



Official Report (Hansard)

Tuesday 16 November 2021
Volume 145, No 2

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Woods, Miss Rachel (North Down)

Northern Ireland Assembly

Tuesday 16 November 2021

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

Members observed two minutes' silence.

Assembly Business

Public Petition: Extend the High Street Voucher Scheme to 16- and 17-year-olds

Mr Speaker: Pádraig Delargy has sought leave to present a public petition in accordance with Standing Order 22. The Member will have up to three minutes in which to speak.

Mr Delargy: I have brought my petition before the Assembly today because I identified a need in and a real desire from my constituents to extend the high street voucher scheme to 16- and 17-year-olds.

I support the voucher scheme. The premise of the scheme is that it benefits retail. There is no difference between an 18-year-old and an 80-year-old spending £100 to support our local businesses, so I do not see any reason why 16- and 17-year-olds should not have access to the voucher as well.

When the scheme was established, £21 million was set aside in case there was a shortfall and other groups needed to be added to the scheme. It would cost only £4.5 million to extend the voucher scheme to 16- and 17-year-olds. I believe that that would be money well spent. That group would support and benefit our local economy just as much as anyone else.

Let us not forget in all this that our economy is changing. I recently visited years 13 and 14 at St Cecilia's College in my constituency, and I found that over three quarters of those pupils are working in part-time employment. A huge number of young people are working in apprenticeships and in other full-time jobs. In many of those full-time jobs, they are paying National Insurance and tax just like everyone else who has benefited from the voucher scheme.

The voucher scheme marks a relaxation of COVID restrictions and a return to somewhat normal times on our high street, so it is important that we reward those who have sustained us through the pandemic. I do not think that anyone in the House will disagree with me when I say that young people have sustained us and have proved to be the backbone of our economy, particularly over the past 18 to 20 months. They have worked as carers, in supermarkets and in many other capacities.

They have missed out on so much and so many parts of their young experience, such as formals and trips away, which are essential parts of growing up. I hope that, in bringing forward my petition, other parties can get behind it, because it impacts all young people. It impacts young people in my constituency of Derry and across the North. It is not a unionist or nationalist issue. It impacts young people in Ballysillan just as much as in the Bogside. It impacts young people in Shantallow just as much as in the Shankill. I encourage all Members to back my petition and to sign it online.

Mr Speaker: Normally, I would invite the Member to bring his petition to the Table and present it here. However, in light of social distancing, I ask him to remain in his place and to make arrangements to submit the petition to the Speaker's Office electronically. I thank the Member for bringing his petition to the attention of the Assembly. Once it is received, I will forward it to the Minister for the Economy and send a copy to the Committee. I thank the Member for that.

Executive Committee Business

Health and Social Care Bill: Consideration Stage

Mr Speaker: The next item in the Order Paper is the Consideration Stage of the Health and Social Care Bill. I call the Minister of Health, Mr Robin Swann, to move the Consideration Stage.

Moved. — [Mr Swann (The Minister of Health).]

Mr Speaker: Members will have a copy of the Marshalled List of amendments detailing the order of consideration. The amendments have been grouped for debate in the provisional grouping of amendments selected list. There is a single group of seven amendments that deal with the continuation of local commissioning groups (LCGs) and provisions for local area integrated partnership boards (AIPBs). In the group, amendment Nos 3 to 7 are consequential to amendment No 1 being made.

I remind Members who intend to speak that, during the debate on the single group of amendments, they should address all the amendments on which they wish to comment. Once the debate is completed, any further amendments will be moved formally as we go through the Bill, and the Question on each will be put without further debate. Questions on stand part will then be taken at the appropriate points in the Bill. If that is clear, we shall proceed.

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

New Clause

Mr Speaker: We now come to the group of amendments for debate. With amendment No 1, it will be convenient to debate amendment Nos 2 to 7. I call the Minister of Health to move amendment No 1 and to address the other amendments in the group as he so chooses.

Mr Swann (The Minister of Health): I beg to move amendment No 1: After clause 2 insert -

"Continuation of Local Commissioning Groups

2A.—(1) Despite the dissolution of the Regional Board, the Local Commissioning Groups

appointed under section 9 of the Health and Social Care (Reform) Act (Northern Ireland) 2009 are to continue in existence as unincorporated bodies.

(2) Schedule 1A contains provision about the Local Commissioning Groups as so continued, including provision for their dissolution."

The following amendments stood on the Marshalled List:

No 2: After clause 2 insert -

"Duty to establish bodies for local areas

2B.—(1) After section 15A of the Health and Social Care (Reform) Act (Northern Ireland) 2009 insert—

'Local area bodies

Duty to establish bodies for local areas

15B.—(1) The Department must by regulations establish one or more bodies under this section.

(2) A body established under this section is to be called an 'Area Integrated Partnership Board' or such other name as may be prescribed.

(3) Each Board is to exercise its functions for such area of Northern Ireland as may be prescribed; and the Department must ensure that there is a Board for each area of Northern Ireland.

(4) Each Board is to exercise such functions relating to the following matters as may be prescribed—

(a) the identification of the health and social care needs of the people in its area,

(b) the planning, delivery and management of health and social care for those people, and

(c) the facilitation and encouragement of co-operation between those responsible for planning, delivering or managing health and social care for those people.

(5) Each Board must exercise its functions with the aim of—

(a) improving the health and social well-being of the people in its area;

(b) reducing health inequalities between those people, and between those people and other people in Northern Ireland.

(6) The Department may by regulations—

(a) provide that Article 18 of the Order of 1972 is to apply to each Board with such modifications (if any) as may be prescribed, and

(b) require each Board to exercise its functions in accordance with any scheme having effect under that Article.

(7) The Department may by regulations—

(a) provide that each Board is established as a body corporate (and that section 19 of the Interpretation Act (Northern Ireland) 1954 applies to each Board with such modifications (if any) as may be prescribed);

(b) make provision for the constitution of Boards (including, in particular, their membership, general powers and proceedings);

(c) make provision for the payment of remuneration and allowances to members of Boards, and for the defraying of the expenses of Boards;

(d) make provision in relation to accounting, reporting and record-keeping by Boards;

(e) make such further provision in relation to Boards as the Department considers appropriate.

