31 August, or to attend an award ceremony on one occasion in the calendar year. That will allow young people to avail themselves of the full range of sporting activities open to them during the summer months, which often extend into the evening. The award ceremony allows

sporting clubs to celebrate the success of young people who have participated in the sporting activities offered by the club.

A registered club will be allowed to advertise any function outside club premises where the advertisement clearly states that only members of the club and their guests may attend. Currently, members of the general public are permitted to attend functions where the proceeds are devoted to a charitable or benevolent purpose. However, the law prohibits a registered club from publicly advertising the function. This provision will ensure that there are no restrictions on the advertising of such events.

Many people would like the licensing regime to be more flexible and allow licensees the freedom to open and close when they like. On the other hand, many people, concerned about the harm caused to our society by the misuse of alcohol, wish to see greater restrictions on the advertising and sale of drink. I believe that the Bill strikes the right balance between offering a level of support to the hospitality sector, which we all agree is much needed, and protecting our communities by ensuring that the sale of alcoholic drinks is controlled.

It is clear from discussions with stakeholders and many other parties that there is significant support for these balanced proposals. On that basis, I hope that Members can support the Bill's Second Stage.

**Ms P Bradley (The Chairperson of the Committee for Communities):** On behalf of the Committee for Communities, I welcome the Second Stage of the Licensing and Registration of Clubs (Amendment) Bill. The Minister introduced the Bill on 19 October. That marked the start of the process to bring about these important and long-awaited changes to the liquor licensing laws in Northern Ireland. I say "long-awaited" because, as Members will know, the current legislation relating to the sale of alcoholic drinks in Northern Ireland dates back to 1996. It is helpful to remind the House of the recent history in that regard, which has led to the Bill that is before us.

A review of liquor licensing laws in Northern Ireland was launched in 2011, and, over the past nine years, there have been a number of attempts to get such a Bill over the line. That finally resulted in the Licensing and Registration of Clubs (Amendment) Bill in 2016, which was introduced in the Assembly in September of that year but subsequently fell in January 2017. Some amendments have been made over the years, namely the Licensing and Registration of

Clubs (Amendment) Act (Northern Ireland) 2011 and the Licensing of Pavement Cafés Act (Northern Ireland) 2014, and, in 2016, a private Member's Bill successfully added outdoor stadia as a category of premises that may be granted a liquor licence.

The Committee was briefed most recently by departmental officials at its meeting on 8 October, when we heard that the aims of the new Bill mirror and expand on the 2016 Bill to modernise liquor licensing laws by way of a balanced package of measures that are aimed at providing vital support for hospitality and tourism but which will also tackle alcohol misuse and promote responsible alcohol consumption.

The 2016 Bill was thought by some at the time to be too modest in its ambitions for the modernisation of licensing laws and to fail to recognise that patterns of alcohol consumption were changing, with people drinking less in pubs and more in their homes. On 8 October, the Department advised the Committee that the Bill has now taken account of many of the issues and concerns that arose during the evidence sessions for the 2016 Bill. That is to be welcomed and may make the Committee's scrutiny task somewhat clearer.

However, we are here today to debate the main principles of the Bill. The detailed work for the Committee lies ahead. The principles are relatively straightforward to agree on, as they relate to bringing forward measures that seek to tackle alcohol misuse, to promote responsible consumption and to support the hospitality and tourism sectors. However, during the Committee Stage, we will seek to establish whether the Bill strikes the appropriate balance between those apparently competing objectives.

Alcohol has never been more affordable or available. In our support for the hospitality and tourism sectors, the Committee will not lose sight of the fact that alcohol misuse is a significant public health and social issue in Northern Ireland. It is estimated that we spend around £700 million annually to address alcohol misuse. That includes costs to healthcare, policing, prison services, social services and workplaces through absenteeism.

According to a departmental health inequalities report from 2018, almost a quarter of children in Northern Ireland aged between 11 and 16 are drinking alcohol, sometimes on a daily basis. All of us will have personal views on alcohol, based on experience or, perhaps, moral or religious beliefs. However, we are here to

legislate for all of society. It will, therefore, be the job of the Committee to consider all evidence and arguments that are presented and to advise the House accordingly.

I do not intend to highlight all the clauses, but I will highlight a number of key areas. The Committee is sure that the hospitality and tourism sectors will welcome the range of proposals relating to increased opening hours. They will welcome not only the proposed removal of restrictions over the Easter weekend but the extension to drinking-up time and the increase in the number of days on which certain licensed premises and small pubs can open for longer. Small pubs are often a social hub in local communities. The Committee is pleased to see the proposals to align alcohol and entertainment licences to help to offset the issues associated with problem premises.

The Bill proposes to legislate for major events to allow the Department to designate an event as a special or major event, and to vary the permitted hours and allow certain off-sales at that event. In support of small producers of alcoholic drinks and in recognition of their contribution to food and drink culture and tourism, the Bill proposes a new category of premises for local breweries, cideries and distilleries. The Committee is looking forward to engaging with that sector. The Committee envisages that sporting clubs will welcome the proposals to allow them to extend the area of their premises within which they can lawfully supply alcoholic drinks on a limited number of occasions a year. We look forward to engaging with all the sectors that I mentioned in the coming weeks to determine the positive or other impacts of the Bill's proposals.

The Committee will also closely scrutinise the range of measures that impact on children and young people. These include allowing young people under 18 to be in the bar area of licensed premises and registered clubs after 9.00 pm and permitting young people under 18 to attend an awards ceremony in a sporting club one night per calendar year and remain on those premises until 11.00 pm. We know that licence holders, particularly in the current economic climate, are keen to allow their function rooms to be used for functions attended by young people. The Bill also proposes that young people may remain on licensed premises beyond 9.00 pm to attend a private function such as a wedding or anniversary, provided they are accompanied by a parent or guardian and the main meal is being served at the table. The Committee is pleased to see that it is proposed to strengthen the current law to prevent young people under 18

receiving a delivery of alcoholic drinks to the home.

The Committee is keen to ensure that the Bill contains sufficient measures to tackle excessive alcohol consumption. It is known that drinking at home has increased in recent years. Therefore, the proposed restrictions on the advertising of alcoholic drinks in supermarkets and other off-sale premises are to be welcomed to encourage shoppers to make a conscious decision about whether or not they purchase alcohol. In order to encourage a reduction in alcohol consumption, there is a proposal to amend the law to prohibit the practice whereby many retailers allow loyalty points to be gained from the purchase of alcoholic drinks or exchanged for the same. The Committee will be keen to explore with relevant stakeholders the proposals to amend the law to allow statutory approval for voluntary industry-led codes of practice in relation to the sale and promotion of alcoholic drinks.

The Committee fully appreciates that we are working our way through the COVID crisis and recognises that it is causing particularly huge difficulties for the hospitality and tourism sector. Given the history of attempts to change law in this area and the challenges facing many in this sector and those on whom it impacts, the Committee will make all efforts to ensure that there is no unnecessary delay in the passage of the Bill. However, it must carry out thorough scrutiny and remain mindful of the fact that the scope of this Bill is considerably wider than that of the 2016 Bill.

We are also scrutinising the Bill with a view to changing licensing laws on a number of fronts, potentially for many years to come, and not just to assist a number of sectors to cope in the present pandemic and its immediate aftermath. That said, I am confident that a more flexible licensing framework with appropriate safeguards will not only assist those sectors to rebuild following the COVID crisis, when our society can again operate under more normal circumstances, but ensure that protections are in place to help to tackle alcohol-related harm. The Committee is supportive of the principles of the Bill and looks forward to considering it in much greater detail.

**Mr Allister:** I am much obliged to the Chair for giving way. The Minister declined and, therefore, I will pose the question to the Committee Chair. I am seeking some information and hope that she might be willing to give it.

Paragraphs 26 and 27 of the explanatory document refer to the PSNI being asked to provide estimates of the additional policing costs arising from the extra hours of opening and the extra administrative tasks. Paragraph 27 says that the PSNI undertook to provide those figures but they were not finalised at the time of publication. Now that we come to debate the Bill, have they yet been finalised? Can the House be told what, the PSNI says, are the extra costs of the proposals?

**12.15 pm**

**Ms P Bradley:** I thank the Member for his intervention. I imagine that that is an answer that needs to come from the Minister and not from me, but we will certainly consider that as part of our Committee deliberations.

I have come to the end of outlining the Committee stance on this, and I want to make a few comments as a DUP MLA and a constituency MLA. I very much welcome the Bill. As I said, it has been a long time coming. I think that you, Mr Deputy Speaker, sat on the Committee for Social Development during that 2011-16 mandate, when we looked at liquor licensing and many people came to brief us. As a member of the Committee — other Members will be aware of this — I know that we are being lobbied heavily by all sections of the community: those that will benefit from this and those that will not benefit from it. They are lobbying us hard at this time.

As a member of the Committee and a member of my party, I will take all that evidence on board. As a Committee, we need to listen to that evidence. None of us should go into the Committee with preconceived ideas of how we will change or amend this, because the evidence needs to be listened to. We all need to be mindful of that. I know that, for many, the Bill will have gone too far and that, for many, the Bill will not have gone far enough. Some will be happy, and some will not. I advise my fellow Committee members to keep an open mind at this stage and to base their decisions only on evidence and nothing else.

**Ms Ennis:** I fully take on board the Chair's last few comments.

I thank the Minister for bringing this positive legislation through the Assembly. I know that Minister Hargey was keen to progress the Licensing and Registration of Clubs (Amendment) Bill and, indeed, launched the most recent consultation on our outdated liquor licensing laws in the North in 2019, so it is great

to finally debate the Second Stage of the Bill today.

As the Chair said, there have been a few amendments to the original 1996 Order in recent years, such as amendments relating to closure powers for police and proof-of-age requirements in 2011 and the introduction of the Licensing of Pavement Cafés Act in 2014, the benefits of which we have seen come to fruition during the pandemic, as the hospitality sector has had to use every avenue available to it to continue trading in some form. All those amendments were made with the aim of striking a balance between facilitating the sale of alcohol, public safety and the public interest, and the same can be said for the most recent incarnation of the Bill, which the Minister has brought to us today.

I will not go into great detail on the Bill today. As the Chair said, we are still carrying out our scrutiny function through the Committee and very much look forward to getting on with that task, but it is important to talk about some of the headlines in it. The Committee considered the findings of the 2019 consultation, which revealed that there was a consensus amongst those who responded that legislative change was necessary. A large number who responded suggested that opening hours for public houses and other on-sales premises should be increased. Health organisations were in favour of placing advertising restrictions on off-sales, restricting access for deliveries of alcoholic drinks for young people and prohibiting the sale of alcoholic drinks by self-service. It is abundantly clear that change is wanted and needed in order to modernise our liquor licensing laws. We need fit-for-purpose, 21st-century-proofed legislation to help make the hospitality industry more sustainable and to grow and build our tourism product. We need to do that while developing a more balanced relationship between responsible drinking and the economic realities of the sector.

The removal of additional restrictions at Easter, which the Bill proposes, will no doubt be most welcomed by the hospitality and tourism sectors, particularly at this time, when the economic impact of COVID is being acutely felt by the industry. That, accompanied by the authorisation of additional hours from 20 days to 85 days, will be a huge boost, and I sincerely hope that the Bill passes to allow the changes to take effect by 2021.

Perhaps the part of the Bill that I am most excited about is the proposal to create a new licence for local producers. In my part of South Down, we have a growing number of excellent

local craft breweries. I can say that they are excellent because I have probably tried most of them. We have Whitewater Brewery, Killowen Distillery and Mourne Mountains Brewery, to name but a few. I remember visiting Mourne Mountains Brewery a number of years ago, and I was disheartened and saddened to hear that, recently, a group of American tourists pulled up outside the brewery fully expecting, as you would in any other part of the world, to get a tour and have a sample but, unfortunately, the CEO of Mourne Mountains Brewery had to turn them away.

**Mr Buckley:** I thank the Member for giving way. She will know my interest in the topic, given the vast number of microbreweries in my constituency and the cider producers in the orchard county. Will she agree with me that it is a sad reality that, to date, a lot of the microbreweries and craft distillers have been unable to sell their products even within the current pub/restaurant set-up, given the control element that large corporations have on those taps in bars and restaurants?

**Ms Ennis:** I agree. The Member makes a good point. That is another issue that we can get into in Committee, and I am sure that it will come up: the hold that the huge conglomerates have over our local pubs and our local hospitality sector. It is crippling for local producers if they are unable to get their products into those bars and restaurants. That is an issue.

From a constituency point of view, the changes proposed for local producers, such as offering samples during tours and selling their products for consumption off-site will give craft breweries in South Down and other places the chance to operate fairly and to become economically viable. That, in turn, will help to grow our tourism product.

Sinn Féin submitted a detailed response to the 2019 consultation. We believed that change was needed, and that change is reflected in the modern and sensible legislation that we have before us. As with most things in life, it will be impossible to please everyone, and I am sure that there will be some who think that the Bill does not go far enough. I believe that we have realistic, workable and fair proposals before us. I encourage Members to support the Bill, and I look forward to engaging with all relevant stakeholders as our Committee continues its scrutiny of the Bill over the coming weeks.

**Mr Durkan:** First, I declare an interest, as my family owns licensed premises.

The demands for the changes that the Bill will make were being made long before its previous incarnation in 2016. It is certainly long-awaited legislation, and our licensing laws are very much in need of an update. That said, our scrutiny of the Bill has to take account of the circumstances that the hospitality industry is operating in or, rather, sadly, not operating in at the moment. What the hospitality industry and, indeed, all of us would not give to be subject to the old system rather than the current restrictions that we now face as a result of the pandemic.

Pubs and the wider hospitality industry face a fight for survival, and many of them will struggle to open their doors again. They will need support to enable them to contribute once again to our job market, our tourism industry and our social lives. The measures in the Bill will play a role in that by laying the groundwork for their return and make the changes to modernise licensing even more pressing than they have been. We were initially told in Committee that the Bill would allow the removal of Easter weekend restrictions to come into force in time for Easter 2021, but I notice on the BBC today that it is Easter 2022. I would like the Minister to clarify that in her concluding remarks. Obviously, we do not know what lies ahead of us, but we all hope that enough progress will have been made by then for businesses and patrons to have the benefit of that change as soon as possible.

The Committee will undertake line-by-line scrutiny of the Bill, but there are three main points that I wish to raise now. I will save the painstaking detail until later in the legislative process. The first is suggestions from local breweries and independent pubs regarding clause 8. I suppose you could call them "draught proposals" [*Laughter.*] The clause makes no provision for on-site sales of their beer, which is allowed in Britain and increasingly in other regions across the world. I have met representatives of the industry. Everyone in the House will have been lobbied by its representatives. I fully expect that that will be a major point for the Committee to consider. We will have to look carefully at the detail around opening hours and products and the sort of licence that Ms Ennis mentioned, but there is real potential here for the economy and for tourism. I understand that there are reservations, but a balance can be struck. It should be possible to allow home-grown brewery businesses to sell their wares on their premises without creating a situation that would have people sitting in them drinking all day and all night, and many would question our ability to organise such an event even if we wanted to do

so *[Laughter.]* If we do not deal with that issue in the Bill and take a holistic view of the whole industry, it is highly likely that we will have to return to the issue, sooner rather than later. I hope that we can come to some sort of consensus across the House on the issue during the Bill's passage.

Secondly, it is within the scope of the Bill for the Committee and the House to look at the system of awarding licences, specifically their distribution as well as the total number available. The Bill is an opportunity to consider the provision of licences in rural areas in particular and the impact that the loss of one of the few local pubs, if not the only one, can have on a small town or village.

Thirdly and finally, much as the focus of the Bill is on the relaxation of licensing laws, we must not lose sight of the fact that we are always trying to strike the right balance between having a vibrant hospitality industry and responsible drinking. For example, the Bill does not introduce minimum alcohol unit pricing, which our party supports. I recognise that that is not in the Minister's remit, but perhaps she can let us know whether the Executive have discussed the issue and whether anything will come forward from the Health Minister in that regard.

Moreover, extending opening hours has a knock-on effect on policing, as Mr Allister mentioned, and enforcement. In turn, it creates the need for more awareness of and around problem drinking. The Bill also makes changes to regulating the presence of under-18s in licensed establishments. That also has to be considered in the context of safeguarding and preventing any normalisation of unhealthy alcohol consumption. I look forward to hearing from the Minister and stakeholders about how the balance between economic and social activity and public health can be struck.

I will draw my remarks to a close by saying that I welcome the introduction of the Bill and the work that we as a Committee will do to scrutinise and improve it. It will be a welcome change to get our teeth into some proper legislative work that is not retrospective approval or a legislative consent motion (LCM) to give powers to Westminster. I hope that stakeholders engage with the Committee Stage and that the Bill can be an example of the Assembly legislating effectively, as opposed to another news headline about a crisis at Stormont. Not only is that important for the businesses and consumers affected by the Bill but it sends a wider message about devolution, these institutions and our efforts to restore public confidence in them.

**Mr Butler:** I do not think that I will have the Chamber in as much mirth as Mr Durkan did. I speak on the Licensing and Registration of Clubs (Amendment) Bill on behalf of the Ulster Unionist Party in the absence of our communities spokesperson, Andy Allen, who is self-isolating. You could say that I am a poor man's Andy Allen. I thank the Minister for her kind remarks about Andy. He is self-isolating, but I have relayed to him the fact that you pointed out that he would be scrutinising the housing statement. I am sure that he will apply that same scrutiny to the Bill.

As a party, we support the introduction of the Licensing and Registration of Clubs (Amendment) Bill. It is the second attempt at legislating, owing to the previous Bill having fallen on the collapse of the Assembly. I know that a lot of hard work went into the previous Bill, some of which is reflected in the Bill before us. When dealing with licensing and registration of clubs, it is vital that we strike a balance in supporting the sector. The Minister has already mentioned that and used those words.

It is vital to help the sector and local industries to grow and support them in creating employment whilst implementing appropriate safeguards. The Chair of the Committee spoke about that at length, and I thank her for that.

## 12.30 pm

It is estimated that the hospitality sector generates £1.2 billion per year for the local economy and is a significant driver in the tourism industry. As we know, however, and as Mr Durkan pointed out, COVID-19 and the restrictions have had a devastating impact not just in Northern Ireland but across the world. In recent months, the hospitality industry has struggled perhaps more than others in these challenging times. Stakeholders have highlighted the fact that the growth of the industry in Northern Ireland has been curtailed significantly by restrictive legislation, which has inhibited the growth of the hospitality sector and, potentially, cost our economy millions of pounds. Modernisation of the antiquated licensing laws is long overdue. Given the difficulties facing the sector in Northern Ireland, it could be a welcome boost to the sector, and to the local economy, when we emerge from the COVID-19 pandemic.

Modern licensing laws, intelligently implemented, could alleviate problems, as well as revive the night-time economy of our provincial towns and villages. My colleague from Lagan Valley will speak in the debate with

passion and vigour. I am sure that he will refer to Lagan Valley and bring his experience to that.

When considering changes to licensing regulations, it is important to acknowledge that alcohol misuse has been identified as a significant public health and social issue in Northern Ireland over many years. On average, 2,500 people are treated each year for alcohol abuse, with one in six admissions to A&E being as a result of alcohol misuse. The Bill covers a broad range of areas, from Easter opening to the introduction of a producer's licence. No doubt, many who wish to input to the Bill, or who wish to see amendments to it, will take part in the consultation. We invite them to lobby and to keep our in-boxes full and speak to the Committee.

It is vital that we get it right in alleviating the problems and that we implement the safeguards while supporting the industry. We support the Bill's progression to Committee Stage, and the Minister is correct to say that we need to strike the right balance.

**Ms Armstrong:** I thank the Minister for bringing the Bill to the House, and I confirm that the Alliance Party, of course, supports it.

I would like to thank Hospitality Ulster for some of these figures. The hospitality sector sustains 60,000 jobs, 40,000 of which are in tourism alone. Tourism delivers £750 million to the Northern Ireland economy, and food and drink accounts for more than 30% of visitor spend.

While the Assembly had targets to grow tourism income and the number of the jobs in the sector annually, unfortunately COVID-19 has caused catastrophe in the industry. Without the financial support provided through the furlough scheme, rates relief and other measures, many pubs and clubs would have closed, resulting in the loss of thousands of jobs across Northern Ireland. However, although we are in the grip of an economic crisis, we have to set aside the immediate concerns and create legislation fit for the future.

There is a lot to be grateful for in this legislation; there is a lot going forward and aiming for the future. The Alliance Party supports the increase in the number of late licences for pubs and clubs. We are delighted to see the changes to Easter opening times, which we have supported for some time. We welcome the clarification that school formals can remain on premises after 9.00 pm as long as alcohol is not served. I expect that there may be further debate about extended drinking-up time, given that it will

mean people coming out of pubs and clubs as late as 3.00 am.

However, there are other aspects of the Bill that we will consider, and I look forward to doing so during the Committee Stage. For instance, one issue that has already been raised is the producer's licence. That licence does not allow local producers to sell produce from their own premises. Our current model inhibits the growth of local producers due to the fact that a licence on the private market can cost hundreds of thousands of pounds. That leaves publicans with no choice but to sign contracts with multi-national brands in exchange for financial incentives, cutting local producers out of the market and sending money out of the economy.

There is wide public support for local-producer taprooms, and we have all been approached by many people who would like to see them. Given that they are not currently legislated for, the only legal way for breweries to operate taprooms is by using occasional licences. Breweries acknowledge that that is not what occasional licences are designed for. That is the specific reason they are asking for the ability to obtain a producers' licence, and I am sure that they will come to the Committee to seek that. By using an occasional licence, a brewery can operate a taproom selling whatever drinks it likes and have the same closing time as pubs. I can certainly understand why pubs would be concerned about that. However, breweries are willing to compromise by selling only their own products and limiting their closing time to 11.00 pm.

Until 2016, national stadiums such as Windsor Park and the then Ravenhill rugby ground had to use an occasional licence for every fixture held at their ground. Hospitality Ulster argued that, because there was public demand for alcohol to be served at matches and occasional licences were not designed to be used in that way, a new category of licence should be created to allow national stadiums to serve alcohol at matches. That argument was successful, and a new category of licence was created. That is not dissimilar to what the breweries are seeking.

In Northern Ireland, 99% of beer sold is produced elsewhere. Building local brands will encourage more pubs to begin selling local beer on draught, keeping money and jobs in the local economy and increasing HMRC tax revenues. Local breweries already export the majority of their products. They cannot sell it on site, so they export. With Brexit looming, which may impact their export sales, they need a strong local market to enable them to invest in

their employees and equipment in order to facilitate exports.

The nature of taprooms is that they are ancillary to the main purpose of breweries. It has been proven that breweries become less financially dependent on a taproom once they have established their brand in the local market, which the taproom allows them to do. We will look at that issue when it comes forward for further scrutiny.

One of the issues that has come up, and I have received an awful lot of communication about this, is the cost of buying a licence. I appreciate that that is not in the Bill. Private trade means that, while court costs for a licence remain within a few hundred pounds, the licence can be privately traded for five- or six-figure sums. That happens because of the number of licences available here. If anybody wants to buy a licence to open a new pub, they have to wait until someone else surrenders theirs. However, that person will have to compete with supermarkets or convenience stores to purchase that licence. While I support competition, what has happened in Northern Ireland is that there has been the loss of local community pubs and an increase in off-sales.

Sixty-five per cent of alcohol may be drunk at home, and that may appear to suggest that selling alcohol through off-sales is the way to go. However, as has been raised here before by others, that means that the regulated, controlled environment of the pub is not there to protect and manage drinking. My colleague Paula Bradshaw MLA has said — indeed, Mark Durkan brought this up today — that we need to manage alcohol, and, indeed, we support minimum unit pricing of alcohol. We also support responsible drinking, as does the hospitality sector.

I am delighted to say that we support the Bill's Second Stage. The legislation is long overdue and is good. We look forward to its scrutiny. If amendments happen to come along, be they from the Minister, the Committee or whomever, we will look at those. I encourage the Department to consider the licence-surrender principle, if it is not in this legislation, because it is very concerning that we are losing our local community pubs to supermarkets and shops.

Thank you very much, Minister, for bringing forward the Bill. We are aiming for Easter, and, hopefully, with you, we will get the legislation through for Easter.

**Mr Easton:** The Bill has been brought forward because a similar Bill fell when the Assembly

was dissolved in 2017. I will give some context to the Bill's introduction. A review of licensing legislation began in 2012, and it revealed that the problem of alcohol misuse in Northern Ireland was growing. The number of deaths related to alcohol consumption in recent years has been over 15% higher than that which was recorded just over a decade ago. That comes at a considerable cost to our economy and brings with it many social problems.

The hospitality industry has also raised concerns about licensing laws and feels that more could be done to support the sector. COVID-19 has obviously had a serious impact on the hospitality sector in recent times. Businesses have been forced to close, allowed to reopen and then asked to close again. Even when those businesses were allowed to open, they had to operate with a lower capacity to allow for social-distancing measures.

Whilst government support has been put in place for the sector, it is clear that that loss of revenue and the ongoing restrictions are causing many businesses to struggle.

The end of last year saw a follow-up consultation on licensing laws. The Department for Communities met interested groups, and there was general agreement among all the groups that there needed to be legislative changes on these issues. Given the ongoing pandemic, it is particularly important that the concerns of the hospitality sector be taken into account as we begin our economic recovery.

As a former member of the Health Committee, it is on those issues that I will focus most of my remarks. The Bill has significant implications for the health of our population. The interested health organisations that responded to the consultation expressed concern about prevalent excess drinking in the home. COVID-19 will have only exacerbated that problem and the potential harms that it can bring, including domestic violence, cases of which, as we know, have risen during the pandemic.

The Bill aims to reduce the amount of alcohol that people purchase in supermarkets and off-licences. Clause 16 restricts the advertising of promotions and sales of alcoholic drinks to specific areas of the supermarket in which they are being sold. The clause seeks to deter individuals from purchasing more alcohol on a shopping trip than they had originally intended. For any company in breach of the new regulations, the Bill creates a fine of up to £1,000.

Clause 17 prohibits loyalty schemes and bonus points related to the sale of alcohol for all licensed premises. That will be punishable by a larger fine of up to £5,000. That should further serve to deter customers from purchasing excess alcohol, as they will receive no economic benefit from doing so.

Clause 15 concerns further policing access to alcohol. It states that self-service and vending machine options should be prohibited from selling alcohol, with some specific exemptions for vending machines in the likes of hotels that meet certain conditions. Self-service and vending machine options also allow easier access to alcohol for those under the age of 18, and the clause will ensure that a member of staff must have direct supervision of any sales that take place. Those measures may go some way to assisting the problem of excess alcohol consumption at home, which currently costs our economy around £900 million per year. However, that is clearly a complex issue, many of the solutions to which are beyond the scope of the Bill.

Health organisations also expressed concerns during the consultation about underage young people drinking. The Bill, therefore, seeks to restrict their access to alcohol in a number of ways. Clause 10 requires businesses that provide meals and sell alcohol to ensure that young people are accompanied by an adult and sit away from the bar. It also requires young people to leave premises by 9.00 pm or 9.30 pm depending on whether a meal is ordered.

Clause 11 establishes a fine for bars that host underage functions and fail to meet certain requirements, such as preventing access to the area of the premises that sells alcohol, or selling alcohol to an adult in the designated area of the underage function. The clause also inserts an amendment into the Betting, Gaming, Lotteries and Amusements Order to prevent gambling machines from being used in the area in which underage functions are taking place.

As for private functions in licensed premises, clause 12 provides that children must be accompanied by a parent, a meal must be served away from the bar area and no member of the public should have access to the private function area.

With the rise of online shopping, which has been further boosted by COVID-19, clause 13 introduces a fine of up to £5,000 and potential imprisonment of up to six months for licence holders or their staff who deliver alcohol to someone under the age of 18 at their home.

Part 2 of the Bill largely replicates the clauses from Part 1 of the Bill and applies them to sporting clubs. I would highlight that the lifting of advertising restrictions on private sporting club functions will help them to finance the activities that they provide to their local communities and that would otherwise be unavailable. Those clubs clearly provide health and social benefits to local people and should be supported in recovering from COVID-19.