(8) Regulations under this section may apply (with or without modifications), amend or repeal any statutory provision whenever passed or made, including any provision of this Act.

(9) In this section—

'Board' means a body established under this section;

a reference to the area of a Board is to the area prescribed for that Board under subsection (3).

Power of Department to give directions and guidance

15C.—(1) The Department may give directions of a general or specific nature to a Board as to the carrying out by the Board of any of its functions.

(2) The Department may give guidance to a Board as to the carrying out by the Board of any of its functions.

(3) Before giving any directions to a Board under subsection (1) the Department must consult the Board.

(4) Where the Department is of the opinion that because of the urgency of the matter it is necessary to give directions under subsection (1) without consulting the Board concerned—

(a) subsection (3) does not apply; but

(b) the Department must as soon as reasonably practicable give notice to the Board of the grounds on which the Department formed that opinion.

(5) Where the Department is of the opinion that (for any reason other than the urgency of the matter) it is not reasonably practicable to comply with subsection (3)—

(a) that subsection does not apply; but

(b) the Department must as soon as reasonably practicable give notice to the Board concerned of the grounds on which the Department formed that opinion.

(6) It is the duty of a Board—

(a) to comply with any directions given to it under subsection (1);

(b) to have regard to any guidance given to it under subsection (2).

(7) In this section 'Board' means a body established under section 15B.

(8) This section does not affect the Department's powers to give directions or guidance apart from this section.'

(2) In section 29 of that Act—

(a) after subsection (1) insert—

'(1A) No regulations are to be made under section 15B unless a draft of the regulations has been laid before, and approved by a resolution of, the Assembly.';

(b) in subsection (2), for 'this Act' substitute 'any provision of this Act other than section 15B'."—
[Mr Swann (The Minister of Health).]

No 3: In clause 6, page 2, line 31, at end insert - "(ba) section 2A and Schedule 1A;"— [Mr Swann (The Minister of Health).]

No 4: In schedule 1, page 42, leave out line 35 and insert -

"232. Omit sections 7 and 8 and the italic heading before section 7.

232A. In section 9, omit subsections (1), (3)(b), (6)(b) and (7).

232B. Omit sections 10 and 11."— [Mr Swann (The Minister of Health).]

No 5: In schedule 1, page 43, leave out line 13 and insert -

"239. In Schedule 1 omit—

(a) paragraphs 1 to 7;

(b) paragraphs 8 to 11(1), except so far as those paragraphs apply to, or relate to, the Local Commissioning Groups and their members;

(c) paragraph 11(2);

(d) paragraphs 12 to 21."— [Mr Swann (The Minister of Health).]

No 6: In schedule 1, page 43, leave out lines 38 and 39 and insert -

"(3) In section 3(6)—

(a) for 'the Regional Health and Social Care Board' substitute 'the Department';

(b) omit 'and Local Commissioning Groups'."— [Mr Swann (The Minister of Health).]

No 7: After schedule 1 insert - "SCHEDULE 1A

Section 2A.

LOCAL COMMISSIONING GROUPS

Statutory provisions to continue to operate in relation to Groups as continued

1.—(1) *The following provisions continue to apply to or in relation to Local Commissioning Groups and their members—*

(a) section 9(2), (3)(a), (4), (5) and (6)(a) and (c) of the Health and Social Care (Reform) Act (Northern Ireland) 2009 ('the 2009 Act');

(b) paragraphs 8 to 11(1) of Schedule 1 to the 2009 Act, so far as those paragraphs apply to, or relate to, committees of the Regional Board and their members;

(c) regulations 1, 2(2) and 3 of, and the Schedule to, the Local Commissioning Groups (Number, Area and Functions) Regulations (Northern Ireland) 2009 (S.R. 2009/99);

(d) the Local Commissioning Groups (Membership) Regulations (Northern Ireland) 2009 (S.R. 2009/395) (the 'Membership Regulations'), except regulation 3(1) to (3) (appointments);

but this is subject to the modifications made by sub-paragraph (2).

(2) *The provisions applied by sub-paragraph (1) are modified as follows—*

(a) *the power conferred by paragraph 9 of Schedule 1 to the 2009 Act is conferred on the Department, and in that paragraph the words 'Without prejudice to section 19(1)(a)(v) of the Interpretation Act (Northern Ireland) 1954 (c. 33)' are omitted;*

(b) *in the Membership Regulations—*

(i) *references (however expressed) to employment by the Regional Board are to be read as references to employment by the Department or the Regional Business Services Organisation;*

(ii) *other references to the Regional Board are to be read as references to the Department.*

2. *Paragraph 1 does not affect the continued operation of any other statutory provision that applies to, or relates to, Local Commissioning Groups.*

Appointments and terms of office

3.—(1) *Any person who is a member of a Local Commissioning Group immediately before the dissolution of the Regional Board is to continue to be a member of that Group; but this is subject to the following provisions of this paragraph.*

(2) The term of office of a person who is a member of a Group by virtue of sub-paragraph (1) is to end six months after the date on which the Regional Board is dissolved.

(3) The Department may direct in writing that the term of office under sub-paragraph (2) is to be extended by such period, not exceeding 12 months, as may be specified in the direction.

(4) The Department may exercise the power conferred by sub-paragraph (3) more than once.

4.—(1) In the event of any vacancy in the membership of a Local Commissioning Group (as determined in accordance with regulation 2 of the Membership Regulations), the Department may appoint a person to fill the vacancy.

(2) The terms of appointment under sub-paragraph (1) must comply with the Membership Regulations, but otherwise are to be determined by the Department.

(3) A person who has ceased to be a member of a Group is eligible for re-appointment.

5. Paragraphs 3 and 4 are subject to regulations 3(4) to (9) and 4 to 6 of the Membership Regulations (cessation of membership in certain circumstances, disqualification, resignation and removal).

Other provision about the Groups as continued

6. The Department may pay to members of a Local Commissioning Group who are not employees or officers of the Department or the Regional Business Services Organisation such remuneration and allowances as the Department may determine.