## 12.45 pm

In closing my remarks, I will touch briefly on the hospitality and small business sectors. The Bill allows for extended opening hours for the hospitality sector, which will also benefit the tourism industry as travel begins to open up in the aftermath of the pandemic. Additional revenue can also be gained from hosting underage functions under the strict conditions that are outlined in the Bill. That will be welcomed by a sector that has been badly hit by global events this year.

The Bill also provides for the introduction of producer licences for breweries and distilleries to allow them to sell their alcoholic products on their premises. That measure has received a great deal of support, and it will be a boost for those small businesses, particularly as they attempt to recover from the COVID-19 pandemic.

**Mr O'Dowd:** I welcome the Second Stage of the Bill, when we speak broadly about its clauses. I wish the Committee all the best in its deliberations. I am sure that it will, quite rightly, be inundated with representations from a variety of sectors that are affected by the legislation.

Our society has a very difficult relationship with alcohol, dating back many centuries. Alcoholism has caused huge problems in family homes, in society and, as others mentioned, for the health service, and it has ruined many lives. The abuse of alcohol is something that we, as legislators, and society have to recognise. Nevertheless, we also have to say, in measured terms, how we will ensure that we create a responsible relationship with alcohol, and the Bill goes some way towards doing that.

We have to recognise that our society and the way in which people socialise and celebrate events in the calendar is changing. Easter, in particular, has changed over the past 20 or 25 years. I have reflected on a number of occasions in the Chamber that I used to work as a chef, and I also did many an hour behind a

bar as a barman. That type of work gives you an interesting insight into human behaviour and the human mindset because you see the best and the worst in people.

In my socialising and in my work in the hotel and bar trade over many years, I have recognised one thing: a well-run bar, club or hotel is much more than simply a place where people go to consume alcohol. It is like a community within a community. When you have good bar staff and good owners of premises, people feel as if they are part of a community, particularly those who are elderly or lonely. People go round to their local for a bottle of stout or a whisky once a day, and that is their social event. That is where they go to socialise.

Much more importantly, however, a responsible bar owner and good bar staff listen and engage and become friends with their customers. They know their customers; they know when something is not right, and they offer a helping hand. That is why the proposals, whereby we have a responsible approach to alcohol and we have responsible bar owners, should allow us to push the boat out and extend our opening hours and the opportunities for venues to open longer, particularly on Easter Sunday.

The way in which families and individuals react to different events has changed. When I was working as a chef 20 or 25 years ago — maybe longer — you could take Easter Sunday off because it was a very quiet day. People did not go out as much to eat or maybe have a drink. I know that you cannot get Easter Sunday off nowadays because it is such a busy day in the hotel and restaurant trade. It is only right, then, that we have proper opening hours to reflect that and allow people to enjoy themselves and consume alcohol responsibly.

**Mr O'Toole:** I am grateful to the Member for giving way. Like him, I spent a large part of my life behind bars and some of it in front of them as well. I completely agree with what he said about the social benefit of pubs being incalculable. Does he agree that the structure of our licensing system is killing that in many ways? The structure of our system is creating incentives for small pubs to transfer licences to big supermarkets. That may not be for this Bill, but we need to look at it in the long term.

**Mr O'Dowd:** Yes, I was going to move on to that. I am deeply concerned about the changing trends in the growth of the off-licence sector and home drinking for a variety of reasons, but particularly because of the socialisation that happens in bars. When you are in a bar, your drinking habits are regulated. If you drink too

much in a bar, the barman — trust me on this, because I was a barman — will put up with only so much before it is time for you to go home. However, in the house people may be drinking measures such as shorts, and they will tell you, for example, "I had three Bacardis last night", but they do not realise that the three Bacardis were actually triple measures. The drinks are not being measured using an optic. That is deeply worrying.

While this is not the responsibility of the Executive yet, I favour a method of having higher taxation on off-licences and perhaps lowering the taxation on bars in order to shift that trend.

**Mr Buckley:** I thank the Member for giving way. My intervention is in the same vein. I am glad that you mentioned in detail the societal harms of alcohol consumption. With two thirds of all alcohol sold being consumed in the home, it is, indeed, worrying that that is an unregulated environment. Clause 16 limits supermarket advertising, and, like me, I am sure that the Member welcomes that measure. Will you agree that, worryingly, the failure to regulate and limit digital advertising is a missed opportunity and is something that the Committee could take hold of? In the day and age in which we live, a lot of the information consumed by people is via Facebook, social media interactions and digital communication, and if we are trying to solve the advertising problem in supermarkets, we must also regulate advertising in the digital market.

**Mr O'Dowd:** That is something that the Committee should look at; we have to look at all modern forms of advertising.

I want to draw my remarks to a close before the 1.00 pm break. I will move on through them quickly. I welcome that automatic and self-service dispensers are going to be made illegal. They are an abomination that go against the principles that we talked about, such as good bar staff, good bar owners and socialisation. Self-service tills should also be removed from shops, in my opinion, because they do away with jobs and with that socialisation.

I also welcome the relaxation for the microbreweries and producers of alcohol. In a previous intervention, my colleague from Upper Bann mentioned cider and beer producers in the constituency, and that will be a welcome development. I know that there will be further discussions about how far that measure should go and what the other elements will be. However, that is a very welcome recognition of an industry with growth and tourism potential,

and it will be of benefit to our economy moving forward.

The other thing that I want to mention before I end is that the staff who work on these premises are usually low-paid and are sometimes, but not always, on zero-hours contracts. That is not the responsibility of the Minister. However, the industry has to recognise that, if the Assembly passes the legislation and gives it more opening hours and better opportunities to promote businesses, it has to look after the staff. The industry has to look after the bar staff, waiters, waitresses and all the other people who are required to run it. The industry has to ensure that the staff are properly paid and looked after, particularly if they are working into the early hours. That has to be recognised, and the industry has to take that on board. I will draw my remarks to a close on that point.

**Mr Deputy Speaker (Mr Beggs):** Members, the Business Committee has arranged to meet at 1.00 pm. I, therefore, propose, by leave of the Assembly, to suspend the sitting until 2.00 pm. The first item of business when we return will be Questions to the Minister of Agriculture, Environment and Rural Affairs. The debate will resume after Question Time, and the next Member scheduled to speak is Matthew O'Toole.

*The debate stood suspended.*

*The sitting was suspended at 12.54 pm.*

*On resuming (Mr Speaker in the Chair) —*

**2.00 pm**

## Oral Answers to Questions

### Agriculture, Environment and Rural Affairs

**Mr Speaker:** Questions 1 and 3 have been withdrawn.

#### Climate Change Act

2. **Mr Lyttle** asked the Minister of Agriculture, Environment and Rural Affairs for an update on the delivery of a Climate Change Act to give environmental targets a strong legal underpinning, as outlined in New Decade, New Approach (NDNA). (AQO 994/17-22)

**Mr Poots (The Minister of Agriculture, Environment and Rural Affairs):** I am currently finalising a discussion document consultation on a future Northern Ireland climate change Bill that I will publish in the next number of weeks. A climate change Bill for Northern Ireland must be given proper thought and consultation to ensure that the measures that we take are appropriate and will deliver benefits and that we allow business time to adjust to a new way of working and, where necessary, provide financial support.

I have written to the independent expert UK Climate Change Committee (CCC) for advice on what would be our equitable contribution to the UK's net zero emissions target. I want to consider that information to ensure that our emissions reduction targets are credible and evidence-based. Unfortunately, the CCC will not be in a position to respond to my request until after it has provided advice on the UK's sixth carbon budget, which will be published in December 2020.

I will consider the responses from the discussion document consultation on a future Northern Ireland climate change Bill along with the advice provided by the CCC and then present my findings to the Northern Ireland Executive to agree a way forward.

**Mr Lyttle:** I thank the Minister for his response. What is the Environment Minister's timescale for the enactment of a climate change Act? Would it not be better for him to add his support

to the passage of the cross-party climate change private Member's Bill?

**Mr Poots:** The lifetime of this Assembly.

No, it would not be, because rushed legislation is not normally good legislation, as the Member well knows. We are going about the process correctly. There will be a public consultation, which you normally do before you introduce legislation. Legislating without consultation is not good practice. It does not give the respect to the public that should be given. I will bring forward legislation that has been appropriately and correctly carried out, as opposed to the rushed legislation that he appears to back.

**Mr McGuigan:** The North is the only jurisdiction in these islands that does not have a climate Bill. Given that you, Minister, said in the Assembly two months ago that your officials would begin work to scope out the options for climate change legislation, surely you are in a position to give a definitive time frame to the Assembly.

**Mr Poots:** The time frame is that we are close to having a consultation document ready and we will then go to public consultation. You take a decision after you publicly consult, not before. That gives the public some credibility. We will consult with the intention of proceeding with a climate change Act, but let us consult the public on it and do the thing appropriately, as opposed to ignoring what the public have to say.

**Ms Hunter:** Does the Minister agree that it is crucial that environmental targets are given a strong legal underpinning and that it is vital that we do all that we can to prevent coastal erosion in areas such as the north coast?

**Mr Poots:** Coastal erosion is a significant issue. It is probably an issue of even greater significance in County Down than County Antrim, but nonetheless we have a beautiful coastline that needs to be protected. That is a course of work that we are currently doing, and we will continue to support other organisations and provide our own qualitative work.

In terms of underpinning, we need to set targets that are reasonable and achievable and that will make a difference. We do not have to wait for a climate change Act to do some of that. For example, we are looking at targets at the moment of 65% recycling, which would be an increase on the 50% that we have achieved ahead of schedule. I would like to push that to 70%. The UK position is 65%. We have already overstepped our target on renewable energy.

We were to produce 20% by 2020, but we are well over 40%; I think that it is around 45%.

I want to see that percentage go upwards still. We could be setting a target of 70% for renewable energy.

Those are all things that are achievable and will make a real difference, and that is what is important. An Act in and of itself is fine. I have no issues with having an Act, but an Act alone will not achieve those things unless we set ourselves targets that we fulfil. History tells us that we have been fulfilling targets, and we will set targets that we will fulfil going forward as well.

## **Clean Neighbourhoods and Environment Act (Northern Ireland) 2011**

4. **Mr Hilditch** asked the Minister of Agriculture, Environment and Rural Affairs what progress has been made in reviewing the Clean Neighbourhoods and Environment Act (Northern Ireland) 2011. (AQO 996/17-22)

**Mr Poots:** I thank the Member for his question. The Clean Neighbourhoods and Environment Act relates to a range of policy areas — gating orders, vehicles, litter, graffiti, dogs, noise and statutory nuisances — relevant to both clean neighbourhoods and the environment. Those policy areas are the responsibility of a number of Departments, including my Department and the Department for Infrastructure.

I can confirm that, although my Department has no plans to undertake a formal review of its sections of the Act in the foreseeable future, the issues of litter and dog fouling will be considered in DAERA's forthcoming draft environmental strategy for Northern Ireland. The strategy will consider options for tackling those ongoing problems in the future and include the outcome of the current review of fixed penalty notices for litter and dog-fouling offences.

Part 7 of the Act relates to statutory nuisances. Sections 63 and 65 give district councils the power to deal with noise from premises, including land, that they consider to be prejudicial to health or amounts to a statutory nuisance. Where a council is satisfied that a nuisance exists, sections 63 and 65 require the district council to serve an abatement notice. There are no plans to amend the legislation at present. My officials, however, are in communication with the Department of Justice following its earlier consultation on antisocial

behaviour. The Department for Infrastructure has confirmed that it has no current plans to review any legislation linked to the Act.

**Mr Hilditch:** I welcome the Minister's answer. I understand, of course, that enforcement of such a wide-ranging Act falls to local government. That is where I believe that things fall down, however, so I would welcome anything coming forward by way of any new Act. Is there any way in which the Minister can see better working happening with councils, which are the enforcers? Their record on enforcement over the past couple of years has been very poor.

**Mr Poots:** I am very keen that the legislation be properly and well enforced. I brought it forward when I was Environment Minister. We therefore want to see benefits arising from it. We will look at certain issues around fixed penalty notices for litter and dog fouling in the environmental strategy, and potentially in a new environment Bill. Hopefully, we can strengthen any legislation that needs strengthened in that form.

**Ms Mullan:** Minister, dog fouling is a blight on our neighbourhoods. In an area of my constituency, we have particular issues with rodents, which apparently feed off it. Are you considering making it mandatory for dog owners, of which I am one, to carry litter bags or appliances for removing foul when out walking their dog?

**Mr Poots:** I have not given that thought at this time, but, as part of the environment strategy, we will certainly consult on how we can further strengthen issues around dog fouling. Dogs are the most wonderful pets, and those of us who have them are very privileged to have them. Having a dog comes with a responsibility, however, and people have a responsibility to ensure that they clean up after their dog. It is as simple as that.

**Mr Catney:** Minister, I hope that you will agree with me that an independent environmental protection agency would be the most appropriate body to monitor the implementation of the Clean Neighbourhoods and Environment Act.

**Mr Poots:** I am not sure whether you have informed local councils that you intend to take powers away from them and whether your local councillors will accept that. If the SDLP wishes to accept that as its policy, I will be happy to hear about it in due course.

**Mr Beggs:** One area that the Minister mentioned as being covered by the Act is

abandoned vehicles, and vehicles being worked on in the street etc. In a number of locations in my constituency, that is problematic. Local neighbourhoods are blighted by such businesses working on footpaths and on the street, leaving oil and abandoned vehicles that cause difficulties for other resident who want to park. The current legislation is not working, and I ask the Minister to review that particular aspect of it.

**Mr Poots:** I am happy to look at it. However, the legislation was brought out, in the first instance, to give councils the powers to deal with those issues. If there is a weakness in the legislation, that is one thing. If there is a weakness in the implementation, that is another thing. We need to identify which it is: the legislation or the implementation of it.

## Environmental Protection and Governance

5. **Mr Blair** asked the Minister of Agriculture, Environment and Rural Affairs what consideration is being given to cross-border cooperation on environmental protection and governance as new arrangements are established following the end of the transition period. (AQO 997/17-22)

**Mr Poots:** At the North/South Ministerial Council (NSMC) environment sectoral meeting on 21 October, I made a commitment to work with my counterpart, Minister Ryan, within the NSMC structures to address environmental issues to our mutual benefit. We agreed that our Departments would continue to cooperate to deliver tangible environmental improvements in Northern Ireland and Ireland, both now and after the end of the transition period.

Cross border cooperation will continue, following the end of the transition period, on a wide range of environmental issues, including water quality, international river basin management, bathing water status, blue flag beaches, marine strategy, waste crime, air quality and EU funding.

Subject to the approval of the Assembly, the environment Bill will establish the Office for Environmental Protection (OEP) in Northern Ireland to perform the environmental oversight role currently undertaken by the European Commission. The OEP will be permitted to share information, where appropriate or necessary, with certain bodies outside the UK that have functions in connection with the protection of the natural environment. This will enable it to share information with, for example,

the European Commission on transboundary issues. Any arrangements will take account of current North/South governance.

**Mr Blair:** I thank the Minister for the information provided on North/South cooperation. Can I ask about east-west cooperation? What action is being undertaken by the Department to ensure that Northern Ireland is included fully in UK Government consideration of post-transition period planning? I ask that because it became clear recently, as the Minister is aware, that Northern Ireland has not been included in impact assessments carried out for emissions trading schemes for the future.

**Mr Poots:** We are having a debate later on emissions trading schemes. I have concerns about significant issues in relation to the current emissions trading scheme. We will have two emissions trading schemes, one UK, the other EU. So, because we are still in the single electricity market, the generators, which account for 82% of carbon trading, will probably be in the European scheme, whilst other industries will be in the UK scheme.

The issue that I have is that, in 2018, Northern Ireland paid £65 million of carbon tax into the scheme. We have been paying those sorts of sums for many years but have not been able to draw down funding from that source because only three schemes in a country can benefit. The UK had three larger schemes, which were the beneficiaries of it. We pay all this carbon tax, but we get no support from that scheme to reduce our carbon emissions. The scheme is flawed in that sense. However, I will request that Northern Ireland be deemed a country, once the UK leaves the European Union, because we are still contributing to the scheme. It may work to our advantage if we can have three significant schemes to bid for at that point.

**Ms Sheerin:** I thank the Minister for his answers thus far. Given that we live on an island that has its own environmental landscape and unique characteristics, none of which is affected by the boundary on the island, does the Minister agree that all-island cooperation and coordination on environmental issues is vital?

**Mr Poots:** I do not get too hung up on politics when it comes to these types of things. Whether as Health Minister, or previously as Environment Minister, I have always worked well with colleagues from south of the border on interests that align mutually to both parties. Other people sometimes want to play politics with the North/South stuff; I just get on with it.

**Mr O'Toole:** I am glad to hear that the Minister is getting on with it, and, hopefully, we can all get on with a deal and implementation of the protocol.

In relation to that, dairy producers here say that, if the UK crashes out of the transition period without a deal, we will not be able to process at least 35% — possibly more — of the milk produced in Northern Ireland. What is the Minister doing to prevent that cataclysmic set of circumstances for our dairy farmers?

**2.15 pm**

**Mr Poots:** I have been asked by the Environment, Food and Rural Affairs Minister to produce papers that they will take significant account of in their negotiations, and we are doing that around a potential means of dealing with the problems that have arisen from the protocol. It is incredibly important that we achieve that and that the European Union recognises that Northern Ireland could be damaged as a consequence of the protocol. There is a trading scheme that we could have for the dairy sector. Worryingly, the red meat sector imports around £250 million of beef each year for further processing. That supports around 1,000 jobs here, particularly in mid-Ulster. Because of the protocol, that business has the potential to be lost.

I have been working closely with the Northern Ireland Food and Drink Association (NIFDA), for example, and other organisations in devising a means to overcome those issues, but we need the European Union to work with the people of Northern Ireland to ensure that Northern Ireland plc, jobs and consumers are not damaged. Nonsense such as every supermarket having to put export health certificates on each item in a lorry will lead to thousands of pounds or, in some instances, tens of thousands being added to a lorryload of goods that will end up in the like of Iceland, Asda, Sainsbury's or Tesco. The consequence of that is that we will likely lose some of those businesses from Northern Ireland, and there will be the consequent job losses and a potential loss of goods that people want to buy from the shelves. A lot of businesses in GB are talking about pulling out of the Northern Ireland market because of the protocol. As it stands, the protocol is extremely damaging, but it can be remedied if the European Union cooperates with us to do so.

## **Basic Payment Scheme**

**6. Mr Middleton** asked the Minister of Agriculture, Environment and Rural Affairs for

an update on the administration of the basic payment scheme. (AQO 998/17-22)

**Mr Poots:** Northern Ireland farmers are receiving their full direct payments in one lump sum this year. Payments began to issue on Friday, 16 October 2020, with 94% of payments totalling £265.7million going out on the first day. By the end of the first week, payments had increased to 97% — £275.5 million. Payment letters are being issued by post but can also be viewed online at DAERA online services. My officials are continuing to verify the remaining claims and issue payments as a matter of urgency. In addition, they have developed a new online claim tracking service so that farmers can track the progress of their direct payments.

**Mr Middleton:** I thank the Minister for his response. Will the Minister indicate whether farmers are entitled to a reimbursement of the financial discipline deducted from the 2019 scheme? If so, when will that reimbursement be made to farmers?

**Mr Poots:** We can, and we will. That happened last year, and we hope to be in a position to do it by the end of this year. The reimbursement of the financial discipline deducted from the 2019 scheme year payments will be done as a separate payment. We do not know the exact date, but we managed to do it for December last year, and we hope to achieve that this year.

**Mr McCrossan:** What financial commitments has the Minister sought from the British Government to maintain the current level of support for farmers after the transition period?

**Mr Poots:** I have sought those commitments verbally and in writing, and I raised them yesterday with George Eustice at the inter-ministerial group (IMG) meeting. We will continue to argue to ensure that Northern Ireland's envelope remains the same as it has been.

**Mr McAleer:** I commend the Minister and the Department for getting 94% of the payments out through the door on 16 October. That is a great result. It will be welcomed by the farming and rural community. When does the Minister envisage any changes being made to the basic payment regime following the transition period?

**Mr Poots:** There will be modest changes next year such as the greening requirement no longer being applied. I am also looking at offering some sort of support for the growing of protein crops. Protein crops can divert the

requirement to import protein from countries where environmental practice may not be quite as good as ours happens to be. Protein crops can also contribute to taking nitrogen out of the atmosphere and reduce nitrogen deposition going into our peatlands. However, I would like to do something more comprehensive in the following year. That will be based on ensuring that production is supported and that high environmental standards are applied, so that we can ensure that agriculture plays its part in reducing damage to the environment. There is work that can be done there. That will provide support to people who are taking significant environmental steps. It will be beneficial, particularly in the hill areas. I will be interested to hear the views of the Member and colleagues on that. I have no doubt that there will be significant change, but I think that the change will be measured towards what we actually want to achieve. What we want to achieve is continued growth in agriculture and continued reduction of the impact of agriculture on the environment.

## Mullaghglass Landfill Site

7. **Mr Carroll** asked the Minister of Agriculture, Environment and Rural Affairs for his assessment of the action taken to address the odours emanating from the Mullaghglass landfill site. (AQO 999/17-22)

10. **Ms Flynn** asked the Minister of Agriculture, Environment and Rural Affairs whether his Department is responsible for regulating Mullaghglass landfill site under a waste management licence. (AQO 1002/17-22)

**Mr Poots:** With your permission, Mr Speaker, I will take questions 7 and 10 together.

I have been advised by officials from the Northern Ireland Environment Agency (NIEA) that 13 additional gas extraction wells have been installed in the active area of the landfill. The work was completed on 16 October 2020. The additional wells have now been connected to the gas extraction system. The site gas engineer is currently working on-site to optimise gas extraction from the new wells. It may take a few weeks to fully optimise the gas extraction system, as it is important to prevent the ingress of oxygen to the landfill gas management system. NIEA inspectors will continue to check the site and to monitor for odours in the Colin area regularly to assess the effectiveness of the additional gas extraction.

**Mr Carroll:** I thank the Minister for his answer. I am happy to be corrected, but my

understanding is that the NIEA has not been on-site to investigate concerns. I am happy for him to elaborate on that. Given that 104 concerns about the Mullaghglass site have been raised by residents this year already, which is a fivefold increase from 2018, and given the health concerns raised repeatedly by residents in Lagmore, Mount Eagles and west Belfast more generally, what assurances can the Minister give them that their health is not at risk from potential pollution or noxious gases coming from the site?

**Mr Poots:** The Mullaghglass landfill site is currently assessed as being non-compliant with the pollution prevention and control permit. The NIEA has directed the operator to take action and to implement new measures to address the odour nuisance. The planned installation of the additional gas extraction wells in the active area of the site was brought forward from November to September. Site works to install the new gas wells were completed on 16 October, and, as I said, it may take a few weeks for that to be optimised. On completion of the current site works, NIEA will require the landfill operator to review its odour management plan and to plan the installation of future gas wells to minimise the risk of further odour nuisance in the Colin area. Since August 2020, NIEA has conducted 14 site inspections and odour checks in the Colin area in response to the complaints from local residents.

**Ms Flynn:** We have held meetings with the NIEA on the issue over the past number of months, so I am aware that it has been doing work with the Mullaghglass site. I know that the site is not expected to close until December 2021. Apart from the gas wells and the work that is being done around those, are there any long-term plans in place to deal with the odours? I speak not just as the MLA for the area but as a resident of the Colin. The odours are extremely unpleasant to live with. I know that work is being done, and we are due to meet the NIEA again in December. However, aside from the gas wells, are there any plans that you can put in place?

**Mr Poots:** NIEA has been looking at a number of odour sources and reports of different types of smells across the Colin area, and the inspectors for the regulated sites in the area have initiated joint inspections to further establish what odours are affecting different parts of the Colin area. They have also been sharing information closely with the relevant environmental health officers in Belfast City Council and Lisburn and Castlereagh City Council. I know that they met you and

Councillor Magennis earlier, and they will continue to cooperate with you and with all other public representatives who have concerns about the issue.

**Mr Catney:** My question is to do with the Mullaghglass site, Minister. Do you have any plans to prosecute those who are responsible? There may well be historic sites there, but there must also be some dumping going on that is creating those odours.

**Mr Poots:** Unfortunately, fly-tipping takes place in the Belfast hills, and that is hugely unfortunate because it is a beautiful part of the world. We need to ensure that councils offer services, and it is important that council sites are open to take the materials. Ensuring that councils can collect heavy goods, such as settees and so forth, from people's houses is important, because people sometimes pay somebody else to do it, and those individuals then unscrupulously dump the materials. Some companies are not engaging correctly, and we need to ensure that we pursue those people. We will need to ensure that companies work with us to eliminate the problems, and that work is being done.

## COVID-19: Fishing Industry

8. **Miss McIlveen** asked the Minister of Agriculture, Environment and Rural Affairs how his Department has assisted the fishing industry during COVID-19. (AQO 1000/17-22)

**Mr Poots:** On 3 April 2020, I announced a temporary support package for the sea fisheries sector that was geared to cover 50% of a fishing vessel's costs for three months from March to May 2020, provided genuine losses had accrued as a direct result of the pandemic. The aim of the scheme was to get support on the ground as soon as possible as a result of the total loss of markets. In total, £1.32 million has been paid out through the scheme to 171 fishing vessel owners. Approximately £1.02 million has been provided to over-10-metre vessels and £300,000 to vessels of 10 metres and under.

On 26 May, I announced a support scheme for Northern Ireland aquaculture undertakings that had incurred financial losses through lost markets from March to May inclusive. Up to £360,000 was made available to the sector. In total, 19 aquaculture businesses were invited to apply for support, the level of which was based on the income forgone as a result of COVID-19 from 1 March to 31 May. Fifteen applications were received, and 15 offers of financial

assistance were made, with 14 accepted. To date, £83,600 has been paid to 13 eligible applicants, and a further £13,000 of support is being processed for the remaining two applicants. The initial level of support that was anticipated to have been required was overestimated, as the figures supplied by business owners were not, in many cases, as large as originally indicated.

More recently, on 5 October, I announced a further £1.7 million financial support package for the sea fisheries catching sector, which continues to be impacted by lost markets as a result of COVID-19. The support package is to deliver a £1.31 million temporary cessation scheme under the European Maritime and Fisheries Fund for trawlers and dredgers and is currently open to applications. Invitation letters were issued to owners of 111 vessels, and, to date, 76 applications have been received to the value of £956,000. A £390,000 fixed cost scheme for static fishers will be open to applications in early November 2020. Under the European Maritime and Fisheries Fund, I am also working with my officials to provide a £336,000 support package to the Lough Neagh fishermen.

**Miss McIlveen:** I welcome the Minister's response. We can all agree that this is a challenging time for the fishing industry. Can the Minister outline how the support compares with that in other regions, and, in addition to that, can he detail the steps that he is taking to ensure that any Brexit dividend in respect of additional landings is proportionately distributed across the United Kingdom and that the Portavogie fishermen get their fair share?

### 2.30 pm

**Mr Poots:** I thank the Member for the question. First, that was the quickest and most generous of the packages that was offered anywhere on these islands. Secondly, in thinking about how we go forward, we need to ensure that we get our share of the additional fishing. It is great that we have the opportunity to bid for it. We have been restricted for so many years in the number of fish that we can catch whilst others have utilised our waters and the fish in them, so I want to ensure that people in Portavogie, Ardglass, Kilkeel and all others in Northern Ireland get their fair crack of the whip after so many years of not having it.

**Mr Speaker:** That ends the period for listed questions. We will now move to 15 minutes of topical questions. Question 4 has been withdrawn.

## Border Control Checks: Update

T1. **Ms Anderson** asked the Minister of Agriculture, Environment and Rural Affairs, following his recent answer to her question about checks at border control posts, in which he confirmed that such checks would be performed by EU Commission experts, for an update on that, given that we are only 58 days from the end of the transition period. (AQT 601/17-22)

**Mr Poots:** I am glad to say that the people who will check at the points of entry are vets and environmental health officers from Northern Ireland who are provided by our Department and by local authorities.

**Ms Anderson:** Minister, I remind you that your Department will be making arrangements to comply with official control regulations in order to ensure that controls can be performed by Commission experts in accordance with article 116 of the Irish protocol. Minister, do you not agree or even understand that some people feel that you are behaving more like a Brexiteer than a Minister?

**Mr Poots:** I assure the Member that I am a Brexiteer and that I am also a Minister. There are others who will oppose Brexit and will be Ministers, and they are perfectly entitled to do that. The reality for the Member is that we are leaving the European Union. That is done and dusted. On 31 December 2021, the implementation period will be over.