7. In the 2009 Act—

(a) section 2(3)(h) (duty of Department to monitor and hold to account) applies in relation to Local Commissioning Groups;

(b) the duty in section 5 (preparation of framework document) applies as if a Local Commissioning Group were a health and social care body;

(c) section 6 (power of Department to give directions) applies in relation to Local Commissioning Groups;

(d) a Local Commissioning Group is a relevant body for the purposes of section 15 (RBSO support services);

(e) sections 17 to 19 (Patient and Client Council and public involvement) apply to Local Commissioning Groups.

8.—(1) The Department may give guidance to a Local Commissioning Group as to the carrying out by the Group of any of its functions.

(2) It is the duty of a Local Commissioning Group to have regard to any guidance given to it under sub-paragraph (1).

(3) Section 29(3) of the 2009 Act applies to guidance given under sub-paragraph (1).

9. References in the following provisions to a health and social care body are to be treated as including a Local Commissioning Group—

(a) Article 67 of the 1972 Order (duty of various bodies to co-operate with one another);

(b) section 3(8) of the Health and Social Care (Control of Data Processing) Act (Northern Ireland) 2016 (code of practice on processing of information);

(c) sections 14(2)(a) and 15(1) of the Public Services Ombudsman Act (Northern Ireland) 2016 (matters which the Ombudsman may investigate).

Continuity

10.—(1) Any document made or other thing done by the Regional Board in relation to the Local Commissioning Groups, if in effect immediately before the dissolution of the Board, continues to have effect to the same extent and subject to the same provisions.

(2) Sub-paragraph (1)—

(a) does not apply if the context requires otherwise, and

(b) is subject to any power conferred on the Department by paragraphs 1 to 9 to make other provision.

Power of Department to dissolve the continued Groups

11.—(1) *The following provisions cease to have effect on such day as the Department may by regulations appoint—*

(a) section 9(2), (3)(a), (4), (5) and (6)(a) and (c) of the 2009 Act;

(b) paragraphs 8 to 11(1) of Schedule 1 to the 2009 Act, so far as those paragraphs apply to, or relate to, the Local Commissioning Groups and their members;

(c) section 2A and this Schedule;

(d) the Local Commissioning Groups (Number, Area and Functions) Regulations (Northern Ireland) 2009;

(e) the Membership Regulations.

(2) Accordingly, on the day appointed under sub-paragraph (1), the Local Commissioning Groups are dissolved.

(3) The Department may not make regulations under sub-paragraph (1) unless the Department makes, or has made, regulations under section 15B(1) of the 2009 Act, as inserted by section 2B(1) of this Act (establishment of local area bodies).

(4) Regulations under sub-paragraph (1) are subject to negative resolution.

(5) But sub-paragraph (4) does not apply if a draft of the regulations (whether alone or with other provision) has been laid before, and approved by a resolution of, the Assembly."— [Mr Swann (The Minister of Health).]

Mr Speaker: I call the Chairperson of the Committee for Health, Colm Gildernew. Sorry: I will not deny the Minister the opportunity to make —

Mr Swann: To make my argument.

Mr Speaker: — his argument. My apologies.

Mr Swann: Maybe it was apt, Mr Speaker, because the amendments were drafted in conjunction with the Committee on issues that it raised with the Department of Health. The Chair or I could equally have moved them at this stage.

I thank the Health Committee for its detailed scrutiny of the Health and Social Care Bill. I am pleased to be able to open the debate on the

Bill, not least because the closure of the Health and Social Care Board (HSCB) was first announced some five years ago. The objective of the Bill is simple: it is to facilitate the closure of the Health and Social Care Board and transfer responsibility for its functions, in the main, to my Department. However, the Committee raised concerns. Having listened to those concerns, I have tabled seven amendments to be debated that reflect the detailed scrutiny that has been carried out by the Committee and my Department's consideration of the Committee's report.

Amendment No 1 introduces new clause 2A, which relates to the continuation of local commissioning groups beyond the closure of the Health and Social Care Board and also introduces new schedule 1A, which contains specific provisions for the functions and membership of continued local commissioning groups and provision for their dissolution. It ensures that the local commissioning groups that were appointed under section 9 of the Health and Social Care (Reform) Act (Northern Ireland) 2009 can continue to exist beyond the closure of the Health and Social Care Board.

These groups will remain in place and continue to operate until the Department can bring forward legislation for new area integrated partnership boards.

Amendment No 2 inserts new clause 2B, which sets out the duty on my Department to bring forward regulations to establish bodies for local areas that will be known as area integrated partnership boards. It also includes the high-level functions, duties and responsibilities of the area integrated partnership boards that may be prescribed in regulations and a power for the Department to give directions and provide guidance to the boards.

The proposed amendments have been drafted with the intention of ensuring that the power to make regulations adequately reflects the aims and objectives set out in the draft framework of the integrated care system (ICS), on which there has recently been consultation, and the continuing duties of the Department, as set out in the Health and Social Care (Reform) Act (Northern Ireland) 2009.

Amendment No 3, which amends clause 6, is a technical amendment that provides for local commissioning groups to continue beyond the closure of the Regional Health and Social Care Board and the commencement of schedule 1A, which includes the provision for the closure of local commissioning groups.

Amendments Nos 4, 5 and 6 amend schedule 1. Amendment No 4, the first of the three, retains the necessary provisions of section 9 of the 2009 Act to require that the local commissioning groups have regard in the exercise of their functions to improving the health and well-being of people in their area. With the exception of the omission of now redundant references to the Health and Social Care Board, there is no other amendment to section 9.

Amendment No 5 retains paragraphs 8 to 11 of schedule 1 to the 2009 Act, on the Health and Social Care Board, insofar as they relate to local commissioning groups and their members. The paragraphs include necessary provision for Standing Orders, validity of proceedings and disclosure of interests by members.

Amendment No 6 maintains the Safeguarding Board's duty, which is included in the Safeguarding Board Act (Northern Ireland) 2011, to advise local commissioning groups on safeguarding and promoting the welfare of children.

The final amendment, amendment No 7, adds new schedule 1A, which provides for retention of the local commissioning groups' functions and memberships. It also includes provision for extending membership beyond an initial six months following the closure of the Health and Social Care Board and at intervals of twelve months thereafter, should that be necessary, and provision for disqualification and replacement of local commissioning group members in line with the provisions of existing regulations.

Mr Gildernew (The Chairperson of the Committee for Health): I welcome the opportunity to outline the Committee's scrutiny of the Health and Social Care Bill before commenting on the Department's amendments. The purpose of the Bill is, as referred to by the Minister, to give effect to the decision to close the Health and Social Care Board. Following agreement of Second Stage on 16 March 2021, the Committee issued a call for evidence. Nine written responses were received, and the Committee took evidence from the Department and nine other organisations. I thank those who responded to the call for evidence and subsequently gave oral evidence that highlighted their concerns about the Bill.

All the organisations that provided evidence to the Committee acknowledged the need for reform of our health and social care (HSC) structures, and a number of them welcomed the Bill as part of the ongoing transformation

process. Members of the Committee shared stakeholders' views on the need for reform and acknowledged the Department's assertion that the closure of the board was an important first step on a wider transformation journey. The Committee also acknowledged that the closure of the board has been the policy position of the Department since 2015 and endorsed by three Health Ministers in turn, including Minister Swann.

During consideration of the Bill, the Committee highlighted a number of its concerns to the Department. They included a lack of clarity and detail about the new arrangements and, in particular, what would replace local commissioning groups; the Department's lack of engagement with stakeholders on future arrangements; a desire on the part of stakeholders to have input to the development of the future planning arrangements; diminished local input to commissioning; reporting arrangements; and whether the transfer of functions would deliver increased transparency and accountability and reduce bureaucracy.

10.45 am

I will now outline the Committee's views on those issues. Its primary concern was the lack of clarity on the future commissioning framework. The Committee had significant concerns about how local engagement and input into decision-making would continue when the Health and Social Care Board and the local commissioning groups were dissolved. During oral evidence, the Committee heard that there was a lack of engagement on the future planning model. We were concerned about that lack of engagement.

The Committee sees local engagement and input into the commissioning of services as being one of the key pathways to addressing health inequalities and ensuring that services meet local communities' needs. The Committee was concerned that removing the local commissioning groups would remove a significant amount of accountability and transparency from the decision-making process. The Department advised during Committee Stage that significant work was under way to develop a new integrated care system model, whereby local providers and communities would be empowered to come together to plan, manage and deliver care for their local population, based on a population health approach managed and delivered at a local level.

The Department advised that the new model reflected the importance of ensuring that local

input and intelligence remained key to the shaping of HSC services that would meet the needs of the population. It further advised the Committee that the expertise and experience of the LCGs, particularly their role in gathering local intelligence and informing the planning and delivery of services based on identified need, would be built on in the design of those groups.

The Committee remained concerned, however, that it did not have enough information on the future planning model and on what would replace the work of the LCGs. Following the briefing session with the chairperson and the chief executive of the HSCB on 29 April, we asked the Department to provide further detail and briefing on the new commissioning structures. The Department provided the Committee with an advance copy of the draft framework and advised of its intentions to engage with key stakeholders. The draft framework document provided information on what the ICS model would look like. It will include provision for a regional group, five area integrated partnership boards, as the Minister outlined, and locality- and community-level structures. The framework document also sets out the Department's views on the development of governance, accountability, finance and budgetary arrangements.

The Department undertook a targeted consultation on the future planning model draft framework document between 19 July and 17 September 2021. The Committee welcomed the consultation on the draft framework and, additionally, the consultation on the development of a new independent appeals process for family practitioner services contractors as being important first steps in garnering key stakeholders' views. The Committee looks forward to seeing the Department undertake further and ongoing engagement work.

The Committee values the important contribution that HSC stakeholders can make to the future planning arrangements and encourages the Department to continue to adopt a collaborative approach to that work going forward. At that point, however, the Committee remained unsatisfied about the lack of certainty and detail on future arrangements, and, at the start of July, it asked the Department to consider tabling amendments that would allow LCGs to continue until the new framework was in place. The Committee also agreed that it wanted to see an amendment that would provide the Assembly with a role in the scrutiny of the transitional arrangements.

At a briefing on 9 September, the Department advised that the new AIPBs would not be in place when the board and LCGs were dissolved, as the new system needed to develop and mature, and that any legislative process could be restrictive to the development of the new framework. The Department advised that it would not be tabling any amendments to address the Committee's concerns. At its meeting on 16 September, the Committee considered the Department's response and remained of the opinion that it would be difficult for it to support the clause if unamended. The Committee maintained its concerns that the Bill, as currently drafted, did not include any statutory underpinning for the new health and social care system that would be in place upon the closure of the board.

At that point, the Committee agreed that it wished to see an amendment made to the Bill to include provision for legislative powers that placed a statutory duty on the Department to bring forward regulations on the new ICS model and framework to be laid in the Assembly, and for such regulations to be approved by the affirmative resolution procedure. It was the Committee's view that such an amendment would ensure that the Committee and the Assembly would have oversight of the new model and that a higher level of scrutiny would be afforded to the Assembly in that instance. In addition, the Committee outlined its concerns about the possible loss of local input during the transitional arrangements. The Committee agreed that any amendment should reflect an additional requirement that LCGs be retained.

It was the Committee's view that an amendment of that type would allow the retention of the LCGs until regulations were drafted and ensure that there was no vacuum in local engagement and input. The Committee further agreed that the LCGs should cease to exist once the regulations on the new model were approved. That should prevent the Department from having to double-run the two systems.

The Committee considered options for amendments provided by the Bill Clerks and agreed amendments to clauses that would provide the Committee with the necessary assurances that it sought. The Committee was also advised that the Department was considering proposing amendments, and the Committee agreed that it would not table its amendments until it had considered any amendments proposed by the Department.