I oppose the points of entry. I always have. The protocol brings huge problems to us. Nonetheless, it is an imposition that has been placed upon us. We will provide the appropriate personnel and will seek to reduce any invasion whatsoever by the number of inspections that need to take place and minimise those as much as possible in order to retain normal business relations with key customers and suppliers. I see absolutely no point in creating barriers between us and our key markets and, indeed, our key suppliers. All that that will do is cause job losses in Northern Ireland and cost consumers more money. If the Member wishes to have that, stand up and say it. I do not.

## Anaerobic Digester Plants: Planning Permission

T2. **Ms Bailey** asked the Minister of Agriculture, Environment and Rural Affairs, after thanking him for an answer that she received to a priority question for written answer, in which he

confirmed that anaerobic digester (AD) plants that treat agricultural waste must have planning permission in place before his Department will issue a waste management licence, to state whether any waste management licences have been issued retrospectively and whether any AD plants that treat agri-waste are operating without planning permission. (AQT 602/17-22)

**Mr Poots:** The answer to that question is quite clear. If you establish an anaerobic digester prior to having planning permission, you will not get your waste management licence. If you get your planning permission retrospectively, you can apply for your waste management licence.

**Ms Bailey:** I thank the Minister for not answering the question. Further to that, we know from your stats, Minister, that in some of our special areas of conservation, ammonia levels breach our current regulations by up to 350%, year-on-year. That is exacerbated by those AD plants at times. What enforcement or regulation powers does his Department have to take action?

**Mr Poots:** It is interesting that the Member is against green energy from taking materials like animal waste and slurry and turning that into gas, which can then be used for electricity in people's homes and businesses. It is an interesting line that the Green Party is opposed to green energy in that instance.

We can go down blind alleys with ammonia, or we can actually tackle the problem. We have an ammonia strategy that will be ready to launch in the very near future, and we will be able to reduce ammonia levels significantly. Nobody has done that up until now. That has not happened up to this point. However, it will happen under this Minister.

## Rural Areas: Replacement Funding

T3. **Mr McAleer** asked the Minister of Agriculture, Environment and Rural Affairs, given that he will be aware of recent correspondence from the Finance Minister to the Chair of the Finance Committee, which was shared with the Committee for Agriculture, Environment and Rural Affairs, that highlighted concerns with how replacement funding will be calculated, in that it could result in a cut in funding for rural communities, to state whether his Department has assessed that and the impact that it might have on local areas. (AQT 603/17-22)

**Mr Poots:** Yes. The Treasury has indicated that it thinks it can take £34 million that was

previously identified for us. We are contesting that. The figure is slightly less in Scotland per head of population, and significantly greater in Wales. As I understand, it is happening in England as well. We all need to oppose that. Scottish and Welsh colleagues and I have written to the appropriate Ministers at Westminster. We are seeking a meeting with the Chief Secretary to the Treasury to ensure that this money is actually paid.

**Mr McAleer:** I thank the Minister for his answer. Recently, we also learned that there has been little or no progress on the shared prosperity fund. Has the Minister any assessment of that? What is his general assessment of the British Government's commitment to replacing the EU funding that will be lost here as a result of leaving the EU?

**Mr Poots:** There is no indication from any other source that there is a problem. That is money that had not been spent, but would have been spent by 2023. My Department would argue that it has acted prudently in the distribution of that funding and is being punished as a consequence. As I indicated, Wales is suffering even worse as a result. We will continue to argue strongly for that particular funding. However, there is no indication of a problem elsewhere.

## Farm Business Investment Scheme

T5. **Mr K Buchanan** asked the Minister of Agriculture, Environment and Rural Affairs how the recently announced farm business investment scheme will continue to reduce emissions and increase the nutrient uptake. (AQT 605/17-22)

**Mr Poots:** One element of the new farm business investment scheme is that we will give additional points to people who are covering tanks or buying equipment that has low emission spreading applied to it. That in itself will help with the ammonia problem that Ms Bailey raised earlier. We intend to run that course over the next number of years — not just that; we will add to it going forward. A consequence of that is that more nutrients will get to the area where they need to go, fewer will go into the atmosphere, and, in conjunction with a course of work on soil sampling that we intend to introduce at a later point, farmers will have a better knowledge of what exactly their fields need. That should bring about a further reduction in emissions and, indeed, savings for farmers in reducing the amount of inorganic fertilisers that they acquire to augment the nutrients that they have on farm.

**Mr K Buchanan:** I thank the Minister for his answer. He indicated that the Department intends to roll that out in future years. Does he envisage that there will be more of a financial increase per year? Obviously, a lot of the equipment on farms is tired — I will use that terminology — and not up to modern standards. Therefore, does he see that figure increasing yearly?

**Mr Poots:** We could always do with a bit more money, so I will be looking to colleagues in the Department of Finance to assist us. We want to make Northern Ireland carbon-neutral by 2050. Agriculture needs to make its contribution. It will therefore need support in order to arrive at that point. The agriculture industry is involved in carbon sequestration, and that is an important element of it. On the one hand, we reduce and lower emissions. On the other, we increase carbon sequestration on farms. In that way, we can make a real impact on the environment for the good.

### **Irish Sea Border: Infrastructure**

T6. **Mr Allister** asked the Minister of Agriculture, Environment and Rural Affairs to state whether he can yet lift the veil of secrecy and update the House on the infrastructure for an Irish Sea border that his Department is providing at our ports and to outline where and when that documentation can be inspected. (AQT 606/17-22)

**Mr Poots:** I believe that we have permissions back on two sites and will have the third one back this week. As soon as they receive that, I have instructed officials to make them available to any Member who may wish to have them.

**Mr Allister:** To date, there has been a refusal to release them at council and departmental level. It will be good to see them in due course. Can the Minister tell us, as he builds the gallows for the Union at Larne, whether he has the support of the Member of Parliament for East Antrim?

**Mr Poots:** The Member of Parliament for East Antrim and I take the same position. We do not want to see those facilities. We do not desire those facilities. It is an imposition that has been applied to us through a negotiation between the Prime Minister and the European Union that introduced the Northern Ireland protocol. We are totally opposed to the Northern Ireland protocol, because it has significant potential to damage Northern Ireland. The Member of Parliament for East Antrim and I share that view.

### **Lough Neagh Fishing Community**

T7. **Ms Sheerin** asked the Minister of Agriculture, Environment and Rural Affairs for an update on what was discussed when she met with him in the summer about the situation with Lough Neagh and its fishing community and, subsequently, the response to a question for written answer that she received in September, in which he said that he was committed to providing a package of support for the Lough Neagh fishermen and fisherwomen. (AQT 607/17-22)

**Mr Poots:** We had to take legal advice on the distribution of funding. That advice has been received, and we are now in a position to move forward. I hope that, over the next number of weeks, we will be able to indicate to the fishermen on the ground what is available to them.

**Ms Sheerin:** Thank you, Minister. That is welcome news. Can you confirm what engagement you have had with the fishing community at Lough Neagh?

**Mr Poots:** I received a lot of communication from them, and we responded to it. I have not met them personally, but I am happy to meet people if they require it. We have the funding set aside, however, and I hope that my fisheries division, which has been engaging closely with the community, will be in a position to move forward, with my authority.

**Mr Speaker:** The next named Members on the list are not in their seats. That therefore concludes topical questions to the Minister. I ask Members to take their ease while we prepare the Chamber for questions to the Minister for Communities.

2.45 pm

### **Communities**

#### **Sports Clubs: Financial Assistance**

1. **Mr McNulty** asked the Minister for Communities, given the restrictions announced by the Executive on 14 October 2020 to prohibit all indoor sport and non-elite outdoor sports, to outline any new support packages she plans to introduce to assist financially sports clubs and organisations. (AQO 1008/17-22)

**Ms Ní Chuilín (The Minister for Communities):** I thank the Member for his

question. I recognise that the latest health regulations, which came into operation on 16 October, have had a significant impact across all sports at a time when they already face significant challenges. I understand that sports governing bodies, and their clubs, find themselves facing serious financial pressures and that they now have to contend with the latest restrictions, which have had an impact.

When I met senior representatives from the governing bodies and sporting organisations last week, I recognised the need for the new restrictions to curb the escalating transmission rates and the impact that they will have on sports. As a result, I made a bid to the Executive for a significant financial package, which was immediately supported. I was able to announce last week that the bid was approved by the Executive, as part of the October monitoring round, and that work has started on putting together a scheme to ensure that the £15 million that I have secured is distributed quickly across the sector to sustain the governing bodies and their clubs.

**Mr McNulty:** I thank the Minister for her answer. With regard to the financial hardship being experienced by GAA clubs across this island, does the Minister think that it is unfair and inappropriate to ask the GAA to pay more than its legal obligation of £15 million towards Casement Park and to do so on a television programme? Was that a party position, an agreed Executive position, or a solo run?

**Ms Ní Chuilín:** The Member should know that any funding arrangement with my Department and the GAA will be an ongoing discussion. It is not the first time that that has been said in public, so I am surprised that the Member is surprised. I assure him and, indeed, members across the GAA family, that Casement Park will be built. It took an awful long time for planning to come through, and it has been awarded. I hope that it succeeds to the point where I can present a final business case to my Executive colleagues, but mainly the Minister of Finance, and that we get all the money needed to deliver Casement Park. It is unacceptable that Gaelic games do not have a home that is fit for purpose in the 21st century.

**Mr Buckley:** I welcome the support packages that have been provided to clubs and, now that planning permission has been approved for Casement Park, attention now rightly turns to funding. With a shortfall of £33 million, I am delighted that the Minister has accepted the reality that additional contributions must come from the GAA to fulfil that commitment. Will the

Minister please outline the discussion that she has had with the GAA, and the potential funding allocation that she will require to progress the stadium?

**Ms Ní Chuilín:** The bulk of the money will come from the Executive; I give the Member that assurance. The GAA and the redevelopment of Casement Park were held back for a number of reasons, mainly planning. There is a massive shortfall. We do not know what that is yet, but we need to meet it. For the Executive to meet that shortfall, I need to bring proposals forward. They are being discussed, developed and worked on as we speak.

**Mr Lyttle:** Minister, what evidence is her Department and the Executive considering with regard to the impact of grassroots youth sports on the transmission of COVID-19?

**Ms Ní Chuilín:** I have asked for an update from Sport NI on that. I spoke to the governing bodies last week — there were more than 70 of them. It was not a detailed discussion, as such, but it is clear that our sporting and governing bodies are doing everything that they can to ensure that young people can play and train safely. If that means that we need to bring in further supports for those bodies to allow training in a safe environment, that is what we will do. That is part of the £15 million investment into sports clubs. I have asked for something similar, but I will include the Member's question on the list to Sport NI and bring that back to him.

## **Welfare Mitigations: Primary Legislation**

2. **Mr Catney** asked the Minister for Communities when she will introduce primary legislation on welfare mitigations. (AQO 1009/17-22)

**Ms Ní Chuilín:** I thank the Member for his question. In line with the commitment set out in the New Decade, New Approach deal, I can confirm that I intend to introduce new primary legislation that will allow for an extension of welfare mitigation payments to those people affected by the bedroom tax. A draft Bill on the matter has been shared with Executive colleagues, and it remains my intention to secure agreement to proceed with that as soon as possible. New regulations to extend other mitigation schemes have been prepared, and I hope to bring those before the Assembly shortly after the Bill is introduced.

I would like to use this opportunity to highlight that mitigation payments continue to be made to those who are eligible under the sole authority of the Budget (No. 2) Act, as agreed with the Department of Finance. Those contingency arrangements are being kept under review, and, if required, I can extend them.

**Mr Catney:** Thank you for your answer, Minister. We need to try to help as best as we possibly can through our constituency offices. The Minister indicated at a hearing with the Committee for Communities on 30 September that dealing with the COVID-19 pandemic has understandably meant that other policy areas have received less attention. However, I hope that the Minister recognises that the 89,000 additional claimants for universal credit are largely related to the pandemic and that getting the new mitigations agreed and legislated for should be the Executive's priority. Hopefully, that will happen before Christmas.

**Ms Ní Chuilín:** I thank the Member for his question. By way of an update, my Department is, as we speak, recruiting hundreds of staff to support the increase in claimants that we have already seen. That increase happened even before the furlough scheme was due to end and before it was extended. It is not that this proposal has not received the attention that it is due, but there have been other things, such as the statement on housing policy, which took us quite some time to bring forward. However, this is one of those issues that we deal with on a daily basis, and I just want to give the Member that assurance.

**Mr Sheehan:** Can the Minister advise the House whether the new mitigations legislation will provide much-needed protections for those who lost out as a result of moving to universal credit?

**Ms Ní Chuilín:** The new legislation will look at all the welfare mitigation schemes and will include changes to the so-called bedroom tax. I am looking at the benefit cap mitigation schemes that are currently available to people on universal credit. I am also looking at providing additional investment in the contingency fund. As well as that, I have added more money into the discretionary payment fund. There was a lot of talk about the British Government's COVID isolation scheme. We already have that here; Deirdre Hargey brought it in in March. Unlike the British Government's scheme, ours is not limited to £250 a week and it is not time-bound.

**Ms Armstrong:** I want to ask the Minister whether her mitigations will include payments or give people fast-track access to PIP in advance of DWP taking that forward at Westminster.

**Ms Ní Chuilín:** I am currently looking at that, particularly given the debate that we had about the special rules for terminal illness (SRTI). So, I am looking at it. As you know, once you go on to SRTI, you get fast tracked anyway. Deirdre Hargey's intention was to bring PIP and Capita into DFC. The outcome of that, hopefully, will be the provision of a completely seamless process. Anybody relying on those benefits is already vulnerable and needs our support. What they do not need is us, as a Government and an Administration, making them go through additional hoops that set them back. No one wants that, so I am currently looking at what can be done.

## Conversion Therapy

3. **Ms Rogan** asked the Minister for Communities for an update on the abolition of conversion therapy. (AQO 1010/17-22)

**Ms Ní Chuilín:** Thank you for the question. As I have said before, so-called conversion therapy is an abhorrent and inhuman practice that aims to change a person's sexual orientation or gender identity. It is widely opposed by many, including the United Nations, human rights experts and health professionals, on the basis that it is, in their words, a form of torture.

In September this year, I met Ministers Long and Swann to share my commitment to ensuring that those harmful practices stop. As it is a cross-cutting matter, it will be taken forward in the development of the sexual orientation strategy that was outlined in NDNA. I also announced a timetable for the development of the social inclusion strategies. In support of those strategies, my officials met the Government Equalities Office in October to discuss the available data on conversion therapy, progress to date and timescales for a ban.

**Ms Rogan:** Will the Minister provide an update on the development of the sexual orientation strategy?

**Ms Ní Chuilín:** The sexual orientation strategy, along with the other strategies, will be published in December 2021, subject to Executive approval. I have been really heartened and energised by the commitment of people in the sector, who are going to engage with

departmental officials and others. They will bring the strategies forward, and I will consider them before presenting them to my colleagues. However, I am not waiting for the strategy to ban conversion therapy, and I will look to see what I can do in the interim. I will look to other legislators and other devolved institutions and Governments to see what they have done, and I will try to bring that forward as soon as possible.

**Mr McGrath:** Has the Minister had any discussions with the Charity Commission about the charitable status of certain registered charities in Northern Ireland that support and offer conversion therapy? If she has not had any such discussions with the Charity Commission, will she undertake to do so?

**Ms Ní Chuilín:** I thank the Member for his question. I have not had any discussions with the Charity Commission, but I certainly will do so. If the Member has examples of charities that do that, I would be happy to receive them because that needs to end.

## COVID-19: Support for Independent Musicians

4. **Mr Butler** asked the Minister for Communities to outline the support she is providing to independent musicians during the COVID-19 pandemic. (AQO 1011/17-22)

**Ms Ní Chuilín:** I thank the Member for his question. I have met people across the local music industry, and I understand the impact that the current restrictions are having on those who are trying to make their living through music. That is why I was pleased to use the first £3 million of the £29 million funding package to build up the pot for the individuals emergency resilience programme that is operated by the Arts Council on my behalf. I also want to acknowledge the financial contribution that was made to the fund by Future Screens NI. The funding meant that the programme could make grants of up to £3.85 million to 1,089 people whose creativity, effort and hard work make such a big contribution to our lives and to the economy. Nevertheless, I know that the best support for local musicians will be the return of local live music. I look forward to getting back to live gigs myself as soon as possible.

**Mr Butler:** I thank the Minister for her answer and for the funding scheme, which was timely. She is quite right: we all look forward to getting back to enjoying those artists and musicians again. Will she undertake to forward-proof the

scheme, so that, in the event of further lockdowns, funding will be readily available and that money will be found? In addition, with the lessons learned from other Departments, will she ensure that nobody is excluded from the scheme and, if there is, that we can find a way to fill those gaps?

**Ms Ní Chuilín:** The Member knows that a lot of the individuals who applied for the grant had no access to public funds anywhere else. The £3 million was just to cover the oversubscription to previous moneys that were announced by my Department and which were operated by the Arts Council. I am also waiting for the outcome of the latest applications so that we can see where the gaps are, if they are not already covered by that fund. I have held back a few million quid to try to help people, and I hope — as we all do — that the current restrictions will work. I also hope that, when we go back, it will be on a phased return so that we do not end up back here again and that people who make their living from music will be free to do so. They need our support, and I am committed to doing what I can.

**Mr Lyttle:** The Department for Communities' individuals emergency resilience programme requires musicians to use that aid on a project basis rather than as income replacement to account for all profit. The Department reserves the right to retrieve all or part of the aid on this basis. How does this approach compare with other Executive grant aid for employees? Is it fair to place those conditions on musicians who have lost all sources of income as a result of COVID-19?

3.00 pm

**Ms Ní Chuilín:** To be frank, other Departments are looking at their governance arrangements as we speak. I will not be in that position. Many of our musicians are working and volunteering in our communities. They are diversifying and working with schools. I want to make sure that musicians are supported and rewarded for doing that. The only criteria are that musicians must prove that they are involved in the arts and have a bank account, and the Arts Council will monitor and evaluate the grant aid. I do not want to impose any further restrictions. It is ridiculous that smaller groups that are receiving a few thousand pounds should be subject to the same regulation as larger groups that may receive millions of pounds over decades. I am not saying that that is what you mean.

**Ms Mullan:** Thank you, Minister, for engaging with musicians. In my area, musicians

appreciate the grant funding. What will the remaining £26 million be spent on?

**Ms Ní Chuilín:** I thank the Member for her supplementary question. The Arts Council is opening applications for grants. The Department is looking at some of our theatres, galleries, museums, libraries, heritage sites, languages and culture and heritage to try to make interventions, because everyone has been financially impacted by COVID and COVID restrictions. They all need our support. They are all viable businesses and products that provide viable events. Some have received public money over the years, but their ability to generate income through event ticket sales has been removed. We need to make sure that those businesses remain viable at the other end of the pandemic.

Our libraries, museums and heritage products also need support. I am very conscious of the fact that there will not be enough money for everyone. However, the Department needs to get emergency support out to ensure that those organisations are not only viable now and are able to retain their staff and skills but are viable at the other end of the pandemic.

**Ms P Bradley:** Minister, you will be aware that many musicians had only a short window after lockdown when they were back playing in our pubs and clubs. They were playing safely behind Perspex screens, and safety was put first and foremost. However, that was taken away very quickly. Musicians lost their income long before the hospitality industry closed. When we reopen our bars and restaurants, will you fight for musicians at the Executive to allow them to get back to work? Musicians want to get back to work rather than receive handouts from various Ministries.

**Ms Ní Chuilín:** The short answer is that I absolutely will. The people who entertain us when we are having a drink or enjoying a meal are also taxpayers and ratepayers. People need to remember that. More restrictions have been placed on individuals and smaller businesses than on big business. That is not fair.

I want to mention DJs, as they have felt left out. I can assure DJs that they will not be left out. This situation has demonstrated to me that not many people are aware of what is available through the Arts Council. We need to change that. I will give an assurance to DJs, because they are trying to make a living, and the public restrictions that have been placed on people are stopping them from making a living. As

soon as it is safe to do so, we need to ensure that DJs, musicians and, indeed, the hospitality sector return to their livelihoods. Hopefully, people will recognise and appreciate that.

**Mr Durkan:** I thank the Minister for her actions thus far. Will she detail what support is or will be available for non-musicians such as sound technicians and event organisers employed in the music industry?

**Ms Ní Chuilín:** The Member will be aware that the original short grant programme that I put through the Arts Council was oversubscribed, so £3 million from the £29 million was used directly to look after the oversubscription.

The level of oversubscription was just below £3 million in order to allow a few more to try to get supported. You just heard my answer to a question from Paula Bradley. There were only 20 DJs. There are 20 DJs in the New Lodge, never mind across the North. I am very proud of our local DJs. We need to try to give those people support too, because their livelihood has been impacted.

I want to see what people have done with the latest funding application to the Arts Council. If there continue to be gaps, particularly for our freelancers, sound engineers and technicians, who rely on events, we need to look after those people. That is my commitment.

## Anti-poverty Strategy

5. **Ms Kimmins** asked the Minister for Communities how neighbourhood renewal projects will contribute to the development of the anti-poverty strategy. (AQO 1012/17-22)

**Ms Ní Chuilín:** I thank the Member for her question. I have made the commitment that citizen and community engagement, co-design and co-production will be embedded from the outset in the development of an anti-poverty strategy. I assure the Member that the anti-poverty strategy will be evidence-based, will take account of lived experience and will meaningfully tackle inequalities and obstacles that directly affect the everyday life of people as a result of living in poverty. To that end, I have appointed an expert panel to make recommendations on the key themes and priorities that the strategy should address. Those recommendations will inform the work of a co-design group that will be made up of a cross section of the community and voluntary sector, including neighbourhood renewal partnerships and others. That co-design group will be pivotal in shaping the development and

content of the strategy and its supporting action plan. The publication of the strategy will, hopefully, happen by December 2021.

**Ms Kimmins:** I thank the Minister for her answer. The announcement of the development of an anti-poverty strategy is very welcome. I know of the great work that the neighbourhood renewal groups do. We have nine groups in my area in Newry, so it is really good to hear that they will be a key part of that.

Will the Minister provide an update on her plans to deal with the long-term future of neighbourhood renewal?

**Ms Ní Chuilín:** Like the Member, lots of Members have neighbourhood renewal groups or groups that work in places that are at risk right across their constituency. I put on record again that the work that those groups did at the start of the pandemic was second to none. They were the first responders. We need to ensure that that work is not only recognised but valued. Neighbourhood renewal was part of an anti-poverty strategy some 15 or 20 years ago, and we need to ensure that the work of neighbourhood renewal groups is seen in a new anti-poverty strategy so that they work towards targets that are more realistic than those that they are currently trying to work to, which are at least 15 years old.

**Mrs D Kelly:** I thank the Minister. Will you confirm that it is November 2021 by which you hope to publish the final strategy? In what way will the working poor be taken account of? I think that more and more people fall into that bracket given the lower-wage economy that we have and zero-hours contracts.

**Ms Ní Chuilín:** Dolores, if I said November, I was wrong; it is December 2021.

You are 100% right. You were here when we were talking about housing and the working poor. We need intermediate actions. A lot of people in our hospitality and tourism sector rely on zero-hours contracts, which I do not support at all. We need to make sure that, as part of anti-poverty, we look at where people are so that it is relative to their financial status. Low-to-medium- and low-income families have been with us for too long. They need to be reflected and included in the outcomes of the strategy.

**Ms Armstrong:** Minister, the work of neighbourhood renewal projects is to be celebrated, but one of the areas of the anti-poverty strategy that cannot be forgotten is rural areas that do not have neighbourhood renewal

projects. You have already worked with the AERA Minister on rural projects, so is there any update on how those will be included in the anti-poverty strategy?

**Ms Ní Chuilín:** You will be aware of tackling rural poverty and social isolation (TRPSI), the Rural Needs Act and rural-proofing. This is not just an urban experience; it has to be for all citizens. The question was about neighbourhood renewal projects, but it goes right across the piece. If you look at the way in which people have not been able to access support, you will see that their experience of poverty and isolation would be much greater if their local community had not helped them out. We need to ensure that the strategy is rural-proofed.

**Mr Frew:** Following on from some of the questions that have been asked already about people just managing and people with poor incomes, there are certainly specific deprived areas within affluent areas that have not been able to avail themselves of any of this money. Is the Minister sure that the super output areas, or the geographical spread and definition of these areas, are the correct ones going forward?

**Ms Ní Chuilín:** I will tell you what is not correct. We are not doing, "One for you and one for me", because it is in your constituency or in mine. We are not doing equity; we are doing equality. That is really important. Wherever people experience poverty and however they experience it, we need to take that into consideration. I do recognise that there are pockets of deprived communities within what is seen as an affluent area. Christopher Stalford is not here, but South Belfast is an example of that. The issue for us is that, unless we capture those people and ensure that they are part of an anti-poverty strategy, not only will they feel resentful, but their experience of poverty will increase. We need to work with people where they are at, so I think that it is important that not just neighbourhood renewal partnerships but any partnership, community structure or consortium that they are involved in respond to the strategy when it goes out for consultation. We do not want to leave anybody behind.

## Right-to-buy Scheme

6. **Mr Lunn** asked the Minister for Communities for an update on the right-to-buy scheme for Housing Executive and Housing Association tenants. (AQO 1013/17-22)

**Ms Ní Chuilín:** The Housing (Amendment) Act 2020 received Royal Assent on 28 August

2020. This Act will end the house sales scheme for housing association tenants after a transition period of two years. The transition period will enable current housing association tenants who meet the eligibility criteria to purchase their homes. As part of the statement that I made today, I intend to set out the matter for Housing Executive house sales schemes also, using the same lead-in period for them as well, so that people who have applications in can have those processed.

**Mr Lunn:** I thank the Minister for that. That question was put back from a previous Question Time, when the Minister could not attend, and she did spend an hour this morning virtually answering that question. Mr Speaker, I will give her a bye-ball and sit down again.

**Mr Speaker:** Thank you very much, Mr Lunn.

**Mr Gildernew:** What other options is the Minister considering to assist tenants into home ownership?

**Ms Ní Chuilín:** I thank the Member for his supplementary question. I am sure that he was in the Chamber earlier. We are certainly looking at ways to make co-ownership more accessible, if that is someone's choice. At the minute, it is not as affordable as we all originally thought it would be. Some people are being asked to pay up to £12,000 — six months' rent — in advance to access a home for home ownership. That is not acceptable. Despite that, there have been good opportunities through co-ownership for almost 1,000 people a year to buy their own home. In my opinion, we need to look at additional options for people who cannot afford to pay that much money up front.

**Miss Woods:** I appreciate that the Minister answered a number of questions on her statement this morning in relation to this, so I will be cheeky and get in another one that I wanted to ask. The splitting of the landlord function of the Housing Executive will mean that it will have freedom to borrow and invest, but how will this be facilitated without raising the rents?

**Ms Ní Chuilín:** The rents are capped at the minute under Westminster legislation, and our Executive have agreed to that. In NDNA, we have also agreed to the way in which we need to ensure not only that the rent is affordable but that, as I outlined in my statement, the rents, particularly in the Housing Executive, are some of the lowest in these islands. It is really important that, whatever powers or designation we give, we do it on the basis of conditionality

— that the Housing Executive does the right thing, that there is more of an increase in social housing and that there are better outcomes for people who are in housing stress. At the end of the day, that is at the bottom of all of this, and that is what it is about.

**Mr Speaker:** That ends the period for listed questions. We will now move on to 15 minutes of topical questions. Topical question 8 has been withdrawn.

3.15 pm

## Supporters at Windsor Park

T1. **Mr Buckley** asked the Minister for Communities, after welcoming her warm words of support for the Northern Ireland football team's Euro play-off final next week against Slovakia and the much-needed morale boost that it could bring to the country in bleak times, whether she will commit to working with Belfast City Council, the Irish Football Association (IFA), the supporters' association and Executive colleagues to ensure that the maximum number of fans can safely attend our national stadium at Windsor Park to cheer on our wee country. (AQT 611/17-22)

**Ms Ní Chuilín:** I have spoken to the IFA and am waiting for Belfast City Council, which is the licensing authority. I want to make the game as stress-free as possible, not only for the team but for all their supporters. I will do what I can to ensure that the maximum number of supporters, under the current restrictions, are able to go to Windsor Park.