Before speaking on the amendments, I will address one of the other key concerns for the Committee: openness and transparency in

decision-making. Significant resource is allocated when decisions are made on the commissioning of services, and the Committee believes that there should be a robust accountability framework that provides not only the Assembly but the general public with the necessary reassurances that decisions on the commissioning of services are evidence-based and meet the needs of the local community. The Committee sees the reporting framework as key to ensuring accountability, transparency and public confidence in decision-making. The Committee is content that any accountability framework and reporting regime will now come back to the Assembly through the amendments proposed today. The Committee also requested that any reports should outline how the new ICS addresses health inequalities in our communities.

The Committee welcomes the amendments proposed by the Minister. The Committee was briefed on the amendments on 21 October and agreed at its meeting on 4 November that it was content to support the amendments and therefore would not table its own amendments. Amendment No 1 provides for the continuation of the local commissioning groups beyond the closure of the board and will make LCGs statutory bodies. The LCGs will remain in place until the Department makes regulations in respect of the area integrated partnership boards.

Amendment No 2 places a statutory duty on the Department of Health to bring forward regulations on the AIPBs. The regulations will be subject to the draft affirmative procedure, giving the Committee and the Assembly the highest level of approval. The Committee looks forward to considering the regulations when they are brought forward. The rest of the amendments make the necessary changes to allow the provisions of the first two amendments.

As I mentioned, members agreed to support the Department's amendments and wish to thank the Minister and his officials for taking the Committee's concerns into account and addressing them. The Committee looks forward to continuing engagement on the new structures. I also place on record my thanks to the Committee team and the Bill Clerks for supporting members through scrutiny of the Bill in such a challenging time when workloads are extremely heavy. I place on record the thanks of myself and the Committee to the Minister and his officials for their ongoing engagement with us throughout the Committee Stage.

I will make some remarks now as a Sinn Féin MLA and the party's spokesperson for health. The Bill is a first step in the important and vital project of transforming the health and social care system. The move to close the Health and Social Care Board has been widely agreed upon by past Ministers, including my party colleague joint First Minister Michelle O'Neill when she was Minister of Health. As we know, our entire health and social care sector is under unprecedented pressures, and while those pressures have been worsened by the ongoing COVID pandemic, they are hardly new. The need for a major overall and complete transformation has never been more evident. One of the principles of the Bengoa expert panel was that the system should be collaborative, not competitive, and should work in partnership across government and with industry, academia, the community and voluntary sector, staff and patients to deliver new models of care, and, further, that the remodelling of the system should be a transparent and collaborative process.

It is with that in mind that I am a staunch proponent of the amendment relating to the continuation of local commissioning groups, allowing them to remain in place until the Department finalises its proposals for the replacement area integrated partnership boards. The transformation of any system can succeed only when the local voice of knowledge, expertise, connection and commitment is part of the decision-making process. Transformation of the health and social care sector has to be designed and delivered collaboratively between the people who commission the service, those who use it, those who deliver it and those who can provide their unique perspectives as experts with experience.

It must recognise the unique demographics and geography of this place and serve everyone in our community in a way that effectively and fairly meets our growing health and social care needs, whether urban or rural, east or west and, indeed, North and South. It must fundamentally and effectively bear down on the unsustainable inequalities that exist throughout our physical, mental and social care systems at present. We cannot continue to tolerate postcode lotteries, mental health underspending or the lack of social care to support our loved ones to live out their lives in a place of their choosing with the support and dignity that they so richly deserve. It must provide secure, properly staffed, fairly paid work and career opportunities for our invaluable front-line health and social care workers, who

we must now surely recognise as the real backbone of our community.

Transparency and accountability must be an integral part of the transformation going forward, and so I am also a strong proponent of amendment No 2. That amendment places a duty on the Department of Health to bring forward its regulations on the AIPBs, subject to the draft affirmative procedure, meaning that the proposal must come before the Assembly and the Committee for scrutiny. That will ensure that there is Assembly and Committee representative input and sign-off on the new model when those plans are complete. That, a chairde, is another important step on one of the most fundamental challenges facing the Assembly, our community and the island. The Bill, with the proposed amendments, can act as a real catalyst towards that shared ambition and goal. I support the amendments and the Bill.

Mrs Cameron: I thank the Minister and the Committee Chair for outlining the finer details of the Bill and the amendments this morning. As we are all well aware, the purpose of the Health and Social Care Bill is to give effect to the decision to close the Health and Social Care Board. I welcome the fact that we have reached the Consideration Stage of this particular Bill, which has been long awaited.

Clarity on accountability in decision-making is vital in any organisational structure, and there is no doubt that the Bill is a framework that delivers improvements in our healthcare structures. The need to strengthen the whole area of organisational structure was identified by the Donaldson report in 2014. As is often the case, it has taken us too long to get to this point of much-needed reform, not helped by the boycott of this place by the party opposite. Vital time was lost in so many ways.

Mr Speaker, I am sure that you, like me, want to see a less bureaucratic approach in our public sector across the board. The consultation on the Bill identified that as a key issue among consultees. It is important that the responses received have been taken on board by the Department in the drafting of the Bill. I know that the Minister wants to see reduced bureaucracy across our health service, and he has my full support in driving forward that agenda. While the Bill and its effect will save only around £0.4 million, greater savings and efficiency can be found through further, more-ambitious reform. I urge the Minister to accelerate the reform that is so desperately needed across our health service.

As the Health Committee scrutinised the Bill, we came to a collective belief that, in providing for the dissolution of the regional board and the transfer of its functions, we ought to support the requirement for the Department to make transfer schemes for assets and staff. However, we felt that, in some areas, the Bill required amendments to make it more robust and to ensure better outcomes. That involved amending the Bill to include provision for legislative powers, to place a statutory duty on the Department of Health to bring forward regulations on the new integrated care system model or framework that must be laid before the Assembly and to require such regulations to be approved by affirmative procedure. Any regulation should include the reporting mechanism of the new model.

Furthermore, I joined others in outlining our concerns about a possible loss of local input during the transition. The Committee agreed that the Bill should be amended to reflect an additional requirement to retain local commissioning groups in the interim. It was the Committee's view that an amendment of that type would allow the retention of those local commissioning groups until regulations on area integrated partnership boards are laid before and approved by the Assembly in order to ensure that there is no gap in the invaluable local engagement and input.

I welcome the Department's positive engagement with and acceptance of those sensible and measured amendments to the Bill. They will make the Bill better law and ensure that the transition is well managed and that the journey is aided and shaped by local views.

11.00 am

I commend the Bill to the House. It will help us to deliver the greater level of accountability and decision-making that was identified by the Donaldson report and the 2015 review of health and social care commissioning arrangements. Importantly, it will also strengthen the challenge to providers' mechanisms, which is vital. Complexity is being stripped out. In my view and that of those who were consulted, the objective is achieved.

To conclude, it is always right and proper that thanks go not just to Committee members for their work but to the Committee Clerk and his team, the Bill Clerk and, of course, the departmental officials in what has been an especially challenging time for all. I support the Bill and the amendments.

Mr McGrath: I welcome the opportunity to speak at the Consideration Stage of this important Bill and, more importantly, on the amendments. There can be no doubt amongst any of us that we need to see radical change in our health service if it is going to survive. That is what the public and those who work in the service are telling us, and it is what all of us are saying as well. The Health portfolio that Minister Swann inherited last year had issues going back some 13 years. I greatly appreciate that the portfolio has been largely dominated by the COVID response, but I welcome that we seem to be reaching a turning point in the road, where we can start to scrutinise legislation that looks at some of the transformation that is required.

The Health and Social Care Bill is, as I said, an important piece of draft legislation. The need for it dates back to the days of direct rule, when we saw 18 health trusts cut down to five plus the Ambulance Service. However, when the Minister's predecessor, Michael McGimpsey, assumed the position in late 2007, the question turned very much to the role and future of local commissioning groups. We seem to have come full circle with the issue of local commissioning groups coming up once again with this Bill. It is quite amazing how the more things change, the more they stay the same.

The amendments that we are debating are, in greater part, a result of the Committee's deliberations on the Bill. I appreciate that the purpose of the Health and Social Care Bill is to cut out levels of bureaucracy and allow decision-making processes to be much more efficient. However, I have some concerns that this had not been considered in the Bill as initially drafted and that it took the Committee's deliberations to spot what was, quite frankly, a glaring oversight. Our local commissioning groups play an invaluable role in the commissioning of local services. By their very nature, they are responsible for the commissioning of health and social care by addressing the care needs of the local population.

The Health Minister knows me and he knows my commitment to local services in the Down area, especially those that are delivered at the Downe Hospital. I know how committed he is to the Dalriada Hospital in his constituency, and I absolutely applaud that. Nobody could ever accuse us of being parochial. We both know the importance of the local commissioning groups, which assess health and social care needs. They plan and secure the delivery of health and social care to meet emerging and assessed needs. That local knowledge and input, which is derived from local GPs, nurses, dentists, allied

health professionals, social workers, pharmacists, Public Health Agency (PHA) representatives, local government representatives and those from the voluntary sector, is totally and utterly invaluable. It is on-the-ground information that feeds right into the overall shaping of and decision-making on services. As we move to a position of having area integrated partnership boards, it is essential that the local commissioning groups remain in situ to provide that voice to highlight the needs of the local community.

As I mentioned at the outset, we need to do something radical to turn our health service around. Even today's announcement that the Health Minister will introduce a paper to the Executive proposing COVID certificates is a step in that direction in these exceptional times. However, the problems of our health system, as I have said, predate COVID. COVID may have exacerbated those problems, but it did not create them. We still had long waiting lists when Michelle O'Neill left the post of Health Minister. We had people in corridors when Edwin Poots was Health Minister. It is amazing to see that the more things seem to change, the more they stay the same.

The Bill is a step in the right direction. However, it is not a radical change. Its purpose is to allow for greater transparency and to cut levels of bureaucracy. However, what I hear from those in the sector is concern that, by giving up several smaller fences of bureaucracy, we are substituting them with a greater wall of bureaucracy, that being the Department of Health. Therefore, while I am content, at this stage, to support the amendments, I do so with caution. I would really like to get reassurance from the Minister that the new system will be as open and transparent as possible.

We need radical transformation of the health service, not a piecemeal approach. The Bill will save us around £400,000 per year, which is hardly a massive financial incentive. As part of COVID recovery, the Department has issues that have not been funded, have yet to be funded or simply have not been confirmed. They include rebuilding and supporting primary care, GP, dental, optometry and pharmacy services; rebuilding children's paediatric services; recovering cancer services; supporting and reforming adult social care services; and supporting the transformation of urgent and emergency care services. A lot of work needs to be done, and, while I and the SDLP will not be found wanting, I hope that the Department is up to the job and will drive forward the radical transformation that our health services so urgently need.

I support the amendments and the Bill.

Mr Chambers: I welcome the latest stage of the Bill; a Bill that, at last, will deliver the policy first announced over six years ago regarding the proposed closure of the board.

Closely connected with the board, however, are the existing local commissioning groups. The groups were established by a former Ulster Unionist Minister, Michael McGimpsey. He was clear that they were to be strongly rooted in their communities and to have patients at the heart of their thinking and advocacy. In the intervening years, the groups have worked with varying levels of success. However, they undoubtedly have provided an important vehicle for engagement. That was especially important throughout the three years of a non-functioning Executive and the lack of clear accountability or direction on decision-making.

That is why there was broad agreement from around the Committee that, even after the abolition of the board, but before the new, more permanent alternatives were in place, there needed to be some degree of local input. I very much welcomed the early commitment from the Minister that he would retain the LCGs until the new area integrated partnership boards had been legislated for. The amendments are delivering on his commitment, and I hope that, after today, we will be one more important step towards securing the change that has already taken too long.

I, and my party, fully support the Bill and the amendments.

Ms Bradshaw: Since clauses 3 to 5 and the two amendments to add content after clause 2 are at the core of the Bill, I intend to make my remarks on the Bill as amended during this group. Although I do not intend to oppose any of the groups, and, indeed, I am supportive of the amendments, I was reluctant to support the Bill when it was last debated in the Chamber, and I remain somewhat unconvinced by it.