**Mr Buckley:** I thank the Minister for her response. The stadium has a capacity of 18,000 supporters, who will be outdoors and have considerable space for social distancing. Can the Minister elaborate on what numbers are under consideration?

**Ms Ní Chuilín:** I am well aware of what Windsor Park holds, because I built it. I do not want to get into speculation, because I want to respect the IFA and Belfast City Council and their work with Sport NI and my Department. I assure the Member that we want the game to be as stress-free as possible and to have a number of spectators there with safe social distancing and within the guidelines. I will do what I can to make that happen for them.

**Mr Speaker:** Sinéad Bradley is not in her place. I move on to Gerry Kelly.

## Housing Stress: North Belfast

T3. **Mr G Kelly** asked the Minister for Communities, after thanking her for her earlier statement, which pleased almost everybody, and in reference to the fact that, in North Belfast, housing stress is a huge problem, what interventions she will use to reduce the huge numbers in that area. (AQT 613/17-22)

**Ms Ní Chuilín:** I thank the Member for his question. He will have heard in the statement that we are going to reintroduce ring-fencing for north Belfast, west Belfast and Derry city, simply because they are the three areas with the most persistent high demand and growing numbers of families and people on the housing waiting list and living in acute housing stress. As I said this morning, my officials are working with the Housing Executive to bring forward a scheme to have ring-fencing reintroduced as soon as possible.

**Mr G Kelly:** Gabhaim buíochas leis an Aire as a freagra go dtí seo. I thank the Minister for her answer so far. She may have answered what I was going to ask, which is this: will the Minister and the Department lead on ring-fencing to meet objective need? I add that the Housing Executive has the power of vesting, which is seldom used. There are times when it needs to be used, especially for land banking. Will the Minister comment on that?

**Ms Ní Chuilín:** We are looking at everything. This morning, at least one Member asked about land availability. It has, for years, been one of the biggest obstacles if not the biggest obstacle, next to budget, for the Housing Executive and, in particular, for housing associations in building homes, as has the availability of land in the areas of highest demand. My ambition is that, in ring-fencing, we look not only at numbers but at ways in which we can deliver for the numbers of people who live in housing stress.

## Irish League Football Clubs: Financial Support

T4. **Mr Robinson** asked the Minister for Communities, knowing that she will be glad to hear that it is another football question, whether she can confirm that her Department will provide financial support to Irish League football clubs, such as Coleraine and Limavady United, which, because of the pandemic, are suffering great financial hardship, with fewer supporters being allowed into their grounds. (AQT 614/17-22)

**Ms Ní Chuilín:** The Member will be aware that the £15 million sports hardship fund is available to all the clubs in his constituency, so fair play to him. The fund will be open for applications fairly soon, and funding will be available to clubs. The Member is right: a lot of the clubs have been hit really hard since the start of the pandemic.

**Mr Robinson:** Does the Minister agree that, because of the present virus situation, some of those clubs could go out of existence without government support?

**Ms Ní Chuilín:** I agree, and I put on record my appreciation and thanks, on behalf of us all, for the work that those clubs have done on the ground from the start of the pandemic.

It is not a football club, but, in my constituency, Ardoyne GAA, along with people from a community food bank, were up to all hours of the morning delivering food parcels for kids in deprived areas, and I know that Crusaders and Cliftonville football clubs, which are also in my constituency, have done the same. I know that that is replicated right across, so I want to give clubs as much support as possible.

## Sports Hardship Fund

T5. **Dr Archibald** asked the Minister for Communities, after thanking her for her earlier statement, which is the start of a really important transformation in housing, and warning that her question concerns sport as well, to clarify whether grassroots sporting clubs will be able to apply to the very welcome and recently announced hardship fund in their own right or will the applications be completed by the governing bodies. (AQT 615/17-22)

**Ms Ní Chuilín:** I thank the Member for her important question; I have been asked it a few times. To be fair to governing bodies, they need to apply for it in their own right, as do the grassroots groups. I do not imagine that any governing body will want to take responsibility for dealing with applications from loads of clubs in their sector. Anyone, be that a small group or a large governing body, can apply to the hardship fund in their own right.

**Dr Archibald:** I thank the Minister for the response. How long will it be until the money hits the communities?

**Ms Ní Chuilín:** I will get an update from Sport NI, but I was encouraged to hear its chief executive, Antoinette McKeown, make it clear

that, because of the nature of the fund and the hardship that groups in the sporting family have endured throughout the pandemic, she wants to get the funding open and available to them as soon as possible, as do I.

## Subregional Stadia Programme for Soccer

T6. **Mr Lyttle** asked the Minister for Communities, after welcoming her commitment to support Northern Ireland's preparations for the upcoming European Championship qualification play-off final, for an update on the subregional stadia programme for soccer. (AQT 616/17-22)

**Ms Ní Chuilín:** I am looking at the final business case for the subregional football programme. It has been a long time in the making. There had been variations to consultations and plans. They have been reworked and amended, but, hopefully, the final business case will be completed in the coming months. I hope to announce that as soon as I get everything else sorted.

**Mr Lyttle:** I thank the Minister for her update. Will the Minister seek to increase the budget for the subregional football stadia fund in line with any increase to the regional stadia fund? Will she give her assurance that the subregional football stadia funding will be allocated to clubs before the end of this mandate?

**Ms Ní Chuilín:** I want to make something clear: the fact that Casement Park has overrun in cost does not mean that that overrun will transfer to the subregional programme. That would be completely unrealistic. Does the subregional fund need more money? It does. When the final business case is done, I will see what money I have left to allocate from that fund, as well as any potential for additional money.

## Housing Executive Maintenance Contracts

T7. **Miss Woods** asked the Minister for Communities to confirm the value of maintenance contracts that have been awarded in this financial year, given that she will be aware of the negative impact that the pandemic has had on the maintenance of social housing and the urgent need to address that, with roughly £450 million of maintenance contracts awarded by the Housing Executive and a further £90 million expected to go to tender in the next 12 months. (AQT 617/17-22)

**Ms Ní Chuilín:** I will get the exact figure for the Member, because it has changed. It has changed because, as we mentioned earlier, there have been procurement challenges in some areas that have put back maintenance contracts. The threshold for challenging procurement contracts is so low that anyone with 250 quid can go into a court to object to millions of pounds of procurement to alleviate some of the worst conditions that people are living in. That is a disgrace. As I say, I will get the Member the exact figure.

The Housing Executive has brought forward a pilot scheme in its southern region that has brought the procurement list down by 40-odd weeks. I am willing to learn lessons from that and bring them forward. I know that the Member knows this, but the restriction to emergency repairs has created a wider gap in the maintenance programme. I will get a response to the Member, because I am also keen to find out exactly what the figure is.

**Miss Woods:** I thank the Minister for her answer. In the light of the severe levels of condensation and rising damp that pose a health risk to many Housing Executive tenants, which is an issue in my constituency, can the Minister confirm whether any contracts currently out for tender include urgent work on ventilation and the installation of replacement damp-proof courses, specifically for Northern Ireland Housing Executive tenants in North Down?

**Ms Ní Chuilín:** I will get the Member that information and detail. Unfairly, some families are being reared in houses where they have been impacted by respiratory conditions resulting from the conditions that they live in. That is a disgrace. I know that the Housing Executive is completely uncomfortable with that as well. I will get the detail and the information that she has asked for.

**Mr Speaker:** The Members who were due to ask topical questions 9 and 10 are not in their seats. Therefore, that brings Question Time to an end. I ask Members to take their ease for a moment or two.

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

## Executive Committee Business

### Licensing and Registration of Clubs (Amendment) Bill: Second Stage

*Debate resumed on motion:*

*That the Second Stage of the Licensing and Registration of Clubs (Amendment) Bill [NIA Bill 10/17-22] be agreed. — [Ms Ní Chuilín (The Minister for Communities).]*

**Mr O'Toole:** I thank the Department and the Minister for bringing the legislation before us today.

The earliest archeological evidence of beer making comes from around 8000 BC in what is now Turkey. It sometimes seems that Northern Ireland's licensing laws date from around the same period. The rules that govern how we sell alcohol are of a very old vintage. Sadly, unlike an oak cask of Bushmills laid down for decades, they have not always got better with age. Not only have they failed to keep up with modern tastes and habits, they have failed to properly support the licensed trade and, most importantly, to maximise the public good.

In supporting many of the broad intentions of the Bill, including removing the remaining restrictions on Easter opening, I want to say that the Bill is good in those respects but still falls significantly short of the reform that our licensing system needs. However, given that this is Second Stage, I hope that we can work together on the Bill to improve it and highlight the areas where there is consensus that we need further reform. That is particularly true when we consider the dire situation that our hospitality sector will face in the months to come. Our hospitality sector and our pubs, which mean so much to our way of life on this island, face perhaps their most dire situation.

I will deal first with some of the areas where the Bill introduces welcome reform. The removal of the remaining restrictions on Easter opening hours is very welcome. I will not rehearse all the arguments for why it is years, if not decades, overdue. Suffice it to say that the preferences and perspectives of some in society should not restrict the choices of other people.

It is welcome that those changes are finally being made. Likewise, it is welcome that the Bill

seeks to ensure that rules on underage people in licensed premises do not penalise, for example, young people attending awards events. I also welcome the extension of late opening opportunities for pubs with entertainment licences and smaller local pubs without an entertainment licence. Those changes are very welcome.

#### 3.30 pm

However, I am afraid that, in one area, the Bill is just not ambitious enough. As currently drafted, it may even be counterproductive. That is in the area of local producers. It is critical in the debate that we base our understanding of licensing and our broader drinks trade in the distinct history of that trade in Ireland. That relates to the production of beer and spirits and to the licensing or pub trade.

Relative to England and Scotland, the entire island of Ireland saw an enormous consolidation of our brewing and distilling businesses in the 20th century. Unlike in Scotland, Ireland lost a huge number of small local distillers, dozens of them in the North. Those distilleries included Coleraine, Comber, Dunville's — which has, wonderfully, reopened and is starting to produce whisky again in the Member for Strangford's constituency — and Watt's, which was based in Derry. My colleague the Member for Foyle and the other Member for Foyle will know about that. Derry was once one of the world's biggest centres of whisky production. All those closed during the 20th century, leading to a point at which, until a little over a decade ago, there was only one operational distillery in Northern Ireland, which was, of course, in Bushmills. Bushmills is critical to understanding some of the issues that we are discussing today. It is not just a global whisky brand. It is a high-value craft product that people want to try when they visit local pubs on holiday. It is also a tourist attraction.

In Ireland, local beer production was never as diverse as, for example, in England, where small breweries have always been a part of the scene and are completely entwined with local pubs. Purely based on anecdotal experience, those of us who have been in pubs on the island of Ireland and in England will know that. Over the decades, there have been many fewer local beer producers on this island. However, something remarkable has happened in Northern Ireland, across Ireland and beyond in recent years. Small brewers and distillers have emerged that are producing a remarkable range of local products and are creating not just terrific local produce but jobs, skills and local brands. The truth is that they have done that in

spite of rather than because of our licensing rules. It is normal, in other jurisdictions, for small breweries to have taprooms, which usually open for reduced hours, often in fairly basic surroundings, to familiarise customers with the brewery's offerings. They are then able to go to pubs or off-sales to buy the products. Unfortunately, we have a broader challenge in getting those products into our pubs and off-sales.

The Bill creates a producer's licence, but it limits it to, effectively, a single drink as part of a tour. I am afraid that that is not ambitious enough. We have some wonderful small producers here, but we are doing very little via the licensing system to support them. In my constituency, there is Bullhouse Brew Co in the Boucher area; just down the road in east Belfast, there is Boundary Brewing; Derry has the Walled City Brewery; Warrenpoint has the Mourne Mountains Brewery; and there are others across Northern Ireland that are doing wonderful things and producing wonderful products. I should have declared an interest at the beginning, which is that I am a very enthusiastic purchaser of those products and would love to be able to buy them in more premises.

Some of those breweries have taprooms, but those currently apply only where a local pub is willing to extend its licence to another premises via an occasional licence for usually around a dozen occasions a year. We need proper reform of that, and it would be good to work — I am sure that the Committee will look at it — to see if we could get a producer's licence that allows people to have a proper licence for a taproom that would allow them to maximise their offering. We need to do that because, frankly, we do not know where our pub and hospitality sector will be in a few months. We should not stand in the way of sustainable local businesses that want to create jobs —.

**Mr Buckley:** I thank the Member for giving way. I am supportive of the concept that he has talked about and, in particular, the restrictions that have been placed on microbreweries etc. Is it not a sad shame — I am sure that the Member will agree with me — that some of those brands are much more popular internationally than locally given the restrictions that are in place?

**Mr O'Toole:** I could not agree more with the Member. The hard truth is that, for too long, in our pubs and some off-sales premises in Northern Ireland and across these islands, we have had to put up with not-very-good beer. That is changing. We are producing great beer

in Northern Ireland, and we should do everything that we possibly can to get it into the hands of people who want to buy it. That is good for jobs and good for local production. It is a wonderful virtuous circle, and we should be doing everything we can to support it.

As I said, some of those breweries have taprooms, but they only have taprooms whereas a local pub or other premises are able to extend their licence on an occasional basis. I would like to see more ambition in licensing those small producers to sell their products to take away but also in taprooms, and I will support amendments to that effect. Yes, it is true that careful consideration is needed on how that works, but the broad intention should be not to limit how taprooms and local breweries operate but to be as ambitious as we possibly can.

Some Members raised the issue that local breweries might in some way be competing with more traditional licensed premises. The blunt truth is that most of those craft breweries — I have been to one, and the Member for South Down mentioned the Mourne Mountains Brewery, which is basically on an industrial estate on the edge of Warrenpoint — are not in the middle of towns or cities but on industrial or semi-industrial premises on the edge of towns and cities, so it is not as if they are in competition with more traditional pubs and licensed premises. I want to see more ambition in that area.

The core reason that we need to show that ambition is, to me, about the purpose of our licensing regime. It should be about protecting the public good, and I am strongly of the view that our amazing craft brewers and the distillers that have sprung up, particularly in the last decade, are, more often than not, creating good. The point of the licensing system should be to maximise the public good from the sale of alcohol while mitigating the real risk of harm from alcohol, and I will go on to talk about how we manage and mitigate that harm. Members, including the Chair of the Communities Committee, rightly acknowledged it, and it is critical to how the licensing system works.

That brings me on to my next thought on the licensing system. Others have talked about it today, and it is completely fundamental. It is not covered by the Bill. It may be that it is too ambitious and too big a task to endeavour to address it in the Bill, but we should look at it and I want to get the Minister's thoughts on it.

If we are serious about maximising the public good, we need to think hard about how long we

can simply leave unreformed what is known as the "surrender principle" in our licensing system. When the Bill was introduced, the Department's press release stated that Northern Ireland's liquor-licensing laws are largely based on the Licensing (Northern Ireland) Order 1996. Indeed, the Committee Chair mentioned that today. I am afraid that that is not completely true. I am not accusing the Department or the Committee Chair of misleading the House, because it is, in one sense, the case that the 1996 Licensing Order created much of our legislation, but our licensing laws are still fundamentally based on the pre-partition Licensing (Ireland) Act 1902, which, in key parts, remains on the statute book on both sides of the border. It was born out of a 19th-century belief that Ireland had far too many licensed premises for the size of its population. That may have been true in the late 19th century, and so it created a rule that still abides to this day. It is known as the surrender principle, which means that no new licences — basically, no new pub licences for either on- or off-sales — are granted.

On the face of it, the surrender principle is very hard to defend. It has led to the remarkable situation in which there is political consensus on the need to protect pubs, particularly small rural pubs, but our licensing laws incentivise the closure of those pubs. Let us all pause and think about that. We all agree, whatever our views of licensing laws — John O'Dowd put it very well earlier — that small rural pubs are at the heart of communities. They provide not only an economic function but a vital social and community function. They perform a mental health function for many isolated and often vulnerable people, but our licensing system has created this extraordinary perverse incentive that drives those rural pubs towards closure. How long can the Assembly leave that rule unchanged?

The surrender principle favours large supermarkets and convenience stores, which are buying licences to integrate off-sales into their premises. There is even an entire legal and brokerage support industry geared towards the transfer of licences. In preparation for today's debate, I found a website with case studies from a local liquor licensing broker. It reported how it helped to sell licences for two small local pubs — one was in Limavady and the other was in Cookstown — onwards to retailers. Those people are not doing anything illegal or immoral. That is the system in which they are operating, but is it really a defensible system? Those local pubs in Limavady and Cookstown are now gone. They have been lost permanently to those small towns.

While there is an iron rule that no new pub licences can ever be created in Northern Ireland, and indeed, generally speaking, across the island, there is no limit at all to the price that can be paid for a licence. That is why we see a constant exodus of pub licences to big supermarkets and convenience stores, or, in the case of Belfast, usually to the very largest hospitality businesses.

As an aside, but an important aside, that halts the development not necessarily of pubs and hospitality businesses but of retail premises, including some in my constituency. Large GB-based retailers, perhaps, acquire a site for development and then there is a halt to them getting hold of a liquor licence, so the development does not go ahead. I can think of one example in my constituency where the development simply has not gone ahead because there was a hold-up acquiring a liquor licence. There has not been a pub to buy it off, or there has been some delay or other in it going through.

If a small publican decides to retire and sell their business on, as is entirely their right, it is often the licence that is the most valuable part of that business. That is because of the scarcity created by the 1902 Act. It also means that any small operator without a great deal of financing faces a very large uphill task in acquiring a licence to simply run a local pub. That is the hard truth. If you are going to buy a local pub outside a city or town centre, in all probability you will have to secure a great deal of financing in order to buy a licence in a place where, with the greatest will in the world and with the greatest marketing effort known to mankind, there will always be a limit in the turnover that you can generate in a small rural area. I am sure that many colleagues will know pubs in rural areas that fit that bill — I used to work in one — and here is the thing: we need pubs. We need more people drinking in pubs relative to drinking in the uncontrolled environment of their own home. That is the point about harm. I speak as someone who grew up working in the pub trade and who has family still working in it. As an old boss of mine said, "There are no last orders in your own front room". Yet, despite everything that we know about the economic and community benefits of pubs, our licensing system is slowly killing them off.

I accept that the big outstanding question here will be on the value of existing licences, which is why we cannot rush into reform. I accept that it may be too soon to do anything significant in that regard through the Bill, but let us explore it. To be clear, we need reform, so I ask the Minister today to, at a minimum, commit her

Department to studying the long-term consequences of this aspect of our licensing laws — that is, the so-called surrender principle — and report back to the Assembly on possible reform. I am sure that the Committee for Communities specifically would be interested in that. That reform should also, of course, take into account the perspective and interests of the broad range of existing licensees.

Our licensing laws are archaic. The Bill takes some modest but very welcome steps forward, but we need to take more. We need to celebrate and support our amazing craft breweries rather than the global drinks brands that have dominated the policy agenda and the beer pumps in this place for far too long.

**Mr Stewart:** Thank you, Mr Deputy Speaker. It is good to be back. I thank you and the Speaker and everyone who sent me messages over the last couple of weeks when I was off ill. It is nice to be back on my feet and in the Chamber and back to work.

I want to say at the outset that this has been a really worthwhile discussion and debate. It is nice to see us being able to debate legislation. I know that there will be many more rounds to go and that the Committee will play its role in bringing that forward.

It is also important to recognise the great role that the hospitality industry plays and the responsibility that it has, especially in the current climate, in promoting responsible drinking and providing key aspects to our tourism offering and to our communities.

I want to touch on a few aspects of the Bill and then ask a few questions. Lots of what I planned to say has been discussed, but it is important to get it on the record. It is important to end and update the archaic licensing laws around the Easter holidays. That is long overdue and will be welcomed.

It is unfortunate. I think back to 2019, when I was coming back on a flight at Easter and there was a stag party arriving in for the weekend. Unbeknown to them, they were not going to have much fun. They were planning to go out and enjoy the sights and sounds of Belfast, not realising that the place would be locked down for most of the weekend. That is unfortunate. The Bill will bring us into line with the rest of the UK and Ireland.

**3.45 pm**

I will declare an interest at this stage, not only as a member of the Campaign for Real Ale, fan of real ale and former bar person who spent nine years behind a bar and collecting glasses while at university, but as a committee member of a sports and social club. Therefore, I have a fair idea about how some of this works. Many bar staff will welcome the extension of drinking-up time. Any of us who did it knows the real effort that it takes to get people to do their talking while they are walking at the end of the night. It was always a burden. That half hour usually involved people grabbing three or four pints and trying to neck them to get out within that tight time frame. A one-hour period will give flexibility and an easier offering to taxis. Anyone who has tried to get a taxi at last orders knows that you have half an hour to get one, you cannot get one, and people are standing outside and congregating. It is just a mess. That flexibility and that offering are sensible. It will provide a lot less, as I say, bingeing and a lot more ease of access to amenities at the end of the night. There will also not be that rush out the door in city centres, towns and urban locations when everybody is out at the same time. There can be a phased end to the evening. That is much more sensible and pragmatic. It looks as though the offer is there to end that if it does not seem to work out. It is unlikely that that will be the case, but there is that backup in play.

Again, the extension of late licences is good. Many nightclubs already have those in place. However, many of the social clubs and sports clubs that can avail themselves of those already use their 52 per year. Therefore, they will have that option in the bag, especially as they try to come back from the devastation of COVID. In a post-COVID society, they will have the added flexibility to try to provide as many entertainment nights and put as many more pounds in the coffers as possible. I welcome the streamlining of the process and the application process as well.

Perhaps the Minister can get back to me about an anomaly with regard to sports and social clubs. Many have massive pitches. My cricket club in Carrickfergus has a huge cricket pitch, obviously. That is hardly surprising. We want to have a real ale festival every year, and others want to do the same. However, the licence, as it currently exists, prohibits selling anything outside. You have to apply for a temporary licence, which could come in for checks and balances and a whole range of difficulties. Perhaps that can be looked into; if that facility were there, they could extend their wares outside, even temporarily. That would give much more flexibility.

I totally understand where clause 17 on loyalty schemes is coming from. I do not think that any of would us want to see a scheme whereby people were being encouraged to binge drink or buy more. However, many sports clubs and social clubs have a card facility, whereby you join as a member and the card gets you a reduced rate or member privileges. I would not like to think that members' clubs will be hit by that rule. I do not think that anyone wants to see points schemes in which you collect points, points mean prizes and the prizes are free pints. The schemes that exist in many sports and social clubs do not encourage that. Members are able to save money on the drinks that they buy and benefit from membership. It is important that people know who is in their club, so that they can have control over their members. Therefore, I will be concerned if the clause impacts on them as well.

I will turn to an issue that has been discussed by many — Matthew O'Toole, in particular, mentioned it a great deal — which is craft brewers. We have some fantastic ones here. I am a fan. We have the Hercules Brewing Company; Farmageddon Brewing; the Hilden Brewery; McCracken's Real Ale, which stocks our local club in Carrickfergus; Boundary Brewing; the Norn Iron Brewing Company; the Whitewater Brewery; and the Mourne Mountains Brewery to name but a few. They have got to where they are despite the regulations and legislation that are in place now; against all the odds, compared with their competitors in the rest of the UK and Ireland. It is testament to the entrepreneurial spirit and determination of those companies and the people who have given up other jobs to take up positions in the microbrewing industry that they have got to where they are. Up to now, and until this has even been discussed, they have not been able to sell online, at trade fairs or markets, or when they go to the Titanic market or the Christmas market. They cannot sell the stuff to you when you go to taste it in their premises. That seems completely out of kilter with our strategy to try to encourage entrepreneurial spirit and give companies a level playing field. Many are very responsible in what they do. They have a community ethos. They sponsor local organisations and work with communities. It is so important to grow that work. It is essential that we look at offering the taprooms' offerings, as happens in England, Scotland and Wales.

A company such as BrewDog in Scotland has gone off the scale in its ability to sell worldwide. The Tiny Rebel company in Wales, where I went to university, has done the same thing. They were given support and nurtured. That is

exactly what we want to do, because can you imagine where they could get to if we were to give the 10 or 12 that we already have and that I have just named that level playing field or even promote them above it? The possibilities are endless. These are responsible organisations using local products and producing stuff that, because of their offerings, could go anywhere around the world. There is potential in the growing Chinese market and in the Japanese market, and in America, where craft beer sales are going through the roof. Twenty years ago, you could not have given a gin and tonic or pint of real ale to anybody, but now everybody wants one.

This is just the beginning, and Northern Ireland could set itself up as a bastion of craft beer, craft ale, whiskey and gin. There is no reason that that cannot be the case if we give them all the support that they need. I would love to see that in the legislation. I welcome the stuff around the online aspects and the ability to offer tastings, but we really need to look at taprooms.

I get the concern from some in the sector that it might have an impact on them, but it is a completely different experience. The menu has a limited range. It is an experience that you might have before you go out. People need to understand that. As Matthew O'Toole said, a lot of the taprooms are not in the most desirable of areas. You are not going to go to an industrial estate for a night out, but you may well get a lift there with a couple of friends, where you can try a few and support the company. The company needs to get money in. That is the only way in which it is going to grow, especially in the current climate, so I would love to see that be the case. As Kellie Armstrong said, 99% of the products that we consume here are imported. If we could support our local industries, that would have such a positive impact on the community.

Again as Mr O'Toole said, we have a concern about the way in which our entire system is set up. It is not just here but across the rest of the UK and Ireland. Our community pubs are closing on a weekly basis. That was happening before COVID, and I can only imagine how many are not going to come out the other side of COVID, given its impact on them. We need to look at a different way for when they reopen. The current system, although working for some, is not working for everybody. It would be a real shame if many of those pubs close down and do not reopen. They not only are key economic drivers but are key to our tourism offering and to our community.

Many Members touched on the impact of household drinking, which, again, was rising pre-COVID and is now off the scale. You just have to look at the record figures for off-sales trade. People will say, "Fair play to them", but there is no control, no regulation and no social aspect to it, and there is no one to challenge them.

When I worked in the pub industry, I was always on the lookout. John O'Dowd touched on that. If you saw somebody come in who seemed to be a bit down or was drinking more than normal, there was that interaction. There is a danger that people lose that and disappear into the house and consume much more alcohol than they ever would, because their measures are not controlled, they are not concerned about the final bell, people are not challenging them or their friends are not saying, "Man, you've had one too many". Household drinking was growing before, and it is undoubtedly growing now. My fear is that, if we see a lack of pubs open and more pubs closing, we are going to see more and more people drinking at home. That can hopefully be addressed in the legislation, because there is no way of controlling that at present.

Those are a couple of issues that you may be able to come back to me on, Minister, although perhaps not today.

**Mr Dickson:** I thank the Minister for bringing forward the Licensing and Registration of Clubs (Amendment) Bill. I seriously hope that the Bill will progress into legislation during the lifetime of this Assembly.

The legislation builds on previous legislation that was brought forward by my former Assembly colleague Judith Cochrane, when she introduced a private Member's Bill permitting the sale of alcohol in large stadia. Many of the things that you are moving on to in this Bill are things that she had hoped to incorporate in that Bill, but time was against her.

I support various parts of the Bill, and I want to ask the Minister whether she will consider amending it to enable local producers to sell their products on their own premises. The Alliance Party is very supportive of an amendment to allow a producer's licence to be added to the legislation. Those changes would be very welcome in our towns and cities, with the addition of microbreweries and similar clear opportunities for tourism, as is the case in many parts of the rest of the United Kingdom, the Republic of Ireland and other parts of the world.

Allowing breweries or distilleries to sell their own products does not constitute a quasi-pub. Taprooms are the norm across the world where visitors to breweries can relax and build a connection with the brand, without having to limit their stay to a small sample after a tour. Given that local breweries only wish to sell their own products, this is not competing with the pub that can sell a wide range of products. Large breweries are, generally, located in industrial estates and are primarily manufacturing companies. That certainly is the case in Northern Ireland. The experience is completely different from sitting in the comfort of a village, town or city pub where the beer might even be brewed on the premises. That is the concept that we are trying to get over: the comfort of being able to do in-house brewing for people to sit in the premises where the beer or other products are produced.