It still seems to me that a lot of effort is ongoing to achieve very little in practice; rather, in fact, it reinforces existing administrative mechanisms that, over the years, have been shown not to work. Just look at the length of our waiting lists. Ultimately, the Bill merely puts more responsibility in the hands of the same leadership system that delivered those. What we should be doing is proper reform, introducing new thinking and placing more power genuinely in the hands of service users. I have been, and I remain, open to hearing a

clear case that that is what the Bill achieves, but, as yet, I have not heard it.

By abolishing the regional board with responsibility for commissioning and then transferring its assets, we leave more questions than answers. For example, how will pathways for people with rare diseases now be developed, and how will those be better linked to treatment and expertise away from Northern Ireland if that is necessary? For people with ME who have been waiting 11 years for commissioned services, what is the likelihood of more urgency being put into developing and commissioning those specialist services so that they can be delivered by those with specialist expertise? If a specific regional board with specific responsibility could not do that, why are we to believe that a Department will be able to? That view is reinforced by the decision to maintain local commissioning groups as per the amendments, including amendment Nos 5 to 7.

To be clear, this is a measure that I support, and, in fact, it was the focus of my speech when I last spoke on the Bill. However, such a fundamental reversal of policy only raises further questions about why we are making any of these reforms at all. A Bill that initially set out fundamentally to abolish elements of administration in health and social care is now not abolishing one of those elements yet, for some reason, is still abolishing the other, seemingly before adequate commissioning frameworks have been put in place to replace it. Is that really the wisest thing that we could be doing and discussing in health at this juncture? Is there not a case for putting all those provisions on the back-burner while we focus on immediate, short-term priorities and then proceed only once we have a Bill that has been properly thought-through and that seeks to add new expertise to the administration of our health system without merely pushing more power and responsibility towards those who already have much of it?

It is perhaps useful to go through some of the apparent benefits of the Bill, which should be most evident in clauses 3 to 5. It will apparently streamline bureaucracy, but I would like to hear much more about how that will be achieved. As Mr McGrath just pointed out, there have been indications that there will be reduction in costs of £400,000 per year. However, it must be said that that is a miniscule amount given the scale of the effort in a Department whose annual budget is already over £6 billion. I would like to hear more about how that will be a benefit.

The question that this all raises is this: what we have learnt from previous experience? Have we

really seen any learning from, say, the reform of local government, which has essentially seen the same services delivered by the same council departments, with no identifiable efficiencies or savings readily apparent to the public?

That is not to say that the need for reform in health administration is not urgent. In the past year or so, we have seen the resignation of an entire board from the Regulation and Quality Improvement Authority (RQIA), the ongoing departure of senior officials who were replaced almost invariably by others acting on an interim basis and serious questions emerging about where accountability ultimately rests, particularly in social care. That is why, while I see nothing wrong with the content of the clauses or the Bill as a whole, I am frustrated at how much effort is being made to achieve very little.

The real question from the public — those who use health and social care services — is about scrutiny. Who is independently scrutinising performance? How did we arrive at such a shocking situation with waiting lists and waiting times? What new expertise will be brought on board in order to ensure that such gross failures in performance are neither repeated nor perpetuated? Those clauses and the Bill as a whole seem silent on those things, and the fact that we are taking up time now, during a pandemic and when hospitals are about to come under the greatest ever pressure, talking about a reform that does not deliver new expertise, better scrutiny and clearly improved performance for patients seems astonishing to me.

Given that the legislation is largely about how Northern Ireland is not large enough to do full commissioning on its own, we still need to ask exactly how commissioning and contracting health and social care services through the integrated care system model will improve performance for the public. I ask this again: how precisely will new services for those areas where the patient base may be low, like rare diseases or ME, which are currently lacking a full resource pathway or service, be of benefit? Where will responsibility lie for identifying, planning and engaging with primary and secondary care, and how will that be scrutinised? The fundamental question on behalf of the public is this: what are the benefits of all these reforms to those who need and rely on our health and social care services?

11.15 am

Ms Ní Chuilín: I support the Bill and the amendments. Before I begin my substantial remarks, I thank the Committee staff and, in particular, Aoibheann and Claire from the Bill Office. Without their help, our scrutiny would have been much more difficult.

Our party was the first to raise concerns about the Health and Social Care Bill. We scrutinised it thoroughly and, for some people who attended the Committee, ad nauseam. I see that the Minister is trying to hide his joy at that remark, but that is our job. The Health Committee is flat to the mat. Everybody who attends it does so diligently — well, most of us who stay for most of the meetings do. When hard subjects come up, some people duck out or let on that they cannot lend their services, but that is another day's crack.

We did not advocate these amendments in order to be mischievous but because we, and those who responded to the Bill, felt that there was something slightly lacking. Many people had concerns. Everybody agreed that there was a need for reform. All the parties supported the transformation of healthcare, going right back and focusing on the Bengoa report. We focused on "systems, not structures". Anybody who watched the state of health and social care at that time appreciated that that was an opportunity for us all to try to get it right.

There was a suspension of the institutions for three years. A lot of work by health and social care professionals continued, but people need to understand that we could not have a situation in which men who wanted to give blood were prevented from doing so by the party opposite because they were gay. We could not have the situation with organ donation, where people were speaking out of two sides of their mouths, and that was the case with vaccination, sexual health and awareness, mental health and the rest. A lot of platitudes were offered, but we needed to ensure that equality was delivered.

I am content that the Bill and the amendments address a lot of those concerns. I do not recall hearing previously many of the concerns that Paula has raised here today, although she raised some. I am delighted that she will not oppose the Bill, because we all appreciate the strain that our providers of health and social care are under.

There has been a lot of scrutiny of the Bill. As I said, there was recognition that transformation is key. However, my concern was that, while people had difficulties in the scrutiny of the Health and Social Care Board with the LCGs, the LCGs were critical for going back to the

grassroots. They are not just looking at how acute care is delivered by health and social care, as primary and secondary care and the community and voluntary sector are really critical.