**Mr O'Toole:** I am grateful to the Member for giving way. I wish to touch on something that I forgot to mention in my remarks. Does the Member agree that the biggest tourist attraction, by volume and revenue, on this island is the Guinness taphouse in Dublin? Clearly, that is a very well established brand, but that taphouse has a licence downstairs. There is a bit upstairs where you cannot buy drink, but you can buy the product downstairs. That does not jeopardise the revenue of any of the pubs around Dublin that seem to sell quite a lot of Guinness, despite the presence of the Guinness Storehouse.

**Mr Dickson:** I totally agree. What we are trying to achieve, Minister, is to allow publicans, other businesses and those who are dedicated just to the sale of their individual product to be able to do that and boost the tourism and business offering in our small towns and villages across Northern Ireland. Large-scale breweries require infrastructure that would make it very difficult for them to open in our towns or cities. The planning processes designed to allow them tend to be in industrial estates. What we are trying to achieve, by a change in the legislation and a change in direction of the legislation, is to allow small microbreweries to develop in their own right and, indeed, publicans to develop them inside their own businesses. The shop window might have all the stainless steel and brewing equipment and, perhaps, the smell of the product coming into the street, just like a bakery. That may very well encourage people to come inside and partake of the offer.

Alliance agrees with many pubs and clubs that the situation where taprooms can use occasional licences is not ideal, and that needs to change. That is why we believe that local

producers need their own licence to ensure that all the regulations and requirements for selling alcoholic produce can be monitored and measured. We very much appreciate the need to control the sale of alcohol, but this is just doing it for another group of people who want to sell their product in a different way. There has been opposition from some in the hospitality sector, who see the legislation as promoting competition against their businesses. Minister, I disagree with that. There is potential for us to expand the tourism sector, promote Northern Ireland as a place to visit, particularly for its microbreweries, and enhance our towns and villages. Others in the Chamber today have told us the names, and, indeed, the location, of many of those breweries, but other alcoholic beverages can equally be produced and sold at source.

The Bill will not deal with trading in public house licences, and other Members referred to that. Alliance is very clearly in favour of changing the dynamic to support pubs being retained in our communities and to stop many of those limited licences being sold on to the supermarket trade.

Others have made a very clear point that, in the atmosphere of a public house, there is substantially more control, and we should not lose sight of the health and other concerns about the consumption of alcohol.

#### 4.00 pm

Alliance supports the increase in the number of late licences for pubs and clubs, and we are delighted to see the changes to Easter opening times, which are long overdue and which we have supported for a long time.

We also welcome the clarification on school formals. My goodness, that is stuck in the middle of all this, but it is important. Young people should be able to enjoy themselves at an event and should not be constrained by the time because the premises happen to be licensed. Where licensed goods are not to be made available on those premises, there should not be any reason why young people cannot stay after 9.00 pm for school formals and similar events.

We expect that there will be a great deal more debate about extending drinking-up time, which will mean people coming out of pubs and clubs at 3.00 am. That will change the dynamic for many, including taxi and other businesses.

The debate on the licensing and registration of clubs will continue in the Chamber and in the Committee for many months. We support your aim, Minister, to have the legislation passed in time for Easter next year.

**Mr Deputy Speaker (Mr Beggs):** I now call Pat Catney to speak on his specialist subject *[Laughter.]*

**Mr Catney:** You can call time on me any time you like, Mr Deputy Speaker.

To start with, my family has been involved in the business for, as far as I can trace it back, about 100 years. We were involved with a little pub in Lisburn called the County Down Arms. In fact, that is where my mother first worked for her uncle when she came up from County Cavan. There have been many, many changes in the industry. We all know that change happens, and sometimes change is for the best. I have said before that at an early age — I was 15 — I was able to go to a great publican called Paddy Swale in Moira, where I worked in The Four Trees. It is great to see that the Hughes family, whom I went to see in Lisburn, are now manufacturing the RubyBlue spirit in Moira.

Again, there have been many changes. When I was young, every pub bottled its own Guinness. Bottled Guinness was the real ale; that which came in draught form later was not. I just want to give you the history. Pubs specialised in how they kept their Guinness at room temperature. That has all changed now, because the market, since the introduction of pasteurised beer, deems that it must be chilled and cold. I remember draught beers coming in. I remember trying to sell the single X that was on the counter. Again, there was a specialised knack to pulling that. I was very lucky, as I say. It was all about your time served then, when I started out; it was an apprenticeship. We had to cut back our spirits, our rum and our sherries, and we did our own bottling. That has all moved on, and, hopefully, it has moved on for the best.

A family member is still involved in pubs, but I think that it is worth mentioning that my friend Terry Cross is building a state-of-the-art distillery on the outskirts of Lagan Valley. What he has brought out of the ground is an absolute credit to him. I recommend that everyone try to see that. Minister, I extend the invitation to you. It is worth seeing. He has three pot stills: the largest one is called Donard after the largest mountain in the Mourne; there is the middle one; and the little one is called Binnian. It is worth going to see. There is a gin still there as well. That is new and fresh out of the ground,

and it is there on our doorstep, on the outskirts of Belfast. It involved quite a lot of money, but he would not have spent that money if there was not a market for it.

From that, I go to where I live in Hilden. Across the road from my house is the Scullion's brewery. Ann and Seamus left and went to England, but they came back with their young family and bought the manager's house, as it was then, that was part of the thread factory at Hilden, which was one of the biggest factories in the world, employing 5,000 people. They opened their brewery, and I stocked their beer from the start. They gave their different beers local names such as Hilden Halt and Hilden Ale, and they named their Belfast Bap beer Barney's Brew after the baker, Barney Hughes. That ties into all that history.

**Mr Deputy Speaker (Mr Beggs):** I ask the Member to connect his remarks to the legislation.

**Mr Catney:** I am sorry, Mr Deputy Speaker. I will get to it now because it is all connected.

The Hilden brewery had great difficulty in getting its product into licensed premises. The two big brewers at that time were Guinness and Bass Charrington, which operated out of west Belfast. They had a monopoly because of the cost of licences for public houses and they bought up the franchises so that publicans could buy beer only from them. The Hilden brewery had to work as best it could with independent public houses in order to stock its product.

Nothing much has really changed. The situation is the same and is detrimental to the growth of those businesses. That little brewery in Lisburn can probably sell more beer in the South of Ireland market, but it cannot sell in the public marketplace here. You can go for a tour at Hilden and, at the end, you are allowed a small sample. The brewery should have the right to sell its products on its premises. That is what I want to say to the Minister. That would make such a great difference.

I want to turn to the growth of the real ale business and how it progressed in Belfast. I organised the first real ale that we had in the old Kitchen Bar, as John said, with CAMRA. I remember trying to find some different beers, and there was a brewery in England that named its beers after Second World War planes. One of them was called 'Spitfire', which was about 3.9% — believe me, it is all related, Mr Deputy Speaker — and it was a social drinking beer. They had a stronger beer named 'Hercules'

after the transport plane that was used in the Second World War. Their winter warmer was a special beer of 8.9%, which was called 'Over and Out'. *[Laughter.]* The point is that they tried to relate to where they are. That was my general point in that regard.

**Mr Newton:** On a point of order, Mr Deputy Speaker. Which clause is the Member speaking to?

**Mr Catney:** I am coming to it now. *[Laughter.]*

**Mr Deputy Speaker (Mr Beggs):** He is very engaging, but I encourage the Member to relate his comments to the Bill.

**Mr Catney:** I welcome any movement in the licensing laws for Easter. My income went out the door when I had to close on Good Friday. That said, any such movement will not be enough without a complete change to the licensing system. There will not be many bars left to take advantage of extended opening hours. In fact, the only industry that seems to do well as a result of the surrender principle are the supermarket off-licences because they buy the bulk of those licences.

I bought two extended licences in County Tyrone and brought them to Belfast where I opened the Laurel Glen Bar and the Portside Inn with them. So, at least I bought a licence and brought it back and was able to use it again in a public house. As a bar owner once put it to me, a supermarket off-licence is a tombstone for a recently deceased, independently owned bar. COVID has hit bar owners hard. If we do not want to see more tombstones popping up, we need to change the surrender principle now.

Our licensing laws do not work for bars, but they also do very little to curb excessive drinking. In the bar, excessive drinking was bad for trade. For every one dangerously drunk person in your bar, 10 people can see that person and will not cross your door again. Bar owners do not strive for excessive drinking; the vast majority actively work to prevent excessive drinking. We have already heard recent statistics about the 65% of people who are drinking at home. Drinking occurs at home, but it is wrong to blame bar owners for that.

I spoke to someone the other day after the bars had closed, and he was an active pub drinker. He has not touched a drink since the bars closed. I believe that the public house sector can sell alcohol in a controlled atmosphere. The proposed reform will allow for off-sales and occasional licences, which is important and

useful for getting access to sales. However, Hospitality Ulster's opinion that only a single pint should be allowed after a tour is outdated and fails to recognise where craft beers fit into the market. I say that as an ex-member and ex-chair of the Belfast and Ulster Licensed Vintners' Association, which became Hospitality Ulster, as was my brother.

Any kind of substantive access for Northern Ireland trade is stymied by the actions of the big multinational brewers. Hilden Brewery, our oldest independent brewery, has found that out to its cost. Craft brewers believe that their indigenous industry can grow if they are given the right tools by the Assembly. The public and, importantly, tourists must be able to drink a brewer's own beer on-site without restrictive clauses. With greater exposure, it will be harder for the big brewers to deny entry to craft brewers to the market as they do now. Small craft breweries selling their beer on-site was never intended as a replacement for the pub, but it is something that Northern Ireland is missing that the rest of the UK has. Indeed, many countries support their small entrepreneurial craft brewers.

I have often spoken about the incredible craft distilleries and breweries that have sprung up in the last number of years. They are creating and producing a world-renowned product, and they are worldwide winners. They are also energising the industry in areas such as sustainability and are bringing back the heritage of our industry. Without the backing of the big companies that are meant to support them, pubs face an uncertain future with Brexit. However, we are attacking them with ridiculous laws that stop them from giving their products to visitors in their distilleries or breweries. That is not a health issue: no binge drinker is going to the local independent brewer to pay a premium for a local product. We love to talk about tourism opportunities in the Chamber, but here is a world-renowned industry that is capable of bringing visitors from all over the world, and we are holding it back with our odd off-days and useless laws.

Hampering local entrepreneurs does not boost the economy. Sales are an important source of revenue, which prevents them having to sell to the distributors, and that is where the problem lies. Small breweries find that they cannot go to market because the pubs have contractual clauses that mean they can buy only from the big brewers such as Guinness and Heineken. When consumers cannot get their local craft beer, they head to the supermarket or off-licence to buy a global brand with no connection to our people or economy.

As a bar owner, I have seen the devastation that alcoholism can cause. I have worked to try to help people who have been affected by alcoholism and, unfortunately, I have had to attend some of their funerals. It is right that we do all that we can to prevent alcoholism and to help those who have that terrible disease. Our current licensing laws do not give that protection: they are bad for the industry, bad for our economy and have little impact on the people whom they are supposed to protect. The licensing laws must be reformed, and we must take this opportunity to do so.

Thank you very much, Mr Deputy Speaker, for indulging me. I wanted to go down memory lane as everyone else seemed to be taking their time.

**Mr Nesbitt:** Earlier, Mr Durkan seemed to invite Members to see how many beer-related puns they could slip into their remarks. I have to say to Mr Durkan that I am not rising to that challenge. I am going to bottle it.

I welcome the focus that the Minister is placing on these issues, which is not to say that I am in accord with the legislation as drafted. I will touch on that in a moment.

As this is Second Stage, I will stick to the Bill's principles. The principle through which we need to test the legislation is whether what we are doing is fair and equitable, particularly for that sector of the economy. COVID-19 has impacted very badly and harshly on the hospitality sector, as many Members have said. I am sure that we have all met owners and operators of bars who feel badly done by, having invested in recalibrating their space to ensure social distancing. There are now a lot of outdoor spaces for eating and drinking around this fine city. Is the Bill fair and equitable, and are we doing our best to protect the livelihoods of 65,000 workers and to open space to grow a key sector of the economy?

#### 4.15 pm

I will touch briefly on three areas. Is the proposal to extend opening hours fair, and is it a reasonable rebalancing of what we currently have? The Committee, no doubt, will form a view on that. Mr Allister raised an important point when he directed us to the explanatory and financial memorandum and the fact that the Police Service of Northern Ireland had been asked to take a view on the impact of extended hours on its service. Paragraph 27 states:

*"The PSNI advised that there would be an impact on its shift system and therefore expected overall a major impact on resourcing both from a financial and staffing point of view."*

I declare an interest as a member of the Policing Board. Members will know that the Police Service of Northern Ireland does not have an elastic or open-ended budget. A "major impact" on resource in terms of finance and staffing is something that the Committee will have to look at seriously.

I think that we all agree that we have become something of an anomaly in western Europe where the Easter restrictions are concerned. I acknowledge Easter as a critical moment in the Christian calendar. I would not want to do anything to prevent anybody marking it, but I do not think that restricted opening hours has any impact whatever.

I have a difficulty with the legislation with regard to microbreweries. I was in Bath, in the south of England, where one of my sons was a student. He took me out one day just around the corner from his digs into an industrial estate, where he bought me a pint of beer because there was a microbrewery there. It was not the sort of place where you would want to spend an evening because it was an industrial estate, but, if I went to one of the microbreweries in my constituency and the owner tried to sell me a pint of beer, he would, under the legislation, commit a criminal offence; in fact, under article 52B of the Licensing Order, he could be punished with a four-figure fine. I just do not see the logic in that, so I encourage the Committee to look closely at what more it could do to free up those who are growing the microbrewery sector in this country.

John O'Dowd made some points about barmen knowing their regulars. I am a founder member of the Ards Suicide Awareness Group, which has civic-minded people go round schools and shops. Just before the first lockdown earlier this year, we were working with Colin Neill and Hospitality Ulster, and we talked about getting into the pubs and restaurants in Newtownards to try to train up the barmen because, as Mr O'Dowd said, they have regulars and they know when they are a bit off form and may be having some mental health issues. We can give them training not to make them counsellors but just so that they know the signs, the questions to ask and how to signpost people. I would be delighted to talk further to the Minister. If we can get that pilot scheme going in Newtownards, it is something that you could roll out across the country.

**Miss Woods:** I thank the Member for giving way. Just for his information and that of others, a scheme has already been rolled out in communities by ASCERT, which has trained drug and alcohol responders. I have been trained in that, and I functioned as the responder in my previous workplace.

There are schemes there, and perhaps the Committee for Communities, the Committee for Health and the wider Executive could look at rolling that out to all pubs and restaurants so that people who work on the front line with sometimes vulnerable and lonely people can facilitate meaningful conversation.

**Mr Nesbitt:** I thank the Member for that intervention. With mental health, we should take services out to the people rather than expecting people to come to our hospitals. We do not need to medicalise the problem.

I will finish there, except to say that the Minister made some mention of bitters. I wonder whether it was Angostura bitters that she was talking about. It seems to me that, if you are not aware of that, you have never had a highball. If you are not a teetotaler, you are missing out and denying yourself. I recommend that you get a nice whiskey and ginger ale later tonight.

**Miss Woods:** From the outset, I will say that I might be here a while. I cannot even begin to follow Mr Catney's discussion, but, like him, I have a lot to say. Members of the Communities Committee will probably be glad that I do not sit on it, because I would certainly like to get my teeth into this. I suppose I will use this as my response for the Committee to pick up and give you some workload.

I really welcome the opportunity to speak at Second Stage today. The Bill has been a long time coming, to say the least. I will begin by declaring a big interest as a frequent visitor to licensed premises and because, up to earlier this year, I worked in the industry in a pub in my constituency and had done so since I was 15.

On the face of it, the Green Party supports calls to create an environment that can support the responsible sale and consumption of alcohol while supporting the hospitality sector in Northern Ireland. We all know of the recent issues with and pressures on the sector because of COVID-19 and the ever-changing landscape of restrictions, which must be mentioned. We are discussing this Second Stage right in the middle of the newest bout of restrictions faced by the industry, some of which are, frankly, a bit bizarre. There are

different rules around carry-outs that have apparently no evidential basis or grounding — unnecessary discrimination or a failure of common sense. The Bill will not be any form of panacea or silver bullet for where we are currently, but, if it is done right and it is passed in good time, it can make a difference on the other side of the COVID-19 crisis. I encourage that to happen.

Before I get into the commentary on some of the clauses and give the Committee some pointers to look at, it is important to reflect on the hardship currently experienced by the industry, and the Bill relates to it. The accompanying explanatory and financial memorandum puts it bluntly:

*"The current economic environment is particularly challenging. The restrictions placed on the hospitality sector as a result of the COVID-19 pandemic have been unprecedented. The sector was one of the first to close and amongst the last to fully re-open."*

As I said, the sector has been one of the most affected by the new restrictions. It continues:

*"Government support has been provided and the sector has been working to preserve businesses, services and jobs."*

Owners and staff have gone above and beyond to adapt to the changes, creating safe environments in which they can operate and function. Businesses that had to rely on small grants to pay their bills for months had to invest heavily in screens, PPE, sanitisers and training, which, mostly, they did, only to be shut down weeks later. Many workers face a very uncertain future with reduced hours or no hours, redundancies or just being let go. It is crucial that assistance to the sector continues, and we must look to expand the support to the industry through this legislation and beyond.

I fully support the calls made last week by Unite for a hospitality and tourism rescue plan. Its opening statement makes for sobering reading:

*"The hospitality [and tourism] sector is the third largest employer in the UK [and Northern Ireland], creating one in six of all jobs and employing six million people (3.2 million directly). If urgent action is not taken",*

hundreds of thousands

*"of these jobs could be lost over the next"*

three months, and more than half —.

**Mr Deputy Speaker (Mr Beggs):** I remind the Member that this is not about the COVID crisis; this is about the licensing Bill. Please relate your comments to the Bill.

**Miss Woods:** Absolutely. Just to remind —.

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

**Miss Woods:** I will give way.

**Mr Carroll:** Will the Member agree that it is important that other parties support Unite's hospitality rescue plan? It is an important mechanism to support workers in the COVID period and the looming recession round the corner.

**Miss Woods:** I thank the Member for his intervention. Of course, I think that, and I have emailed all of the party Whips this afternoon encouraging them to sign up to the motion that Mr Carroll and I submitted today on that very rescue plan. I encourage you to engage with your parties on that.

To the Bill, Mr Deputy Speaker. We have to realise that we have a lot to do to help the hospitality industry and the workers in the short, medium and long term in general.

We are already experiencing a lot of people leaving the industry, and that also needs to be looked at by the Committee. I hope that the Communities Minister and the Economy Minister will consider this as forward work. I also encourage, as part of their scrutiny, the other relevant Committees to look at the issue with the unions, the sector representatives and those who actually work in the industry. Action is needed, with the right people around the table. We should celebrate the fantastic hospitality and tourism offering and staff that we have.

The Easter opening hours in Northern Ireland are farcical. Our opening hours have become the subject of scrutiny in recent years, notably during the Open last year, and understandably so. Restrictions on the sale and consumption of alcohol on Good Friday date back to 1833 and the current position to 1924. We are nearly 100 years on from then. All restrictions should be removed, and I am glad to see that in the legislation that has been laid.

I note that, during the time that the Assembly was down, all the parties on the Executive signed up to changing the Easter opening

hours. It formed part of the NDNA agreement. I hope that, next Easter, we are not in a situation in which there are still restrictions on opening hours because of some undue delay in the Assembly. Although I respect the incredibly important Committee scrutiny process and the time that is necessary for Assembly debate at all the relevant stages, this legislation should be expedited. Easter opening hours mean not only a business and financial loss for licensed trade, estimated in 2018 as £20 million, but shorter shifts offered to staff that week, with part-time and temporary staff frequently losing out. I have personal experience of that. At Easter, members of staff will often not have the full shifts that they are used to over the weekend, whereas full-time members will have to work longer shifts in order to make up their hours. The bars and pubs are not as busy as normal. They are busier at different points, and earlier closing hours mean that normal-length shifts are cut. That affects not only the wages that come in but the tips collected, which, I am afraid to say, are a vital supplement to the low wages that our workers are paid. A similar situation is felt by those in our kitchens, with our chefs, kitchen porters, prep cooks and cleaners having their hours cut because of the licensing restrictions, not to mention businesses that rely on trade from the industry, such as other restaurants, takeaways and taxis.

As is stated in the consultation document, there has been a significant increase in the number of local producers in the past 15 years in Northern Ireland and an upturn in the market for locally made sustainable craft beer, cider, gin and whiskey. Discussion has been ongoing about the possibility of having a free tasting sample of the product versus being able to open as a taproom. I know from going to, say, the Teeling and Jameson distilleries in Dublin, that that is commonplace. You can get a selection at the end or a cocktail. Doing that could showcase our quality local producers. The restrictions in the Bill make no economic or financial sense to those who want to increase footfall and trade, especially those targeting the tourism market.

I have a few questions about clause 8, which is on the sale of producer-made products. What reason is there for the inclusion of article 52B, whereby producers can sell their product only for consumption on the premises, restricting it to samples or as part of a tour? I would welcome much more detail on that clause, which seems overly restrictive. If a tour operates from Monday to Saturday, for example, for a certain number of hours during the day, realistically how much is a producer going to sell? Does that make economic sense for investors? There is much discussion on that

element of the Bill already, and a number of Members have touched on part of it. If breweries are allowed to open all the time, there are fears that they will sell not just their own product and that that will affect the traditional pub trade, which operates under different licences. I wonder whether the Department has engaged on that so far. I would like to know what other models have been looked at for local producers to sell their product. Have we looked at the English model rather than the Republic of Ireland model and considered how that could be done here?

Many Members will have been lobbied about the amount of money that bars and pubs have to pay for licences and fees, which are incredibly high. Do not get me wrong: they are extremely high. Will a brewery, able to open as a taproom to sell solely its own product, which bars and pubs perhaps do not sell, impact on their footfall, however? Will the Committee look at that? As I said before, I ask the Committee please to engage with all the sectors and listen to their concerns on fees and amounts that they have to pay to operate. Surely we can then get to a place that has a more level playing field.

Mr Catney mentioned something that I wish to touch on again, and it concerns the size of the distributors in the Northern Ireland market. He mentioned Guinness and Heineken, while I mentioned Diageo and Tennent's. It is fundamentally unfair that two, perhaps three, distributors have a monopoly on the market here.

That can be to the detriment of the small independent producers and their ability to supply local bars, even as part of a chain or as an independent pub. Monopolies also put pub owners in a position in which they have to sign up to agreements with the big suppliers because of the financial situation that they find themselves in and the incentives that they can offer. That must be looked at.

#### 4.30 pm

In clause 4, paragraph 1(b) of article 52C, which relates to the local producers' licence and sale on other licensed premises, states that liquor produced in the production premises can be sold if it:

*"is ancillary to an event which is held wholly or mainly to promote food, drink or craftwork produced in Northern Ireland or relates to agriculture in Northern Ireland."*

What does that mean? I hope that the Minister can tell me and provide a few examples. Who decides on the nature of the event? Is it the Department? What is it based on? That question applies equally to the designation of a major event, as addressed in clauses 6 and 25.

Liability must also be addressed. If, for instance, a producer sells an unopened product that contains alcohol at an event, and the purchaser opens it, who is liable? Is the seller liable? Surely not. It must, therefore, be the purchaser. However, one does not hold off-licences responsible for anyone opening a bottle on the street or away from their premises — not that anybody would. That is the responsibility of the opener.

If we try to think back to before COVID-19 and the lockdown, we will remember that people were going out later. In my experience, people were heading out for food later, rather than going to get something to eat or drink straight after work at 6.00 pm, which is commonplace in London. Booking time in some places was extended to 10.00 pm and beyond. Many people ate at home but came out later to experience the great live music and local talent that was being hosted in our bars and clubs — another industry that we need to do more to support. As people were going out later, there should have been an allowance to increase the permitted hours currently granted for those places, where suitable.

I welcome the inclusion of the extended opening hours in the Bill. Those changes would also support the much-needed growth in the night-time economy, as well as the tourist industry, across Northern Ireland. The increase of late licences from 20 nights a year to 104 is good for small pubs. It is a measure to support their sustainability, as they often form an integral part of the community. For the same reasons, and in the interests of parity, I welcome the proposals to include registered clubs, as they are crucial parts of our local community. However, any extension of hours should be considered alongside the impact on residents who live around public houses and licensed premises so that there is no additional adverse impact to their neighbourhood environment, especially with noise.

It should also be made clear that there is no pressure on any business to stay open for longer. The choice will lie with the business and be suitable for its environment.

We should also look at having staggered opening hours for different types of licensed premises, particularly in urban areas. Concerns

are often raised about increases in antisocial behaviour in the period after bars and clubs close. The impact that the proposed changes might have on the PSNI's costs and resources were mentioned in the explanatory and financial memorandum (EFM), as Mr Allister also raised. I also noted that there had not been a response by the date on which the Bill was printed. I hope that the Minister can address that in her summing up.

We all know that people struggle to find suitable transport home after being out for the night. Many Members may know of the queues in which people have to wait at kicking-out time. They are all looking for a way home in a taxi, lift or via the very limited public transport available after closing time. A few years ago, I waited, on my own, outside a well-known premises in Belfast, after a gig, for three and a half hours before getting home. I would love to have got the bus.

A staggering of hours could see a reduction on the pressures of managing large numbers of people. Will the Minister comment on that? Was staggering or sequential closing time part of the consideration in the development of the Bill?

Any extension of hours should also be considered alongside the impact on staff and working hours. A premises that opens for an additional permitted hour will mean one extra hour of work for staff, at a minimum, for drinking-up time allocation, the clean-up and locking up of the business. It should also be considered alongside the impact on residents around licensed premises and public houses so that there are no adverse consequences. Business owners should adhere to the legislation and regulations on the working time directive, be mindful of busy and stressful shift patterns, ensure that enough quality breaks are given, and that rotas conform to the working time directive and agreed contracts.

Members should note that staff do not get any premiums for working into the wee hours. There is no double time, time and a half or Brucie bonuses for working into the next day, or double time on a Sunday. They are long, hard shifts in which staff often have to deal with difficult people in difficult circumstances. Perhaps it is a conversation for another time, but why are we not giving our, often, lowest-paid staff an extra few quid for working late? Is there any way of putting that into statute? Could Ministers think about bringing that forward? I would support any moves that would mean staff being safely transported home without being further out of pocket for the hours that they will have to work, given the additional time in this

Bill. Perhaps we have some learning to do from Scotland in that regard.

The drinking-up time is currently 30 minutes from last orders. This is, apparently, to allow for a more controlled consumption of the last drinks served. Clauses 5 and 24 change the allocation from 30 minutes to one hour, if there is a late licence in place, to discourage the overconsumption of alcoholic drinks, according to the EFM. As we know, at times, large numbers of drinks are bought in rounds, which are consumed during this short drinking-up time. Once last orders are called, someone can go to the bar and order two pints to finish in half an hour — or three pints or four pints; you get the idea. However, without having a limit on the amount and the type of drinks served during this time or closing some sections of the premises before other sections — a route I am sure that nobody wants to take — it is very difficult for staff to manage that rate of drinking, as those drinks have been legally served during permitted hours. That is regardless of whether it is 30 minutes or one hour; it is the same system.

There are also issues where larger premises with multiple bars have the same drinking-up time. If you are full — not full-full — as in, there are lots of people around, *[Laughter]* and, if you have a situation where potentially hundreds of people will be piling out onto the street just an hour later — I touched upon that previously when I mentioned staggered closing times — the extension of drinking-up time in clauses 5 and 24 could allow for better management of people. It might not lead to further purchasing of drinks during this time, but a longer period in which people can finish up or choose to leave it and to go home, but only if it is managed properly. That is surely down to the individual business to put in.

I ask the Minister, and I encourage the Committee, to investigate this thoroughly. What evidence is there to show that extending drinking-up time leads to the claims that are made, especially that it would discourage overconsumption? How can that be put into practice effectively if it is actually about the way in which drinking-up time is managed by the premises itself?

I encourage the Committee to speak to the workers in this industry, who have direct experience of drinking-up time, and to ask them what happens, how it impacts on staff safety, how to minimise the abuse that is directed towards them and what the potential impacts of this legislation are. I am more than happy to help in any way with such discussions or to

bring in some people who might want to talk to you — there are plenty of them.

On another point, consideration would have to be given to premises that remove people from inside the building to outside after the drinking-up time is over, as perhaps drinks can only be consumed in that outside area; as well as the impact that noise would have on residents, if applicable. I encourage the Committee to consider this in all of its deliberations.

Clause 13 provides for further regulations on the delivery of alcohol. Online sales for deliveries to households have increased, as we know, from shops, supermarkets and e-commerce platforms. Shopping online has become the norm. Notably, many people relied on online shopping and deliveries during the first COVID-19 lockdown.

**Mr Stalford:** I appreciate the Member giving way, and I thank her for her remarks. The Member will be aware that this Bill is from the Department for Communities, but the Department of Health should be working in conjunction with that Department. We were informed some time ago that there was to be a public consultation on minimum unit pricing for alcohol. Does she agree that it is disappointing that that conversation has not started yet?

**Miss Woods:** I thank the Member for his intervention. I will come to that later, as I have quite a lot here. I note that the consultation that was put out by the Department when the Assembly was down did discuss minimum unit pricing, but that is not in the Bill. Perhaps that is something that the Committee could bring forward. With regard to Departments working together, all Departments should be working together on all legislation because we have a lot of things here that I might mention, and that others have mentioned, that are outside the scope of one Department. It is really important that we do it all together.

To go back to the delivery of alcohol, a lot of people had deliveries to their houses from the big supermarkets or their local shops. For those who were shielding or self-isolating that was often the only way of getting groceries and essentials. Perhaps the Minister can address any discussions that she has had or any consideration that has been given to incidences where someone under the age of 18 may have to accept a grocery delivery and how that can be done under this legislation.

For example, someone at the residence has to sign for the delivery of shopping that includes a bottle of wine. That might be a young person

who is the carer for adults. In light of COVID, a member of the household who is under 18 might have to open the door to a delivery because the adult who ordered it is isolating. We have to think about the more nuanced issues that are coming up this year. Restrictions should be mindful of and consider other circumstances. I note that this would require a change in the way that online shopping is conducted and managed. However, we did that earlier this year, for example, when priority slots were given to those who were shielding. Regulation can be done better. There should be consultation with online platform operators to ensure that this is rolled out and that, if it is, it is done practically and any unforeseen consequences are considered. I hope that the Minister and Committee will be mindful of this.

Furthermore, clause 13 makes reference to the need to record details in the delivery book or on an invoice of any proof-of-age document that they had requested. That also applies to places that are not licensed but where there is entertainment being held or that are used as a club. I have a number of practical questions about this. What happens if nobody has a proof-of-age document to hand? What happens if there is no ID available? Will that bottle of wine or case of beer be returned? We may need a wee bit more detail on that. As regards those people who are in charge of accepting deliveries in a workplace, the responsibility should be on the owner or manager to ensure that the appropriate staff are on duty at the time, that there is adequate training in place and that everyone is familiar with what the age-verification processes are.

Clause 16 imposes restrictions on off-sales drink promotions in supermarkets, meaning that they can advertise offers on drinks only in the designated off-sales bit. Much research has been done globally on the effects of advertising on consumer behaviour and, in particular, the effects of the advertising of alcohol on children and young people. From a public health perspective, the level of advertising of harmful products should be limited. While there are no real issues with this, I would like to know what, if any, research has been conducted on the restrictions being in place in supermarkets only. What about social media? What about television and radio? Is there work ongoing that shows that reducing advertising in this manner actually leads to the intended outcomes? Will the Committee engage on this change with those who sell alcohol?

Clause 17 prohibits loyalty schemes involving intoxicating liquor in all licensed premises. Like Mr Stewart, I have some concerns about how

this would work out from the clubs' perspective. Whilst I understand that, in theory, loyalty schemes could encourage excessive drinking, I would like to ask the Minister and, in turn, the Committee to look at the provision of loyalty schemes in Northern Ireland. Do loyalty schemes actually encourage irresponsible drinking? How are they operating currently? What is the baseline? Where is the empirical evidence for this? Have studies been done on how common these schemes are, how they contribute to overconsumption and how the removal of this type of scheme actually reduces the amount that people drink? Are there any unintended consequences?

Clause 19, "Code of practice", stipulates that a new code could be approved by the Department that was produced by a person or relevant group of persons who have a relevant interest in matters around liquor. Whilst it is my understanding that the codes of practice and conduct have been useful in tackling specific issues around antisocial behaviour in England, I do wonder what this code of practice relates to. I hope that the Minister will address this. What is the code of practice for? Who are the people or persons who would produce this? Is this a sector code that already exists and is voluntary? Would this not be better off being within guidance? What is the purpose of having it written into the legislation? There is much more information needed here.

On a wider but related note — you will be glad to know that I have only got another half page to go — we need to have in place a strategy and stronger support mechanisms to help those who misuse alcohol and drink to excess and to recognise that overconsumption can be a sign of mental health distress or other health issues.

**Mr O'Toole:** Will the Member give way?

**Miss Woods:** I will.

**Mr O'Toole:** I am glad that she has given way, and I have come in on this point before. Given that she is now talking about alcohol misuse, does she agree with me on the basic point that one of the things that, if not driving, is certainly helping to further and prop up that misuse is the enormous push of licences towards big supermarkets and the tendency for purchasing to happen there, which is having the effect of people doing less drinking in small local pubs, and that one way of addressing that is to reform the surrender principle?

**4.45 pm**

**Miss Woods:** Absolutely. You have my support there, and we also need to look at minimum unit pricing as a next step.

People of all ages should be properly educated on the risks and health effects of drinking, as well as encouraging a healthy, active lifestyle. We know that alcohol misuse has been identified as a significant public health and social issue in Northern Ireland over many years, and we have to take greater steps to deal with it. The EFM states that the number of alcohol-related deaths in 2018 was 16.9% more than what was recorded a decade ago, but recorded figures are only the tip of the iceberg because they are only the deaths that can be directly attributed to alcohol. We must do all that we can to address that and provide adequate resources and support to people. Perhaps, as part of its deliberations, the Committee could look at that alongside the Committee for Health.

Stronger measures need to be in place to examine the root causes of excessive and harmful drinking. One example, as I said when I intervened on Mr Nesbitt, would be training hospitality staff in signposting services for those who present with alcohol consumption addiction, such as the drug and alcohol responder training provided by ASCERT. It is for people who frequently work directly with potentially vulnerable people in their communities. Support systems also need to be in place for staff in the industry. Alcohol abuse in the hospitality industry may not be something that is frequently talked about or that forms part of the Government's strategy, but it needs to be. I encourage the Executive to research that as part of any strategies coming forward on harmful drinking, taking into account the nuances that many people who work in the industry face.

I will finish, Mr Deputy Speaker, you will be glad to know, with a quotation from a famous chef and advocate for the hospitality industry — the late Mr Anthony Bourdain — from one of his best books:

*"You can always tell when a person has worked in a restaurant. There's an empathy that can only be cultivated by those who've stood between a hungry mouth and a \$28 pork chop, a special understanding of the way a bunch of motley misfits can be a family. Service industry work develops the 'soft skills' recruiters talk about on LinkedIn — discipline, promptness, the ability to absorb criticism, and most important, how to read people like a book. The work is thankless and fun and messy, and the world*

*would be a kinder place if more people tried it. With all due respect to my former professors, I've long believed I gained more knowledge in kitchens, bars, and dining rooms than any college could even hold."*

I could not agree more. The point is that we have much to do to help the industry post COVID, as well as with previous problems, and support the fantastic people who work in and run our hospitality businesses here showcasing the best of Northern Ireland.

**Mr Allister:** I will strive to be shorter than Ms Woods. I hope that I do not drive some of you to drink with some of the things that I might have to say, but here goes.

I cannot support the two landmark components of the Bill, which are extended opening hours and the assault on Easter. There are elements of the Bill in the subsidiary matters that are deserving of support. The clauses dealing with vending machines are worthwhile. Tidying up the issue of sixth-form formals is a necessary move. The alignment of the ending of entertainment with the ending of sales is important. The delivery of alcohol to minors is an important issue, although I noted Ms Woods's interesting point about how that can be enforced. The measures on off-sales advertising are right and necessary. I also have a lot of sympathy with the campaign of the local breweries, which are undoubtedly being squeezed by the monopoly in the mainstream liquor industry, and I can well understand their resentment and desire for change in that regard.

Fundamentally, when we come to the issue of extending drinking hours, we are talking about every pub and club in Northern Ireland having the right to be open every weekend — that is when it is most likely to be; certainly 104 times a year — until 3.00 am. Then we tell ourselves that we are in the business of dealing with alcohol abuse and that the Bill will help to tackle alcohol abuse. Really?

Let us consider the impact of alcohol in our society. Of course, anyone and everyone has the absolute right to indulge in alcohol. I am not a prohibitionist or anything like it, but we need to deal with the realities. I do not know how many of those who have taken part in the debate took time over the summer to read the Northern Ireland Audit Office report 'Addiction Services in Northern Ireland'. I do not know if the Minister has read it, but it is a chilling read. There is a page in it that sets out the key facts. It is worth reminding ourselves of some of the key facts about alcohol addiction in Northern

Ireland. The estimated cost, according to the Comptroller and Auditor General, of alcohol misuse every year in Northern Ireland is up to £900 million. Almost £1 billion. That is much more than the budget of many Departments, much more than the budget of many arm's-length bodies and much more than the budget of many agencies. Almost £1 billion.

The report also tells us that, every day — not occasionally — 200 hospital beds on average are occupied by those getting treatment for substance abuse. Other figures show that alcohol is the biggest component, being involved for generally two thirds of those receiving treatment for substance abuse. Two hundred beds. We have heard, during the COVID crisis, about the great pressure on our beds and on our hospital system, and now we discover that 200 of those diminishing beds are necessary for addiction and abuse treatments. I simply want to ask this question: by extending liquor hours until 3.00 am, do we think that we are helping that? I do not.

**Mr O'Toole:** Will the Member give way?

**Mr Allister:** Just let me finish this point.

Let me remind the House of this: the report shows that, in 2018, there were 284 deaths because of alcohol misuse, which is many, many times more than road traffic deaths. There were almost 300 deaths because of alcohol abuse, and then the House thinks that it is right and appropriate — nay, necessary — to extend the facilitation of alcohol consumption by extending the hours to 3.00 am.

I will give way.

**Mr O'Toole:** I thank the Member for giving way. He is right that alcohol misuse is an extraordinarily important issue and one that afflicts this society and many others. Will he accept that, in relation to extended opening hours, people who have problems with chronic alcoholism are more likely to go home, if they are even drinking in pubs in the first place, which is questionable? The NIAO report does not talk about it in detail and does not specifically link it to pub opening hours, but those people are not likely to be stopped by a pub opening until 3.00 am. Unfortunately, the tragic truth is that pub opening hours will not stop them. They will go home and drink until 4.00 am, 5.00 am or God knows what hour in the morning in their own house, facilitated, I am afraid, by the extremely cheap cost of drink in supermarkets.

**Mr Allister:** The Member's point is not devoid of truth, but the logic of his point is that you should not have any closing times. If people are going to go home to drink, why not 4.00 am, why not 5.00 am, why not 24 hours? It is an absurd proposition that we weaken our licensing hours because people would still drink at home nonetheless, an utterly absurd proposition.

It does not just impact on health; it impacts on crime. There was an interesting study by Stockholm University that I recommend to the Committee. The Norwegian Institute of Public Health conducted a survey across the experience of 18 cities in Norway of the impact of extending opening hours, and it found that, for every hour by which you extend the opening hours, you increase by 16% the number of assaults: 16% for every hour. If that study is right, what the House is being invited to do is to create the circumstances where, in drink, we will increase the number of assaults by 16%. That is why the question that was posed and unanswered in the explanatory document is so important. The PSNI is very clear. We do not know if it has yet given the figures because the Minister would not take an intervention. I will take one now if she wants to tell us if the PSNI has given us the figures.

**Ms Ní Chuilín (The Minister for Communities):** Maybe, when I give you the figures, we can go back to the Bill. The PSNI has not given figures, and I would expect it to give figures. As soon as I get any of those figures, I will share them with you and the rest of the Assembly because it is an important point.

**Mr Allister:** The obvious riposte to that is, "Why we are having the debate today, if we do not have those figures?". The PSNI is saying to the Northern Ireland Assembly at paragraph 27:

*"The PSNI advised that there would be an impact on its shift system and therefore expected overall a major impact on resourcing both from a financial and staffing point of view."*

However, it cannot yet give the figures. Why are we debating this before we have those figures? Where is the sincerity in taking those figures on board if we are already going to have agreed in principle to the very Bill that gives rise to that financial bill? It was a gross dereliction of duty to bring this Second Stage debate before we knew the costs to the public purse through the PSNI. As the PSNI has pointed out, it is the extra administration costs, the extra overtime

costs and the extra costs of needing additional personnel to deal with people spilling onto the streets at 3.00 am. Yet, here we are, about to endorse that very proposition of allowing people to drink in every club and pub up and down the country every weekend until 3.00 am, knowing that it will impose extra costs but seemingly not caring enough about those costs to even delay this debate until we know what they are. We are rushing our fences on this without those figures.

### 5.00 pm

Of course, as the Norwegian study shows, it is not just the impact of violence. I can tell you that I spent a career at the other Bar. I represented many young men who did some very foolish things who would never have done those foolish things, who would never have done those violent things and who would never have done those shameful things but for the fact that they were under the influence of alcohol. Many times, the offences were committed as they poured out of public houses at the end of an extended licence, with many lives wrecked, not just by the over-imbibing of alcohol but by the behaviour that came from it. We know from a Northern Ireland statistical survey that 53% of domestic abuse assaults come from individuals under the influence of alcohol. It is not just the rough and tumble out in the street, where people with too much drink in them just want to fight. It is the hapless wife, the hapless partner and, yes, perhaps even the hapless kids at home who bear the brunt. When we come to the issue of extending licensing hours, I say to the House that we need to stop, pause and ask ourselves whether we care about those people. Do we care enough about them to ponder whether it is right to increase the facilitation of the availability of alcohol through our clubs and pubs?

**Mr Catney:** Thank you for giving way. I operated a bar —.

**Mr Deputy Speaker (Mr Beggs):** Will the Member address his remarks through the Chair?

**Mr Catney:** Mr Deputy Speaker, I operated a bar in Belfast city centre. I can go back to the police, for the records are there. I never saw violence in that bar, because the establishment was strict and well-run. There are publicans out there who run their establishments with an iron fist, believe me, and do not allow people to move.

We can take the blame for all these misdemeanours and blame them on alcohol,

but you cannot blame them on alcohol consumed in a public house operating under a very strict family tradition of how to run a bar. I have to say to you that in a lot of public houses there is zero tolerance: zero. I could be corrected, but I promise you that I cannot remember the police coming to me once to say that someone had left my pub and started a row outside in the street. Not once.

**Mr Allister:** I do not dispute for one moment that there are some very well run public houses and some very committed publicans. I am sure that Mr Catney fits exactly into that category, but that is not replicated in every case, because the publican, when someone leaves his premises, cannot be responsible for him. The number of criminal convictions that arise most often arise out in the street. There are fights in pubs, but they are not the generality of what gives rise to prosecutions. Once the inebriated individual leaves the premises, he is no longer the responsibility, in any legal sense, of the publican. The publican has no control over him. It is out there in our streets. We have all seen some television footage of the sort of loutish and thuggish behaviour that sadly takes place when people are in those circumstances. You cannot simply say that the Assembly can utterly wash its hands of that and say that it legislates only for good publicans and good drinkers. No: we legislate for everyone. We are legislating in the context where we know that 53% of those who attack their wives and partners do so when under the influence of drink; where alcohol is a causal factor in more than 60 medical conditions; where it crowds hospital beds; where it costs the public purse almost £1 billion a year; and where alcohol abuse costs almost 300 lives a year. We cannot divorce ourselves from that. We cannot wish that away.

The question is this: knowing that, do we then, deliberately and consciously, decide to extend opening hours and give people another hour — way beyond the normal closing time, of course — to 3.00 am and then stand back and say that we did not intend there to be an upsurge in violence or, as the Norwegian study shows, a 16% increase in assaults, and for wives and children to pay the price? Sorry: we are legislators. The laws that we make affect ordinary lives. Therefore, we have to, with great caution, decide whether the steps proposed are the right ones.

**Miss Woods:** I thank the Member for giving way. I want to clarify, and, hopefully, get some agreement, that domestic abuse behaviour is not caused by drinking alcohol and that the perpetrator alone is responsible for their actions.

**Mr Allister:** Absolutely. Of course, being drunk is not a defence to any criminal offence. That is undoubtedly so. However, it is still a fact that the statistical survey for Northern Ireland shows that 53% of assailants carried out their abuse under the influence of drink. That is a reality. We cannot duck and dive away from it.

Therefore, I say to the House that, for those reasons, it is foolhardy and wrong to embrace an extension beyond 2.00 am to 3.00 am. If we do that, let us do it with our eyes wide open. I hope that I have put before the House some of what might come into our vision if we do that. That is why I believe that pillar of the Bill to be ill conceived.

I must also say to the House that I do not support the assault on Easter. To many people, Easter is important because without what happened at the first Easter, there is no Christian faith and no Christianity. The death, burial and resurrection of Jesus Christ is celebrated at Easter. Without the first Easter, there is no Christian faith. Is it beyond this society to show some deference to those of Christian faith, to whom Easter Sunday is one of the most important days in the Christian calendar? Is it really beyond this House to say, "No, we can show no deference to that. We can show no respect for that because we're a secular society"? Yes, that may well be, but we are still a society where, at least in a token fashion and to many much more than that, we aspire to be a Christian society. So, why is it that we have to liquidate that last vestige of respect for that?

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

**Mr Allister:** Yes.

**Mr Catney:** It is important that we know that pubs only close at 5.00 pm on Good Friday until 11.00 pm. They are open on Saturday and on Holy Sunday, so it is just a brief closure. I do not know what the new legislation says, but at the moment, they close from 5.00 pm to 11.00 pm. They are open on Saturday and Sunday at the moment.

**Mr Allister:** Pubs are currently open from 5.00 pm to 11.00 pm etc. They open at 5.00 pm on Good Friday. They are totally closed on Easter Sunday.

**Mr Catney:** No, they close early.

**Mr Allister:** Sorry, they close early on Easter Sunday. You are right. Originally, they were totally closed.

**Ms Ennis:** On a point of order, Mr Deputy Speaker. I fail to see how Mr Allister's personal religious beliefs have any relevance whatsoever to this debate.

**Mr Deputy Speaker (Mr Beggs):** The legislation is discussing opening hours, and Members are entitled to put their views on record when they are allocated a time to speak. I call Mr Allister.

**Mr Allister:** Clause 1 could not be clearer. It touches directly. The very first thing it does is to assault the sanctity of Easter. That is the very first thing that it does.

It is not a matter of what my religious beliefs are. It is the fact that, historically, this society has respected Easter for the reasons that I articulated. If you respect the holiday that is Easter, you should respect the cause. I do not hear anyone saying, "We don't want to have an Easter holiday. We don't want to have a Christmas holiday." Both are rooted in matters pertinent, in the most dramatic fashion, to Christianity: the birth, death and resurrection of Christ. That is why we have Christmas and Easter holidays. If you expect Christmas and Easter holidays, why can you not respect the cause of those holidays? We still do that in our licensing in respect of Christmas Day, but there is this great surge and urge to disrespect matters in respect of Easter Sunday. That is wholly retrograde.

**Miss Woods:** I thank the Member for giving way again. Does he not agree that if people do not want to have a drink on Good Friday at lunchtime, they do not have to have one, and there is nothing in this legislation that removes anyone's Christian beliefs from being adhered to and respected over the Easter weekend by those who want and need to?

**Mr Allister:** I am not disputing that. I am not saying there is any compulsion. I am simply pointing out that, for historical reasons, Easter, like Christmas, has been respected in our Christian society as days apart for the reasons that I explained. What this legislation wants to do is liquidate any respect of that sort. That is why I regard it as an assault on something that is dear and precious, Easter Day, to many Christians.

Of course, people can live and will live, as they please. Why is it that you cannot, for one day, give a token of respect to the cause and the reason that gives rise to the holiday that is called Easter? That is the point; and that is the point that the Bill disrespects. That is why, both

for the extension of hours and the assault on Easter, I do not find those two essential pillars of the Bill acceptable. If there are others to aid me, I will divide the House on this issue, because it is important, in principle. I wait to see if there are others. If there are not, I cannot, but I am giving notice that, if I can, I will, because it is important that that stand is taken.

**5.15 pm**

**Miss Woods:** Will the Member give way?

**Mr Allister:** Yes. I am about to finish.

**Miss Woods:** I thank the Member for giving way. Does the Member regard bars opening on Christmas Day, which currently happens, as an assault on the Christmas holidays? That forms a huge part of Christmas celebrations for communities.

**Mr Allister:** All those things amount to that. My goodness, there are 363 other days of the year to do whatever one wants to do. It comes back to this: if we are a society that respects our Christian heritage and history and the continuing presence, within our midst, of many who call themselves Christian, is it really too much to ask that you should leave some vestige of respect for the key days? If it is too much, pass the Bill. I suspect that that is what the House will do.

**Mr Carroll:** Many will share my feeling that it is strange to debate the normality of the hospitality sector at this time when the majority of workers in the industry — a large percentage of our overall workforce — are dealing with uncertainty and deep financial concerns. The industry is on the brink of collapse, as some Members alluded to. During the first wave of coronavirus and lockdown, venues shut their doors for good, and workers are unsure about when they will find work again and, worse, when they will receive proper financial security.

Those fears and concerns have been addressed particularly well by Unite the Union's hospitality branch, as Miss Woods mentioned. They have developed a hospitality and tourism rescue plan that seeks to address those concerns through a sector-specific job retention scheme, adequate sick pay, routine testing, a proper plan to retain workers and the establishment of a hospitality commission working between employer, union and government.

It would be remiss of me not to use this opportunity to urge the Minister to engage with

the union and its plan and to support a package for the sector that ensures that it is bailed out of the situation that it has been left in. This sector is relied upon week in, week out in normal times to keep the tourism industry, which the Executive so cherishes, ticking over. They were asked to get back and do that, a few months before they should have been, in my opinion. They put their shoulder to the wheel, and it is totally unsurprising in such a situation that cases in the hospitality sector shot up and soon represented one of the highest areas of spread of coronavirus cases across the North. Anyone could have predicted it.

We must guarantee that this does not become the reality again, as there appears to be some enthusiasm, from some Ministers in the Executive, to lift restrictions rapidly again, before it is safe to do so. It is imperative that the Minister implements Unite's strategy before then, which would guarantee testing, trade union representation and a bailout package that seeks to financially support those workers until it is safe for them to return to work and the virus has reached elimination levels. With a proper test-and-trace system functioning —

**Mr Deputy Speaker (Mr Beggs):** I remind the Member that this is a Licensing Bill. It is not about reacting to COVID. I ask you to address your remarks to the Bill, please.

**Mr Carroll:** Thanks, Mr Deputy Speaker, but I remind the Deputy Speaker that a Member talked about his personal religious views for quite a long time, which he has the right to do.

**Mr Deputy Speaker (Mr Beggs):** Order, Member.

**Mr Carroll:** That is all right.

**Mr Deputy Speaker (Mr Beggs):** One of the aspects for discussion in the Bill is opening hours, so, in that context, it was relevant to the Bill. In my role as Deputy Speaker, I will endeavour to act fairly to all. I encourage the Member to address his remarks to the Bill, and I will endeavour to facilitate him.

**Mr Carroll:** Thank you. You will be glad to hear that I am coming on to the Bill specifically. A bit of leeway should be applied to all, in my view, but anyway.

I am sure that many will welcome some of the changes in the Bill. In some cases, they are long overdue. I have a concern, however, about the fact that the Bill obviously seeks to extend opening hours without reflecting or addressing

the impact that working unsociable hours will have on hospitality workers who are often underpaid as it is. We would prefer to see a clause inserted that mandates employers to provide extra pay for those extra early morning hours, which, if the Bill is passed, workers will have to work. Can the Minister come back to say whether she has considered that point? If she has done so, why has she decided not to put in a clause to address that?

Moreover, we are concerned that there is no clause that mandates employers to assist workers to get home at unsociable hours, as has been referred to already. As the Minister will be aware, our public transport does not run into the wee hours of the morning, and employees will now be more likely to have to fork out extra for private taxi fares to get home or to walk home at a time when it is unsafe to do so, as many may feel. I am aware that Unite Hospitality is calling for the Bill, which deals with additional permitted opening hours, to be passed with those clauses inserted. It would be helpful to learn whether the Minister has engaged with workers or unions on the issue, because it appears that a divergent position has been reached.

Workers have been clear that their job can become increasingly difficult and more dangerous during drinking-up time, when they are more likely to be subjected to abuse and violence. The Bill solidifies drinking-up time by providing an extension. The explanatory memorandum goes some way to stress that a balance needs to be struck between restricting opening hours and addressing the dangers of alcohol, but it does so without recognising or addressing the unique dangers faced by staff in particular in the industry. I hope that the Minister can provide some evidence and rationale to back up the need for extra drinking-up time, because I have struggled to find any that takes on board the issues expressed by workers. Given the testimony of workers with whom I have engaged, it is important that evidence is there to back that up and that support for workers is in place.

I have been contacted, as, I am sure, have other MLAs — some referred to this already — not just by workers and unions but by those who work in and run local breweries. Without dissecting everything that was mentioned, there are issues with hegemony and the tight grip that major international alcohol-producing companies are allowed to hold over the sale of alcohol here. I want to speak to the fact that local breweries have made the case that they should at least be able to offer the sale of their local and unique produce on their premises,

beyond the odd taster sample. Local brewery workers, just as with hospitality workers, are rolled out by the Executive for the pleasure of tourists in order to encourage them to spend, spend, spend. Now they are asking for help, and they are struggling to find answers as to why they cannot sell their product on their premises. I ask the Minister to address that issue in particular so that those who are affected can get the answers that they need.

Finally, I want the Minister to explain and expand on the decision not to remove the surrender principle, which means that licences cannot be obtained if similar facilities exist locally without the surrender of another licence. I do not claim to be an expert, but it seems to me to be pretty out of date and archaic, and it needs to be looked at and addressed. I will leave my comments there.

**Mr Lunn:** I welcome the Bill. I think that the Minister is having quite a good day today, except that she is starting to look a bit tired. This is another step forward, in that we are now dealing with another contentious issue. I want to say straight off that there is very little in the Bill with which I do not find favour. It is moving everything in the right direction. I will mention a couple of points, but I am conscious that we have been here for a long time, so I will not take much of your time.

I thought that the removal of the Easter restrictions would be a headline issue in the Bill, that the country would be up in arms and that we would be under pressure not to proceed with it. In fact, I think that I am right in saying that Mr Allister was the first person to mention it.

I do not want to be too personal, but I grew up in a religious, Christian family environment. I learned to respect Easter, particularly Good Friday and Easter Day, and I still go to church every week, in part because I play the organ there. It seems to me that, now that we have been confronted with this at last, the sky is not going to fall in. There is nothing in the Bill, as Rachel Woods rightly said, that forces anybody who takes a Christian outlook, as Mr Allister does, to change their habits in any way. The rest of us can make our own decision about it. I have a feeling that we will perhaps come under pressure from some quarters outside, but it seems to me that the feeling of the House is that this is a good move.

The surrender principle has been much debated today. I marvel that we have been held to ransom until now by an Act that was passed in 1902, which, for the record, 118 years ago,

was the last time that a new liquor licence was issued in Northern Ireland.

**Mr O'Toole:** Anywhere in Ireland.

**Mr Lunn:** Yes. When I think back to other contentious issues, such as that involving the Offences against the Person Act 1861, which we had to deal with last year, I think that we really cannot be bound in that way. The way that this has evolved makes no sense at all. First, you had licences that probably cost only a few quid that are now going for £75,000 or £100,000 and, on the odd occasion, many multiples of that. The only reason that they have such a value is because there is competition for them. That leads me to this question: why is there competition in this particular industry for people to be allowed to obtain a licence to run a perfectly legitimate business?

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

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

**Mr Catney:** Just on that point, when those licences are surrendered —.

**Mr Deputy Speaker (Mr Beggs):** I ask the Member to correct his microphone and speak to the front, otherwise Hansard will not pick up what he is saying.

**Mr Catney:** Thank you, Mr Deputy Speaker. I thank Trevor for giving way. Whenever those licences are surrendered, they go to supermarkets. It is very rare now —.

**A Member:** *[Interruption.]*

**Mr Catney:** Yes, I know. The licence is on/off the premises. I agree with you; it is antiquated and needs to be looked at. The other important point is that, in order to operate their business, if it has not been passed down from generation to generation, most publicans have to pay for a licence when they buy their premises, and that creates a monopoly. I agree that a mechanism will have to be found to compensate publicans if there are changes.

**Mr Lunn:** You are a great *[Inaudible.]* That is by the way. You have had a good day.

What was the population of Northern Ireland — there was not one — in 1902? That would have had some bearing, I think, on the number of licences that were allowable. Was there such a thing as a supermarket in 1902? No, there was

not. Was there such a thing as a separate off-sales outside a pub? No, there was not. Everything has changed, except for this archaic regulation that says that we cannot issue any more licences. I implore the Minister to think about that as she and the Committee proceed with the Bill's Consideration Stage.

The best that I can do on the breweries and distilleries is to agree with everybody who has supported the plea of those organisations to extend, beyond what is already on offer, their ability to market their products. It is a no-brainer, and I am pleasantly surprised that there has been no opposition to that either.

We have some fantastic breweries and distilleries in this country. One has just opened on the outskirts of our constituency, Pat, selling — if I can give it a plug — Hinch whiskey and Ninth Wave gin. They are excellent, but cannot currently be sold from the distillery's own premises. It will be glad of this.

### 5.30 pm

Sinéad mentioned the Whitewater Brewery. I am familiar with Whitewater beers; very familiar. I recommend Hen, Cock and Pigeon Rock if you want a nice beer. If you want to go to sleep very quickly, try the Ewe Rebel, which is very apt. *[Laughter.]* It is marvellously named. Whitewater and other breweries have been in touch with me. There was an event in Parliament Buildings a few months ago involving CAMRA. I went, and — I see John nodding his head — others took the opportunity to attend as well. I spoke to a brewery operator — I will just say they were from County Down. I think it was Mr Buckley, who has now left the Chamber, who mentioned the international aspect. This man told me that he sold virtually no beer in Northern Ireland. If it was not for the fact that the Scots love his beer, ales and cask beer, he would go out of business. It all just goes straight on a boat and across to Scotland. That cannot be right either.

I absolutely support what has already been said, and I am not going to stand here and prolong this. It is a good debate, and I look forward to the next stage of the Bill. In closing, I will just say that clause 16 is about advertising in supermarkets. As a warning, I have to say that my favourite wine is called "25% off six bottles" *[Laughter]*, and I would not like to see that disappear.

**Ms Sugden:** I am often critical of this Administration, but I have to say that this is probably one of the most positive pieces of

legislation to come to the House in a number of years. Despite the three years of nothingness, the Bill is indicative of how far we have come and progressed on this issue, and it did happen with a five-party Executive. That is the only compliment that the Executive are going to hear from me for the rest of the mandate.

I want to make a note about the consultation. The consultation was made public in, I believe, October last year. No proposals were put to the public, but a general opinion was sought, and that has led to a more comprehensive review of what we have now. It has built on the work of Ms Ní Chuilín's predecessor, Paul Givan, who did, ironically, start this piece of legislation back in 2016. As a general point, maybe more consultation processes need to take a wider approach so that we can encapsulate what the public think and what is right for the people outside this Building, rather than it being fed by public opinion.

I do generally support the principles of the Bill. However, there are some elements that I have concerns about, and I will come to that later. Specifically on tourism, the Bill not only supports the hospitality industry that already exists in the form of hotels, restaurants and pubs, but creates its own tourism product in itself. I went to Boston on a business trip, and there is a great brewery there called the Harpoon Brewery. It has created a tourism product from the factory and its ability to brew on-site. Alongside that production, it is able to sell its product in a beer hall, and it was selling the beer and using the byproduct. Earlier, Stewart Dickson talked about bread as a byproduct of beer, and the Harpoon Brewery was using the byproduct and marketing it, not just for its own business but for local tourism, and it did bring people to the area. Mike Nesbitt talked about being in an industrial park, and that is exactly where this was, yet thousands of people descended on it every Saturday to enjoy the beer and the community of being within that space.

That is the opportunity that exists here in Northern Ireland. There is a booming food and drink industry coming across in Northern Ireland that really celebrates Northern Ireland's food and produce. Causeway Coast Foodie Tours, for example, deliberately takes people around all the various food production sites and restaurants. We could add another element to this in the microbreweries — taking people to those to show them what local people are producing and what is the best of Northern Ireland. I really think there is an opportunity here for tourism.

We on the north coast really do celebrate microbreweries. Their ask is to be able to sell their own product from their own premises.

Every year, although sadly not this year, we have the Portrush Beer and Food Festival. I do not know whether anyone here has gone to it. It attracts people from all sides of the community and from different backgrounds. It is a real celebration of local produce and people coming together as a community. That is the type of positive that we need to focus on when we look at the new licensing laws and the opportunities around them.

Lacada is a microbrewery in my constituency. I am sure that Members have tried its beer. I am not a beer person, although one is often pushed into my hand. It is a really great product, but it is not just about what it is producing but about the organisation that it has created. It is a community-owned cooperative that encourages local people to buy into it. It is not necessarily about making profit, because it is not doing that. Rather, it is about coming together to celebrate what is local produce and to celebrate the talents of local people.

Interestingly, microbreweries, in and of themselves, are not binge-drinking operations. Their very nature means that they do not benefit from economies of scale. Their products therefore tend to be slightly more expensive. People do not buy them to chug them. They buy them to enjoy them. That is where the legislation misses the point. I struggle to understand this: why were microbreweries' suggestions left out of the legislation? This is a direct question to the Minister. A lot of the significant responses that the consultation received last year came from microbreweries and local producers. They advocated that we could have something like what they suggested, but it is not in the Bill. I would be interested to hear the rationale from the Minister for why it was left out. There certainly seems to be an awful lot of support around the House for the inclusion of that provision. I will quite happily, perhaps with Mr O'Toole and other Members, table an amendment to ensure that it finds its way in to the Bill, because I think that it has broad support.

Another point that I will make is about facilitating licensing for major events. We saw the challenges that that created with the Open, and we anticipate more big events like that coming to Northern Ireland. It builds on the work of former Member Judith Cochrane around licensing in stadia, and that is really important. It feels as though we are bringing Northern Ireland to where the rest of the world

was 20 or 30 years ago. The legislation is really important for progressing where we are at.

I support extended Easter opening. I understand why people, particularly those with a faith-based perspective, may be concerned or feel that extending Easter opening will disrespect what they are doing. I must admit that I do not accept the arguments put forward by Mr Allister. If it is about disrespect, we should close supermarkets and other places on a Sunday. This is about bringing opening hours into line with what already exists. People can still respect the holiday and the faith-based element of it. Perhaps Mr Allister will intervene to help me understand why it is disrespectful to have an alcohol beverage in a public house but not disrespectful to have one at home. Where is the disrespect in that regard? To me, it is the same difference. People in those pubs would certainly be respecting the individuals who choose not to do that.

**Mr Allister:** I am grateful to the Member for giving way. The difference is that one is a state-sanctioned operation in a state that historically has a Christian heritage. By the sanctioning of the dispensing with any respect for anything special about that day, the state is, in effect, disrespecting the ethos that lay behind the original inclusion of the provisions in our legislation.

**Ms Sugden:** I cannot find a reason to agree. If that is the argument that potentially obstructs this provision, we will have to look at everything else that has been disrespected up to this point. We are at a point now at which it is about consistency, not just in Northern Ireland but across the UK. We need to look at the wider economic reality and the effect that not opening on those hours has.

I come back to the point about supporting the hospitality sector. People come to Northern Ireland during their Easter holidays and want to enjoy the scenery and the food and drink, as we have talked about. They would like an opportunity to be able to do that in our businesses. We should seize that opportunity and support the local economy to bring that business to Northern Ireland. I respect your point, because I understand your deep Christian faith, but it is about achieving consistency with other areas. The law now needs to be brought into line. I therefore do not accept the Member for North Antrim's point.

Where I do agree with him is on the extension of opening hours from 1.00 am to 2.00 am and then from 2.00 am to 3.00 am. I am not necessarily against it, but I am keen to

understand the rationale for that additional hour because that additional hour brings additional consumption, and that additional consumption potentially gives rise to issues of violence and of spilling out onto the street.

Mr Catney made the valid point that there are responsible publicans who ensure that that does not happen on their premises, but they do not have jurisdiction beyond the door of that premises. Sadly, I have experience of alcohol-fuelled violence, where someone very close to me was taken due to alcoholism after closing time. It still has an impact on me, so, if we are going to do this, I am concerned about what we are doing to safeguard against potential violence. What are we doing to support the police to mitigate it? The police are the after-hours service. When every other public service goes home at 5.00 pm on a Friday, it is the police that pick up the bill, and their resources are already stretched. If we are going to do this, we need to proceed with caution and be cognisant of the issues that could arise from it.

For people who are drinking beyond 2.00 and 3.00 am, it is entirely their choice, and I am happy to support the choices that people make and the responsibilities that they need to take upon themselves. However, if it leads to harming others, which, in my experience, sadly, it did, we need to be very careful in how we proceed with extending opening hours. Are we hearing from businesses that that is when additional money is coming in because people are drinking more because they are not in control? That gives rise to other concerns for me. As I said, I am not particularly against it. However, I think that we need to proceed with caution, and I am keen to hear the rationale for it and what safeguards the Minister would be prepared to put in place.

Ms Woods rightly said that any ministerial decision should be cross-community. Where is our outcomes-based accountability? I am looking forward to hearing that the Minister has had conversations with the Minister of Justice on this; I am looking forward to hearing that she has had conversations with the Minister for the Economy, because we have heard that this legislation impacts on other Departments. I appreciate that any piece of legislation that makes it to the Floor of the House has to have Executive approval, but those Ministers will have an input to any of this moving forward, so it would be nice, for the responsibility that we have as a legislature, to ensure that we are thinking about this in the round and about all the impacts that it will have.

I want to delve a little deeper, as Ms Woods did, into the issue of online sales. I am not sure what the Bill provides for in respect of that. Perhaps I have overlooked it. We all know now that we can go onto apps on our phones and purchase six at 25% off from a supermarket and it gets delivered to our home. In my experience, there are no safeguards around that. There is no checking to see whether I am under 18, as, clearly, I look under 18. There is nothing to ask. On the other hand, I have purchased alcohol from Amazon, and I had a guy asking me for my date of birth. Is that enough? Should there be more? I think that we need to look at that.

COVID-19 has given rise to issues in relation to the Licensing Bill. We are seeing a lot of businesses, particularly those in the hospitality industry that have had to close, selling a dine-at-home box. I had a fantastic experience at the weekend where a local restaurant gave me a three-course meal that I had to finish cooking at home. Some restaurants are also offering opportunities to provide wine with that. Is that legal? Should they be doing that? Where are the safeguards with that? If food and alcohol are being brought to our homes, how do we safeguard against possible abuses? It is not just about bringing alcohol into our homes. There is the prevalence of violence and the issues around alcohol addiction and mental health. That happens in our homes. Therefore, if we are facilitating that, we need to look at what we do to ensure that it does not give rise to unintended consequences. I add to that the likes of Uber Eats and all the new technologies that people can use. Will people under 18 be able to open the door and be given alcohol without any checks and balances? All those things are really important in the world that we now live in.

Members talked about the legislation being balanced, and the Minister talked about it being a balance in the world that we now live in. I agree. I think that addiction is a symptom of other issues and that people have mental health issues and addictions because of traumas that they have suffered previously in their life.

We have to look genuinely at the root causes of that before blaming alcohol. However, I understand Mr Allister's point that we, as a legislature for the people of Northern Ireland, must understand our responsibilities. Are we facilitating that?

**5.45 pm**

Ms Woods suggested having organisations like ASCERT go into pubs and clubs to advise people on addiction issues and being more responsible. What are our Government doing by way of a public awareness campaign to ensure that we act responsibly? Now, every advert for a spirit or a pub has a little message at the bottom saying, "Drink responsibly". However, if we enact legislation that facilitates drinking, maybe there is something that we can do by way of a public awareness campaign to ensure that, if we are going to drink, we do it responsibly. It is about education.

This is welcome legislation, but there are areas that need to be interrogated further. We need to give more support to the microbreweries. We are micro-region, so we lend ourselves to a lot of small businesses in Northern Ireland, and that feeds into everything else, such as tourism.

I support the Bill and wish it success through its various stages. I look forward to it coming to the House a bit sooner than 2022. We hope to have some sort of recovery next year. I am not sure that it is possible, Minister, but, if you can expedite the Bill, it would be most welcome.

**Ms Ní Chuilín:** Members will be delighted that I will not go through every point. For the questions that some Members asked, I will need to look at Hansard and get back to them. I also want to say that the Bill has not been through the Committee yet. All these great ideas should go in front of the Committee for the Bill to be amended. That is what the Committee is for.

Frankly, I need a drink after listening to half of you. I am of the opinion that, if some of you were pints of Guinness, you would drink yourselves [*Laughter.*] I will say no more than that.

I also need to go to the bathroom. I have been sitting here from 2.45 pm, and I ask that we look at the facility for a break. I notice that the top Table has changed and rightly so. However, I am afraid to drink water. I want you to look at that as well.

**Mr O'Dowd:** On a point of order, Mr Deputy Speaker. Can we suspend for 10 minutes to allow the Minister a rest?

**Ms Ní Chuilín:** No, I do not need it. I am only going to be 10 minutes. Thank you anyway. I will just stand here and not move.

Many good suggestions have been made. Liquor licensing modernisation has been a long

time coming. I make it clear that this is about pub opening hours, not Christianity. I believe in complete separation of church and state: end of. We make laws for everyone, not just Christians.

I remind Members that minimum alcohol unit pricing is the responsibility of Health, and I have spoken to Minister Swann about that. I will also speak to Minister Long and anybody else who will look after workers, tackle zero-hours contracts and look at the issues. I have listed the surrender issue quite a lot. My colleagues in the Department have taken notes, and I will read Hansard. I counted about 64 questions. By bringing together some of the commonality, we can bring that down to a few, and I will share them with the Committee.

**Ms P Bradley:** I will not prolong this any longer than I have to, and thank you, Minister, for giving way.

I want to tidy up an issue that several Members brought up about Easter 2022. The Committee should not be put under any pressure when it comes to the Bill. Issues galore have come up. I would like to think that we will have the Bill through by Easter 2021; that is the date that we are looking to. I want to see that happen, but I want to say on the record that hundreds of issues have been brought up. At the beginning, I said that none of us should take a point of view until we hear the evidence. That includes evidence from people with a vast gamut of opinions. It includes people of faith, and I have respect for them also. I just want to put that on the record, Minister: the Committee will not be rushed in getting the Bill through, albeit that we want to do our best to support the hospitality industry.

**Ms Ní Chuilín:** I agree. I think that it was Mark who raised the issue of the BBC saying that it was 2022: it is 2021. Perish the thought that the BBC is wrong.

I understand that this is an opportunity for some of the smaller parties and the independents to have longer speaking time. I respect that. I also respect the fact that that is what legislation looks like. I have no issue with that.

I do not want to be disrespectful to Members, but I cannot answer some of the questions individually. I will endeavour, through the passage of time, to get you responses. I ask the Assembly to approve the Bill's Second Stage.

*Question put and agreed to.*

*Resolved:*

*That the Second Stage of the Licensing and Registration of Clubs (Amendment) Bill [NIA Bill 10/17-22] be agreed.*

**Mr Deputy Speaker (Mr Beggs):** I ask Members to take their ease for a few minutes.

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

## **Greenhouse Gas Emissions Trading Scheme Order 2020**

**Mr Poots (The Minister of Agriculture, Environment and Rural Affairs):** I beg to move

*That the draft Greenhouse Gas Emissions Trading Scheme Order 2020 be approved.*

**Mr Principal Deputy Speaker:** The Business Committee has agreed that there should be no time limit on the debate. I call the Minister to open the debate on the motion.

**Mr Poots:** Thank you, Mr Principal Deputy Speaker. I am grateful for the opportunity to move the motion. The Order in Council was laid in draft in the Assembly on 15 July 2020 under the Climate Change Act 2008. It requires that the Order be laid in draft and debated in each of the four UK legislatures. So far, the Order has been approved by the Scottish and English Parliaments. The Order establishes a UK-wide greenhouse gas emissions trading scheme (ETS). The UK ETS replaces our participation in the EU emissions trading scheme. The UK will cease to participate in the EU ETS at the end of the year as a consequence of our withdrawal from the EU.

In the Northern Ireland context, there is an important exclusion from the scope of the UK ETS. It arises as a result of article 9 and annex 4 of the Northern Ireland protocol, which requires Northern Ireland electricity generators to remain in the EU ETS. That is to preserve the functioning of the single electricity market on the island of Ireland. If generators, North and South, were in different emissions trading schemes, there would be a carbon price divergence that could distort the operation of the single electricity market. To avoid that, Northern Ireland's five electricity-generating

installations will remain in the EU ETS. Further legislation will be brought forward at Westminster later in the year to do that under the European Union (Withdrawal) Act 2018.

I will give some background. The UK has participated in the EU scheme since its inception in 2005. There are around 1,000 UK participants in the scheme, with 21 of those in Northern Ireland. Those 21 installations account for approximately 18% of greenhouse gas emissions in Northern Ireland. An emissions trading scheme works using the "cap and trade" principle by requiring participants to purchase a carbon allowance for each ton of carbon dioxide that they emit. The more carbon dioxide emitted, the more allowances required. There are penalties for failure to obtain the requisite number of allowances. A cap is set on the total number of allowances available under the scheme, and it is gradually reduced over time. The aim is to encourage reductions in emissions. Scheme participants, with the exception of electricity generators, receive free allowances that cover a proportion of their emissions. That is to prevent carbon leakage: industries moving away to relocate to other parts of the world that either do not have costs for carbon emissions or costs that are lower. The allowances can be traded, hence "emissions trading scheme". Those that make the biggest reductions may have surplus allowances that can be banked or sold to those that need to purchase more allowances. This is the most efficient way to achieve reductions in emissions. The scheme promotes carbon emissions reduction and investment in clean, low-carbon technologies.

The UK ETS has been agreed by the four Governments of the UK nations, and the policy positions are set out in the Governments' response to the future of carbon pricing consultation, for which I obtained Executive agreement on 21 May and which was subsequently published on 1 June. The draft Order in Council establishes a UK ETS that will be operational from 1 January 2021. It establishes the scope of the UK ETS, which includes energy-intensive industries, power generation and aviation. Although there are no registered aviation operators in Northern Ireland, the current scope of the UK ETS is identical to the EU ETS and establishes a cap on allowances each year.

#### **6.00 pm**

The initial level of the cap will be 5% below that which would be the case had we stayed in the EU ETS. That means that the standard that we are establishing is more stringent for carbon

emissions reduction than would be the case had we stayed in the EU ETS. There is a more stringent cap in the UK scheme, but free allowances are maintained at EU scheme levels. Therefore, there is sufficient headroom in the scheme in terms of available allowances to mitigate any adverse impact.

On climate change ambition, there is a commitment to review the UK ETS in light of forthcoming advice from the climate change committee on achieving the net-zero target. The Order in Council also allows for scheme monitoring, reporting and verification requirements. The UK ETS offers participants a robust and proportionate enforcement system that will also establish and define the roles of national regulators in monitoring and enforcing the system. In Northern Ireland, the regulator will be the Northern Ireland Environment Agency (NIEA). Further secondary legislation will be introduced by negative resolution later this year, and that will introduce additional elements to the UK ETS such as provision for free allowances, auctioning and registries. Further instruments will be reserved to deal with the financial matters that are concerned with the operation of the market on auctioning, and those will be handled by Treasury. Those are the four main elements of the order.

I will touch briefly on a few issues that have been raised about the UK ETS. First, there has been some interest in the impact in Northern Ireland of setting a cap that is 5% lower than the EU ETS levels. The short answer is that the impact will be minimal. Of the greenhouse gas emissions that are produced by Northern Ireland installations currently in the EU ETS, around 82% come from power generators, so the majority of emissions from that sector are made by generators. Only a minority, around 18%, come from installations other than generators, and those will be part of the UK ETS.

An impact assessment of the transition from the EU ETS to the UK ETS was published alongside the Government response to the consultation on the future of carbon pricing back in June. That concluded that the overall impact on costs would be negligible and that the scheme could encourage greater savings by encouraging investment in emissions-saving technology. A local assessment of impact paper has drawn the same conclusion. The impact made by the order is very small for two reasons. First, the vast majority of our emissions and ETS costs arise from generators, which, as I mentioned, are staying in the EU ETS, so there is no impact there. Secondly, the policy approach taken in

establishing the UK ETS is to make the transition from the EU to the UK schemes as smooth as possible for operators, with similar arrangements under both.

The second issue is linking. In developing proposals, the UK Government and devolved Administrations agreed that the desirable outcome is a UK ETS that is linked to the EU ETS. That is because, the larger the market for trading carbon allowances, the better the chance of the market being effective and the less chance there is of carbon leakage. It would mean that we could avoid needing a dual system of having generators in the UK ETS and non-generators in the UK ETS. The UK Government's position is to develop a UK system that is ready to be linked to an EU scheme. The uncertainty around the negotiations with the EU on future relations means that a definitive commitment cannot be given.

Thirdly, the UK Government have introduced a fallback alternative option of a carbon tax set by the Treasury that could be used instead of the UK emissions trading scheme. Treasury consulted on proposals for a carbon emissions tax earlier this autumn. A UK Government decision on whether a UK ETS or a carbon tax will be implemented as a post-transition carbon-pricing policy is expected shortly. I have pressed the Business, Energy and Industrial Strategy (BEIS) Ministers to clarify the position.

In conclusion, we want to encourage the best means of reducing carbon emissions in order to achieve the UK's net-zero target while ensuring that we do not put burdens on industry that cause it to move elsewhere; that would simply move the problem from one place to another. The order that we are considering establishes a UK ETS to replace our current membership of the EU ETS in order to achieve that goal. Accordingly, I commend the order to the House.

**Mr McAleer (The Chairperson of the Committee for Agriculture, Environment and Rural Affairs):** As the Assembly is aware, the transition period for EU exit ends on 1 January 2021. By that time, alternative arrangements and systems for a wide range of matters have to be either in place or nearing completion. One of those is a replacement for the EU emissions trading scheme, which will form one of the new common frameworks that we have been hearing about.

The EU emissions trading scheme is the method used across the EU to control and regulate the emission of greenhouse gases by power generators, the aviation sector and

industry. As carbon is the predominant greenhouse gas emitted by those sectors, the emissions are largely measured in carbon tonnage. Participants in the scheme must buy allowances to cover the amount of carbon that they emit. If they emit less carbon and do not need the allowances, they can sell them on the market. If they emit more carbon than anticipated, they must buy allowances on the market. A free allowance is available to help to prevent carbon leakage.

The order establishes a UK-wide ETS to replace the current EU ETS and will provide a system for permitting, reporting, monitoring and validation of emissions, as well as a system of penalties and appeals. The UK ETS has been designed to mirror the EU scheme. We understand from DAERA officials that the EU scheme is a robust system that has been tested and refined over many years by the EU. No Committee members raised any major concerns about that aspect of the order. The order also establishes a system for emissions from the aviation sector. However, as none of the local participants in the current EU scheme is in the aviation sector, the Committee did not focus on those provisions.

The Committee also considered the scope of the order, and I note that some Committee members were keen for the scope to be widened to include other sectors, such as agriculture. We recognise that the scope of the order has, in the first instance, been designed to mirror what currently happens in the EU scheme and to therefore smooth the transition for current participants. The EU ETS will be a common framework that is legislative and non-legislative in nature.

The debate today is on one aspect of the proposed common framework, namely the Greenhouse Gas Emissions Trading Scheme Order. The order is a major element of the framework and worthy of a debate in its own right, although it is only one aspect.

Further regulations are to come, some of which will be made under the Climate Change Act 2008, as is the case with the order. Some will come under the European Union (Withdrawal Agreement) Act 2020, such as the implementation of the protocol that allows our power generators to remain in the EU ETS to protect the single electricity market. Still further aspects will be fiscal regulations made under the Finance Act 2020. Hopefully, we will soon be provided with the framework agreement and concordat. Both are non-legislative aspects of the framework that mostly focus on governance and administrative arrangements, including

dispute resolution between the four jurisdictions. There is a little unease in the Committee about having to debate and approve or not approve the order without having seen all elements of the framework within which the order will sit.

Another issue that I want to draw attention to is the impact assessment that accompanies the order. This is at a UK-wide level, and the data cannot be disaggregated for here. Separately, the deputy First Minister has asked that a local assessment be carried out. DAERA officials have been working on that, and the Committee was promised sight of it before the debate, but it was not received in time for the Committee to consider it. Therefore, I cannot provide a Committee view on it, but I can point out why a local assessment is important. The current EU ETS regulates greenhouse gas emissions from the power generators, heavy industry and aviation. Locally, it regulates some 33% of those emissions. There are currently 21 local participants in the EU ETS, of which five are power generators. They account for 82% of the emissions that are regulated under the ETS. Under the terms of the protocol, the power generators will remain in the EU ETS. Regulation of the vast majority of emissions in this jurisdiction will continue to be regulated by the EU. The impact of that is not addressed in the UK-wide impact assessment.

The ETS common framework and this order regulate the remaining 16 participants, which account for 18% of the 33% of the emissions that fall under the order. Five of those 16 have what is known as an opt-out. That is a feature of the EU ETS that is replicated in the order. Essentially, it provides for lighter-touch regulation. Those with an opt-out still have a target to achieve in reducing their emissions, but they do not have to buy and trade allowances, so avoid the costs associated with that. Three of the five participants with an opt-out are hospitals. Of the companies that will be subject to the provisions in the order, many are in the agri-food sector, and some are major employers. That is another reason why a local assessment is so important.

The next issue that I will deal with is the cap on emissions that is provided for in the order. The Committee noted that the cap is set at 5%, and DAERA officials stated that this would be more stringent than under the EU ETS.

DAERA officials, however, also provided information to the Committee that indicated that emissions from the ETS industries will be between 126 and 131 million tons of carbon dioxide and that the 5% cap equates to 156

million tons. That is for across the UK, so there is significant headroom. The Committee has concerns that there may in fact be too much headroom. DAERA officials have told the Committee that having a cap higher than the projected emissions will allow companies to meet their obligations as well as providing them with an easy transition to the UK scheme, thus minimising any differences for them.

I will go back to the issue of a local assessment. We know what the UK-wide carbon emissions are for the sectors covered by the order. We know that it covers only 16 participants locally and that five of those have an opt-out. What we cannot get information on is the amount of emissions from the 16 participants that we are responsible for and thus the size of the local market covered by the order. It is therefore difficult to decide whether the order and the framework are appropriate and proportionate for our jurisdiction and for our unique circumstances under the protocol.

The next issue that I want to draw attention to is that of the link between the EU ETS and the UK ETS. Officials from the four jurisdictions have been working on the replacement for the EU ETS since the decision was made to leave the EU. It was always envisaged that the replacement scheme would be a UK ETS and that it would be able to link with the EU ETS. That is the stated desire of the Scottish and Welsh Governments, and it is also a desirable outcome for this jurisdiction, as it would remove any question of differences between North and South. A UK ETS would provide access to the larger carbon-trading market for participants and help avoid what are known as carbon leakages, which the Minister referred to previously. To enable that link, the order is therefore largely a mirror of the EU ETS.

Linkage between the two schemes would be largely dependent on both having similar standards and regulatory frameworks. Ultimately, that linkage will depend on what type of deal is done between the UK and the EU. In the summer of 2020, however, the UK issued a consultation on an alternative to the proposed UK ETS that is known as the carbon emissions tax. That has caused some concern and speculation that the UK may decide to move forward with the carbon tax instead of with a UK ETS. That could be because no deal has been reached or because the UK has decided that a carbon tax is a better way forward. The problem that the Committee has with the carbon tax is that it effectively un-devolves that area. Greenhouse gas emissions and their regulation are devolved matters, but a carbon tax would be an excepted matter, and if

we need a local assessment to be able to judge the impact of the order on our local participants, we also need some assessment of the impact of the carbon tax on them.

We are all aware of the renewable heat incentive (RHI) inquiry and the cash-for-ash scandal, and all in the Chamber are committed to making sure that we do our best to avoid another such scheme. Emissions trading schemes operate across the world, not just in Europe. Carbon is treated as a commodity and traded. The carbon market is worth vast amounts of money. In taking evidence from DAERA officials, we asked what checks and balances were built into the scheme to avoid financial abuse of it. Officials told us that the fiscal management of the trading aspect of the scheme will be done largely through two finance regulations that will cover the auction of the allowance and the role of the national conduct authority and that there are checks and balances through the Treasury to avoid abuse of the system. They did not have a lot of information on that aspect. It is not in the scope of the order, but it is something to draw Members' attention to.

The Committee explored a number of other matters with DAERA officials, such as carbon leakage and free allowances; divergence of regulatory systems between the EU and the UK as time goes on and what impact that might have here; ongoing consultation with local participants on the governance and administration arrangements; and the opt-out system available to our smaller emitters.

I hope that that has given the Assembly a taste of the work of the Committee in this area and that it helps to inform the debate and the vote on whether this jurisdiction should be included in the order.

**Mr Principal Deputy Speaker:** Before I call the next Member on the list, I will read out who is on it, because I see others in the Chamber, and I do not know whether they wish to participate. The Members on the list at present are Mr William Irwin, Mr Matthew O'Toole, Mr Harry Harvey, Mr Philip McGuigan, Ms Clare Bailey and Mr Gerry Carroll. I see that Mrs Rosemary Barton and Mr John Blair also wish to contribute.

**Mr Irwin:** I welcome the opportunity to contribute to the debate. This is one of many special instruments that have been discussed in the Committee in recent weeks and months.

There is a significant importance attached to this particular SI to ensure that, post transition, a trading scheme is retained outside the EU but with the possibility of further collaboration on the issues of cleaner emissions if agreement exists to do so.

### 6.15 pm

This statutory instrument is essentially a replacement policy for the UK, including the devolved regions of Scotland, Wales and Northern Ireland, where participation in the trading scheme will come into effect at the end of the transition period on 31 December. Having a continuation of policy and a rollover of regulation will ensure that the UK on the whole retains monitoring powers and the determination of our ability to continue to meet greenhouse gas emission targets.

As we know, these are very ambitious targets. Our UK targets are more ambitious than those of the EU. Therefore, in order to meet the target of net zero by 2050, the industry will have to continue to make strides on cleaner air from industrial and electrical generating installations. That will require the trading scheme, as tabled, to be enacted. The method behind ensuring that we have an unbroken continuation of legislation is the fact that putting a cost on carbon means that an incentive exists to drive emissions down in a way that represents value for money and, critically, gives important stimulus to the private sector to invest in emissions-reduction technology and practices.

The scope of the legislation will account for 33% of the UK's emissions outputs. Indeed, it was the UK that first piloted an emissions trading scheme in 2002. That was the blueprint for the current EU trading scheme. With that in mind, it is fair to say that, from 1 January, the United Kingdom will be more than capable of operating a scheme independently, given its track record of innovation in that regard.

The cap-and-trade system is important for the working of the scheme, as it incentivises the pursuit of reductions and has an important facility whereby companies can purchase allowances to assist their operations over time towards the lowering of greenhouse gas emissions.

I have a concern about competitiveness. As I understand it, the target set will be about 5% lower than the equivalent European scheme. It is therefore important that we are watchful of our competitiveness compared with the rest of the EU and what, if any, impact a lower or more

ambitious target will have on our industries here.

As with much of the transitional legislation, time is of the essence. Since the UK was a forerunner in the trading scheme, I believe that it can continue to lead the way. With an important eye on competitiveness, therefore, I support the motion.

**Mr O'Toole:** Here we are again debating a fairly rushed but extremely important and consequential piece of legislation in relation to Brexit before the end of the transition period, albeit I accept that, as is usual, a lot of that is because of Boris Johnson's Government and their desire, or inability, to bring these two devolved Administrations together in a timely way.

First, it is worth saying that the EU emissions trading scheme, flawed though it is, has been an important part of emissions reduction across the continent over the past 20 years. It is important that we have a replacement. It is, however, suboptimal that there is still lack of clarity at UK Government level about whether they are committed in the long term to a UK emissions trading scheme or a carbon tax.

There are legitimate arguments in favour of both models. As Declan McAleer from the Committee for Agriculture, Environment and Rural Affairs said, there is a specific concern about the application of a carbon tax and what that would mean, in the sense that it would be a tax applied from the Treasury. That would have a profound impact on the principle of devolved responsibility for emissions reduction, albeit a realist would say, and I am sure that Ms Bailey might agree, that we have not always done as well as we should at a devolved level on emissions reduction, so perhaps we should not pat ourselves on the backs about that.

To come specifically to the points in the order, we have some indication of what the costs will be in relation to it for Northern Ireland's current participants in the EU ETS, but, unfortunately, we do not have a detailed understanding of what it will mean for the different sectors. There are still unanswered questions. I appreciate that the Minister addressed some of them in his opening remarks, but there are still many more.

It is clear that the vast majority of emissions that are covered by the EU ETS will continue to be covered by it, in the sense that a small number of power generators that are participants in the all-Ireland electricity market, will, because of the single electricity market,

continue to be part of the EU ETS. It is worth saying that that is necessary and welcome.

The protection of the single electricity market was one of the most important early parts of the discussions around the UK's withdrawal. I am glad that it is being legally protected and is enshrined in this order. However, there are still significant questions about those parts of our economy that will still be covered by the UK ETS and also, as the Committee Chair said, the linkage between the UK and EU ETS. It is really important that we understand that; it is important for our economy, going forward, how we interact with that new UK ETS.

Pardon me, Mr Principal Deputy Speaker. I am —.

**Mr Principal Deputy Speaker:** If the Member wants to nip out and get a glass of water, I am happy to move on. I will call you again, or are you —?

**Mr O'Toole:** That is fine. I will make my remarks very brief. The Minister will be glad that I have had an opportunity to curtail my remarks.

As I said, about 80% of our emissions will continue to be covered by the EU ETS, but significant parts of our economy will still be under the UK ETS. It is really important that we understand what the linkage between the two schemes will be. It is better for our economy and industry that we understand exactly what that linkage will be and how it is going to work.

It is also important, as part of that understanding, that we look at our emissions more broadly. As we know, agriculture, which is one of the biggest emitters in Northern Ireland, has consistently been excluded from the EU ETS. It begs the question about the holistic look that we must take at our emissions reduction. As we have said repeatedly in this Chamber, we are the only part of these islands without a stand-alone and robust regulator. We need that and stand-alone climate change legislation.

This order is, I am afraid, fairly last-minute, rushed legislation, all of which, I accept, is not the responsibility of the devolved Department. It is extremely frustrating that the UK Government have been unable to offer clarity to industry and the devolved Administration about exactly what the emissions trading regime will be for the UK in the long term. However, we are, as it were, where we are, where we are. To the extent that this order provides a little clarity — but not nearly enough — it is welcome.

It is also, I say as an aside, a shame that the UK has decided on — or is still debating — completely breaking away from the EU emissions trading scheme. It is worth saying that London has been a centre for carbon trading, and that has had an economic benefit too. There would also be a concern for Northern Ireland if the carbon trading market in London were to be reduced and become less of a significant player. That should matter to all of us across these islands.

In conclusion, we are deeply troubled that we are having to debate this in a very rushed manner. There is still huge lack of clarity about precisely how the new UK emissions trading scheme will interact with the EU emissions trading scheme, going forward, and exactly how that will affect areas of industry in Northern Ireland, both those that will still be covered by the EU emissions trading scheme and those who will enter into the, as yet, unconfirmed in the long term, UK emissions trading scheme.

**Mrs Barton:** Like many other aspects of the United Kingdom withdrawal from the EU, this lengthy Westminster secondary legislation seems to complicate what should be a relatively simple process.

This legislation regarding withdrawal from the EU has been foisted upon us without any real opportunity to gather evidence or information or for the Committee to carry out the scrutiny that it is expected to do. While an impact assessment has been carried out across the UK, it did not drill down into Northern Ireland. The Committee was informed that a local assessment was being undertaken. Officials indicated that the local assessment would be provided to the Committee before the debate, subject to the Minister's agreement. It was not, however, made available to us before that was laid.

The legislation has relevance for 21 installations that are currently in the European Union emissions trading scheme. However, five of those installations will remain in the EU ETS, with those five generators being responsible for 82% of emissions. Therefore, it has a real-time relevance only to the 16 installations that produce 18% of emissions. One should wonder whether its overall relevance is significant to Northern Ireland.

I understand that an emissions trading scheme is a devolved matter. Therefore, Northern Ireland could adopt different targets and mechanisms to meet those targets. That is why a framework agreement is being developed with a standardised process for how the UK ETS will

be governed, including how to manage and resolve disputes. While it may not appear to be a vital piece of legislation at present given that a sizeable proportion of those participants will remain in the EU scheme, maybe it will lead to Northern Ireland's developing its own targets, but as part of the United Kingdom framework. My party supports the motion.

**Mr Blair:** I will start with the statement that it is predicted that, in 2021, emissions from ETS industries will be between 126 million and 131 million tons of carbon dioxide equivalent. It hardly needs to be said that we are at a crucial juncture in efforts to mitigate the impacts of global warming. The decisions that we make today and the actions that we take will determine whether we succeed or fail at preventing the worst consequences of climate change and the further devastation that it brings.

However, I rise on behalf of Alliance to accept the need for the emissions trading scheme in Northern Ireland, which will include the draft Greenhouse Gas Emissions Trading Scheme Order, a framework that will apply to energy-intensive industries and which also, of course, allows for opt-out; a framework that also needs to be built on policies that are bespoke to Northern Ireland's industries and need.

As a member of the Committee for Agriculture, Environment and Rural Affairs, I was deeply troubled to learn at a Committee briefing that the UK Government did not include Northern Ireland when assessing a framework to combat the effects of climate change. We are the only region of the UK that was not included in the impact assessment for the system that is the cornerstone of Government policy to combat climate change and to limit greenhouse gas emissions across the power, industrial and aviation sectors. That is especially concerning when considering the fact that, at the end of the Brexit transition period, we will be the only devolved nation to share a land border with the EU. The Minister will be aware that I raised issues around that at today's Question Time. I should, at this point, express my gratitude to DAERA officials and the Assembly Committee officials for the information that they brought to us on the issue on that occasion.

It is, nevertheless, important that the Order, which establishes a scheme for monitoring, reporting and verification requirements, is implemented in Northern Ireland. There has to be an opportunity for major ETS providers to exceed limitations if required, but those matters will require ongoing analysis and review going forward. I suggest that clarification is also

required on the carbon tax. If there is no deal, there might be no chance to negotiate a linked scheme between the UK ETS and EU ETS. In that circumstance, the UK Government might also put an option on the table for a UK carbon tax. However, they have not said that they will definitely introduce a carbon tax or a stand-alone UK ETS. Clarification on those matters is most definitely required. Perhaps, the Minister would reflect on that when he makes his winding-up speech.

The UK Government's language on that linkage has simply become less committed given the uncertainties around the negotiations. A carbon tax could be an alternative method of controlling those emissions. We are the only region in the UK and Ireland without a specific net zero emissions target. Despite laudable attempts, we have not reduced our greenhouse gas emissions in line with scientific advice.

### 6.30 pm

Since the introduction of the UK Climate Change Act, greenhouse gas emissions have fallen by 27% across the UK, but, for Northern Ireland, emissions have fallen by 9%. It is imperative that we introduce legislation to protect our environment and halt the climate crisis. I am glad that progress is being made in that regard through other means.

With reservations about UK Government actions as expressed, I am happy, in the context of this jurisdiction, to support the order.

**Mr Harvey:** As was outlined, the draft order establishes a workable emissions trading scheme for the UK that will replace the current EU ETS. I welcome the fact that it has already been agreed by the devolved Governments of Scotland and Wales, working alongside Westminster, and following an extensive consultation on the future of UK carbon pricing.

The purpose of the order is to tackle climate change and drive down greenhouse gases by gradually encouraging the reduction of emissions. While the UK ETS will be a key tool in the armoury to combat emissions, it is not the only tool. It is imperative that we consider this matter in the context of what complementary schemes and systems are operational across commerce, industry and agriculture in order to safeguard our environment and aid our net zero commitment. The green growth strategy and tangible projects such as Forests for our Future are key to achieving that goal.

The Economy Minister told the House that clean energy is one of her Department's highest priorities. I welcome her Department's commitment that the new 2030 renewable electricity target will be at least 70%. That is significant, given that it is estimated that the electricity market currently accounts for 80% of Northern Ireland's ETS. It is worth bearing in mind that only 20% will move to the UK ETS when it commences, unlike the rest of the UK.

It is, therefore, vital that, if we are to remain within the EU ETS for electricity because of the all-island nature of supply, there is meaningful cooperation between both jurisdictions. There must be an acknowledgement by the EU and the Irish Government that any decisions made to alter the trading system will directly affect Northern Ireland, which in turn must afford the Assembly a role and a say on that. It is expected that the EU ETS and the UK ETS will be closely aligned, which will be of benefit.

As we work to reduce emissions, we must also work to increase renewable energy forms, thus providing viable alternatives. I welcome the fact that interest in the hydrogen economy is accelerating locally. Northern Ireland has the potential to lead the way on hydrogen technology and fuel clean, cutting-edge economic growth. If we cannot realise green alternatives such as hydrogen, the likes of the ETS will fail to achieve its long-term aim. We must not only incentivise reduced emissions but provide sustainable alternatives to greenhouse gases in the longer term.

The UK has been successful for many years in balancing those factors. Over the past 30 years, our emissions have gone down by 45%, while the UK economy has grown by 75%. It is absolutely the case that reducing carbon emissions is not the enemy of economic development but, rather, can work well with it. We must ensure that that is maintained and the economy is supported in tackling emissions.

Reducing emissions while supporting UK businesses must be our priority. Certainty is needed across the UK in respect of whether the UK ETS will be the preferred option or whether the Government's fallback option of a carbon emissions tax will have a role.

Whilst I appreciate that that will be a factor in ongoing negotiations, the sooner those involved are aware of which option is to be used, the better. There is also a balance to be struck between climate change ambition and the cost and danger of carbon leakage.

The draft Order draws on the best of the current system, which the UK was instrumental in developing, and adds improvements that, it is hoped, will ensure greater flexibility to work in the interests of the UK and fight against climate change. I support the motion.

**Mr McGuigan:** Climate change and global warming are happening, and dealing with them, as I have said in the Chamber on many occasions, is the greatest issue facing this generation. Climate change is occurring due to greenhouse gas emissions from human activity. It is having and will continue to have a devastating impact on our environment and our population through fires, floods, storms and other forms of extreme weather. Adhering to the Paris agreement of 2015, which set the target of keeping average temperature increases to below 2°C compared with pre-industrial levels, is vital. That is the context of why we are discussing the carbon trading scheme.

The schemes are about reducing greenhouse gas emissions and working to reduce the impact of climate change — "polluter pays", as it were. This proposal is a cap-and-trade scheme based on the design of the EU emission trading scheme to encourage cost-effective greenhouse gas emission reduction from within the traded sector. The carbon price should be high enough to encourage investment in low-carbon alternatives where the cost of investment is lower than the carbon price. The scheme covers heavy industry, power generators, aviation and similar installations. Those installations are the biggest emitters of carbon dioxide. The current EU ETS, which governs the North, works by making participants purchase an allowance for each ton of carbon dioxide that they emit. The more they emit, the more allowances they need to purchase. There are penalties for failure to obtain the requisite number of allowances. A cap is set on the total number of allowances, and it is gradually reduced over time. The aim is to encourage reductions in emissions.

In general, emissions trading schemes can and should be supported, but, as with most of the proposed legislation that we discuss in the North as a result of the Tory Brexit, there are many unanswered questions and a certain degree of uncertainty and unease. To this point, we were part of the EU trading scheme, and the proposed scheme, we are told, mirrors the EU ETS. Given that we live on an island, it is vital that that remains the case. The scheme must be closely linked, as others have said, to the current EU trading scheme. That is something that is not only needed here but that the

Scottish and Welsh Governments have asked for certainty on.

The impact on the North is somewhat negated by the protocol, in that our power stations will remain in the EU trading scheme. They make up the bulk of the North's regulated emissions. As others have said, with the ability for our hospitals and others to opt out, there are likely to be 11 local participants in the new scheme. That is a small number, but it is still a concern, as other Committee members have mentioned, that the Committee for Agriculture, Environment and Rural Affairs did not receive the local assessment of the impact in the North that we asked for, despite officials telling us that we would have it before today's debate. That causes me unease. Given my well-placed distrust of the British Government, I also have unease that we have not seen all the framework legislation into which the Order will fit. There is always the fear that the British Government say one thing on Brexit legislation and then proceed to do something completely different. Last week, for example, concerns were raised about an amendment to the Westminster Environment Bill that seems to signify that British Ministers are intent on granting themselves the power to interfere with the proposed Office for Environmental Protection. That office was set up because of Brexit to protect environmental legislation and is supposed to be independent. Another worry that has been raised by Members in the debate is that, even though we are debating the emissions trading scheme, we know that, in the background, the British Government may ignore our thoughts on it and those of the Scottish and Welsh Parliaments and instead introduce a carbon tax scheme that they have consulted on this year. That is not devolved to the Assembly, so we would have no say in it. I repeat that we should support the proposal for a trading scheme. In this case, it needs to mirror that which is currently in place with the EU. I say that with all the caveats that I and others have pointed out during the debate.

Given the subject matter of our discussion, I conclude by mentioning the cross-party-supported private Member's Bill in Clare Bailey's name that was recently introduced to the Speaker's Office and that will, at long last, give the North a climate Act with sectoral targets for reducing emissions. I look forward to that Bill progressing speedily through the Chamber and becoming law so that the House can take greater responsibility for the issues affecting our environment, our economy and, ultimately, the livelihood of our citizens.

**Mr Principal Deputy Speaker:** That was a nice intro for Ms Clare Bailey.

**Ms Bailey:** Thank you, Mr Principal Deputy Speaker. First, kudos to the Members who have spoken so far for having so much to say in the debate. The reality is that what we are debating is the UK Government doing a copy-and-paste of EU law into domestic law and calling it "taking back control". We are passing this legislation in order to allow us to have a functioning rule book by 1 January. It is a wee bit depressing to know that all the devolved Administrations are working flat out just to achieve a functioning rule book in less than eight weeks. Four and a half years on from the frenzied drive to take back control, this is where we find ourselves with Boris's oven-ready deal: still copying and pasting EU law into unambitious domestic law. We have, however, the promised potential for the UK Government to take back control of devolved powers, if they go ahead with the carbon tax and replace the ETS. I have to say "might", because that is as far as we have got in the decision-making process so far: might, maybes, don't-knows, still-to-be-decided. That is what we face today.

This has been criticised for lacking ambition, but so was the EU scheme. It lacked ambition, but it is an incredibly lucrative scheme. It is estimated to have produced £163 billion in global trade in 2019 alone. It is almost as if there is a magic carbon money tree somewhere. It is exactly the same; it is the same old unambitious way forward. We know that, to allow the seamless transition, we will cover in the legislation the same greenhouse gases and the same sectors applying to the current scheme under the same initiatives and that the main means of introducing the allowance into the UK market will continue to be the auctioning process that created £163 billion in global trade last year alone. The review mechanisms in this have been confirmed as a mirror image of what we currently have under EU law. The UK Government are taking back control — it is great to see — four and a half years later.

The real debate will come when we have some sort of proposal from the UK Government on what they want to do to move forward. Will it be a carbon tax? Will they have ambition? Will they be leaders in tackling carbon emissions? As Philip McGuigan has already said, we have plans. We have laid a Bill in the House, and we hope that, as it progresses through the House, we can have the really ambitious debate about what we can do, how we can play our part and how we can tackle carbon emissions, because that will not happen with the unambitious move to have a functioning rule book in eight weeks.

**6.45 pm**

**Mr Carroll:** We are discussing legislation that was developed in Westminster by Boris Johnson and the Tories. It is worth saying that Mr Johnson wants to appear to be a leader on global environmental policy, but he and his Government are anything but leaders. They are masters of greenwashing and have already broken many of their own environmental promises. Everyone is right to be concerned about how Johnson and his mates may use Brexit to destroy environmental regulations.

We should not follow the Tories in developing our climate emergency response, but, just like with our shambolic approach to COVID and welfare reform, it appears that we are. Just like Johnson, Minister Poots wants us to believe that he takes environmental issues seriously, but he does not want anyone to mention that we are in a climate emergency, and he may not believe that himself. If he were serious about tackling climate change, he would not be blocking the demand for an independent environmental protection agency, nor would he be holding up the demand for an inquiry into the illegal Mobuoy dump.

What goes for Minister Poots goes for the entire Executive, because a decision by the Infrastructure Minister to allow continued industrial dredging of Lough Neagh amounts to an assault on our ecology and a ripping up of the declared climate emergency. It means that any climate Bill that I have signed up to and support will likely be hollow and false from the beginning. Not only that but environmental campaigners are right to be worried that the Executive may try to ram through fracking proposals again in Fermanagh. Added to that, the fact that two green energy schemes — RHI and anaerobic digesters — have hit the news, not because of their success in reducing CO<sub>2</sub> emissions but because they were rackets that were used to enrich a golden circle of associates and corporations, really speaks to the failure of the Executive to take climate change seriously.

That having been said, emissions trading schemes have been doing the rounds for a while now, and I am very concerned that this is another way in which to profit from the climate crisis and to avoid taking radical action to reduce carbon emissions. The EU ETS was a failure, and the UK ETS will likely fail as well. Emissions trading schemes have been part and parcel of the political and corporate establishment's do-nothing strategy on climate change. They have sat on their hands, allowing the continued destruction of ecosystems and the continued heating up of the planet. The failure of carbon trading is one of the reasons

that millions of people joined the student-led climate strikes and walked out of schools and workplaces last year.

An ETS is effectively a permit to pollute. Loophole after loophole, including overseas offsets, free permits and more, allows polluters to keep on polluting, especially if they have a lot in their bank accounts. It is a scam that gives polluters the right to keep on emitting more and more poison into our air and water systems with, I repeat, overseas offsets and free permits. The solution does not lie with emissions trading schemes but with energy efficiency targets, with a focus on the use of reusable energy; keeping fossil fuels in the ground; forcing polluters to pay for pollution; the expansion of our public transport networks; the ending of the destructive Going for Growth — addiction to growth — agribusiness strategy; and many more actions that the Executive could but are not taking.

In conclusion, without the 1,000 days of resistance by the Greencastle People's Office and everyone else involved in the Save Our Sperrins campaign, it is likely that the Sperrins would have been destroyed already.

Instead of blindly following the Tories on environmental policy, the Executive should start listening to what campaigners have been saying for decades and follow their leadership. The hope for arresting the assault on our ecosystems and reversing the climate crisis will come not from the establishment but from all those who joined the climate emergency strikes and all the campaigns that already exist across the North.

**Mr Principal Deputy Speaker:** No other Members have indicated that they wish to speak. I call the Minister, Mr Edwin Poots, to conclude and make his winding-up speech on the debate.

**Mr Poots:** I have some comments to make on some of the issues that have been raised by Members. A number of Members seem to be reluctant to move away from the EU scheme to the UK scheme, even though it accounts for around only 18% of emissions.

Ms Bailey commented that it was very much like the EU scheme. The scheme actually introduces more stringent measures, and I thought that she might welcome that. However, she did not bring herself to do that.

**Ms Bailey:** Will the Member give way?

**Mr Poots:** Yes, certainly.

**Ms Bailey:** We are setting a cap at 5% less. I have been led to believe that this scheme actually allows more carbon emissions, and I will back that up with a quotation:

*"The UK currently does not exceed the 156 million tonne cap, but with this current rate that is set to rise."*

Is that right, Minister?

**Mr Poots:** No. The cap is set to reduce by 5%, as you, and others, have indicated. That is clear. However, if you do not wish to welcome that, that is fine.

Mr Carroll is calling for carbon reduction. He is against bioenergy. He is against wind energy. So, I am not sure what people are going to use to provide energy for their homes or how it will be produced. Mr Carroll is good at being against everything, but he does not identify what he is actually for.

A number of Members talked about the importance of the EU scheme, and what a wonderful scheme it was. A wonderful scheme, yes. We reckon that just short of 3,200 tonnes of carbon allowances had to be purchased by Northern Ireland businesses in 2018, costing £64.5 million. That cost happens year on year. Over the years, hundreds of millions of pounds have been spent, and the cost has been passed on to the people who consume the electricity, as it is mainly electricity that we are talking about. The hundreds of millions of pounds that the scheme has cost has been passed on to every household in Northern Ireland.

That is all wonderful as it is to reduce carbon; that is great. It is a bit like the aviation tax on flights. However, Northern Ireland has got nothing back. For example, Sweden got £203 million for a bioenergy scheme. Ms Bailey does not like bioenergy, but the EU seems to like it as it gave Sweden £203 million. Germany got £112 million for a wind energy project, which Mr Carroll is opposed to. Spain got £70 million for solar energy. The Netherlands got £199 million for a bioenergy project. France got £170 million for a biofuel project. Finland got £88.5 million for a biofuel project. Northern Ireland has paid hundreds and hundreds of millions of pounds and has got zero back.

As we are staying in the scheme, and the innovation grant is replacing the old NER, I am pressing very hard to draw something down

from that scheme. For example, hydrogen has been mentioned. Hydrogen offers Northern Ireland a great opportunity to be leaders in tomorrow's fuel. Northern Ireland has already achieved much in the field of renewable energy. How much more could have been achieved if Northern Ireland had been the beneficiary of some of the hundreds of millions of pounds that it has put into Europe or if it had been able to get some of it back again?

**Mr O'Toole:** I am grateful to the Minister for giving way. Further to what he has just said about getting money back, I agree with him if he is being positive about the benefits of full participation in aspects of these schemes. Will he reach out to his counterparts in London, Brussels, Dublin and elsewhere to explore how Northern Ireland, given its partial participation in the EU emissions trading scheme, can benefit from the very ambitious European green deal that has been announced by the European Commission? If there are ways that our industry can benefit from that innovation, will the Minister be open to it?

**Mr Poots:** Absolutely. One of the problems was that, under the previous scheme, a country could only have three grant-aided schemes. Northern Ireland did not get any of the three schemes; they are all based in England. The consequence of being part of a larger nation is that we had less chance of succeeding than a country with a relatively small population, such as Latvia or Finland.

As we go forward, if Northern Ireland is part of the EU ETS but the UK is not, will we be able to draw down funding? That is the question that I am asking. My Executive colleagues need to support me in that regard. If we are to contribute large amounts of money to the EU innovation fund, we need to get something back. It is the old problem of taxation without representation. As I said, it will be good for carbon reduction because, if we draw money back to carry out carbon reduction, as opposed to just paying into the scheme, that will enable us to drive down our carbon footprint quicker.

Mr O'Toole mentioned that agriculture was not included. I am glad that it is not because it would impose a further burden on Northern Ireland taxpayers on top of what we already pay. It would, probably, add another £20 million or £25 million from the Northern Ireland economy into an area that we do not draw anything back from. I am not enthused about adding to it. I wish to bring forward proposals that will better identify agriculture's real carbon contribution. That will include what is happening in sequestration and will properly identify the

sequestration that takes place so that we do not have the situation where we identify emissions but not sequestration. One without the other is meaningless. We need to cover that and identify it.

This is slightly off topic, but the EU scheme is something that we are in and will remain in. The UK scheme that is being proposed to replace it for non-energy businesses will create a better opportunity for us to get something bespoke for Northern Ireland plc. I have made the case repeatedly with Kwasi Kwarteng, with whom we have had lots of meetings, that we in Northern Ireland need to get something back from the money that is ploughed into the carbon emissions trading scheme. I do not have that opportunity with European Ministers, frankly. We can continue to beat the drum here to reduce carbon in a greater way in Northern Ireland through being part of the UK scheme than we could do through the EU scheme. However, as a consequence of the protocol, we will end up in both, and we need to fight our corner in both places to ensure that that is the case.

In any event, I commend the order to the House. It is the only way forward that we have at this time and is thus the direction in which we need to head.

*Question put and agreed to.*

*Resolved:*

*That the draft Greenhouse Gas Emissions Trading Scheme Order 2020 be approved.*

*Adjourned at 6.59 pm.*

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