The amendments lend themselves to the aspirations that were laid out by all political parties in the run-up to New Decade, New Approach. Certainly, they are within the principles and guidance of that agreement, when we look at co-production and co-design. Integrated care partnerships and area integrated boards will lend themselves to better scrutiny. For example, when this was being discussed, no one predicted that there would be a health pandemic. We are now dealing with what people call "long COVID", and we have to make additional provision for additional services as the learning progresses and is internalised and institutionalised. It could be put into the realm of respiratory care in the primary care sector. I am sure that my colleague Órlaithí Flynn will touch on the mental health aspect. However, the impact of COVID on us physically, economically, socially and in mental health is critical. Any new commissioning that is done by the commissioning groups — commissioning is key to this — will certainly have that reflected in any plans.

The Committee heard from a lot of people on the Bill. They spoke about our health and social care trusts, right through to the need for multidisciplinary teams of family practitioners. Our GPs, district nurses and carers all said that there is a need for better service provision and a more joined-up approach.

We have an opportunity to try to set out what will happen when we come out of the pandemic — post COVID — and during the health recovery. Everyone has said that there is a need for greater investment in health. I take the opportunity to agree with that. I also welcome the Executive's support for that. However, that always comes with conditions.

Even in the last equality screening exercise that the Minister brought forward for the Budget — we welcome the fact that there will be multi-year budgets soon — certain issues with major implications were screened out. There is a job for local commissioning to ensure that that is corrected. The issues relate to the provision for disability, older people, younger people and lots of the issues that each of us raised. More provision for oral health is needed, particularly for children and young people from deprived communities, and better dentistry is required for people with autism and disabilities. The list goes on and on, and we all have a list of those

things. Local commissioning, and getting the local commissioning structures and frameworks right in the new setting, will be critical.

In many respects, the Bill is about hitting the reset button and giving us the opportunity to do better what we already do well, and then some. The "then some" comes from the global pandemic. Health and social care was always at a critical point. COVID and everything that came with it certainly exacerbated that.

I also want to raise the ongoing scandals in health, which predate the Minister's term in office. I have no doubt that the services that are needed will be challenged and tackled by the different public inquiries and the recommendations that come from those. However, we already have the recommendations from the O'Hara hyponatraemia inquiry. Those need to be implemented. We heard about some of that, and, although progress has been made, there is still a lot to be done. Those recommendations will be critical in any new commissioning. That is why the amendments are so important. We cannot assume, and we do not assume. Those will be writ large and will be part of our scrutiny. A lot of that stuff has come back to the Assembly for affirmative resolution, and that is the other safeguard that we put in. It is not about a lack of trust; it is to make sure that we have belt and braces when we make legislation. This is a perfect opportunity for us to do that.

I am sure that the Minister already knows this: when he calls a health summit with all the health and social care professionals, he will hear a lot of conversations about what needs to happen and when it needs to happen. There will be a lot of competition. There is a maturity and an acceptance of what is needed now and about trying to prioritise those needs. That needs to happen as soon as possible. I appreciate that the Minister said that he is waiting to see the Budget outcomes, but I urge him to do that now. It would help with his discussions and negotiations on the Budget. However, that is a political call. That is up to him.

The amendments and, indeed, the whole process of bringing the legislation, show what the legislative process looks like. All of us, particularly those of us on the Health Committee, are dealing with a raft of Bills, and there is the potential for private Members' Bills to come forward. Despite the fact that we will have a lot of late nights, long Committee meetings, no lunches on Tuesdays and all the rest of it, I welcome that. If you ask any MLA what are the top five issues that they deal with,

health and social care will certainly be in the top three, if not at the top. You then have housing, mental health and stuff like the economy, education and everything else behind that.

Not to be political, but I want to raise the point that we should look at the potential for having all-island healthcare. For example, the Minister will know from his own experience that all-island healthcare can look at paediatric coronary care, as well as at cancer care for people in Altnagelvin and in Donegal hospitals. We need to look at big set pieces. We have no autopsy provision for children, for example. We need to look at what we can do on this island, because it is a small place. We already do some things across the island, and we do them very well. What additional provision can we commission? That is really important. No one would wish to have the experience of having to bring back from England the remains of a child who has passed. We need to look at what we can do to support our population across the board.

Minister, I enjoyed scrutinising the Bill. I am delighted at the collaborative approach that we have taken, and I thank you and your departmental officials for accepting and tabling the amendments.

Mrs Erskine: I am pleased to speak to the Bill, following the proposal and consultation on its introduction that began almost six years ago under former Health Minister Simon Hamilton.

I will not labour my points. I thank the Minister for listening to the Health Committee's concerns. I hope that, with the Bill's proper implementation, the closure of the Health and Social Care Board will allow the Department to deal as efficiently as possible with the ever-changing demands on our health service.

Amendment No 1 allows any potential gaps in the service to be filled. It helps address the concerns that were previously set out, such as the feeling that local input would be lost with the loss of local commissioning groups. As others have pointed out, local intelligence and engagement are key to building services.

Last night, my local accident and emergency department in the South West Acute Hospital sent out a message to say that it was under pressure and that people should come to the ED only in an emergency. At around 8.00 pm, I understand that 59 people were in the ED and that 22 were waiting to be admitted to hospital. A constituent contacted me to say that it is time for politicians to take the difficult decisions to reform our health service, and I absolutely

agree. We owe it to our health and social care staff and our patients. The Member opposite talked about the fact that we will have extra Health Committee meetings and late nights. To be honest, those pale into insignificance when we look at what our healthcare staff have to go through daily in our accident and emergency departments. They have to go without toilet breaks and without being able to eat their lunch or see their family. As a member of the Health Committee, I rise to that challenge. I want to act now to do something for the staff and patients whom we represent. I thank our healthcare staff, who are stressed out and trying their best in difficult situations.

Naturally, with health, behind such Bills are people. Ensuring that everyone has access to better health and well-being is paramount, as is, for example, effective management of budgets. Throwing money at a system that is creaking, however, will not be enough. We need to act. Many of the problems predate COVID, but a spotlight has been shone on them during the pandemic, and they have been exacerbated. As we look at the circumstances in which we find our health service, it is important that the Bill's reforms not be made in isolation but form part of the greater transformation of our health and social care services. For example, the reform of social care will have an impact on accountability arrangements and performance management functions.

I commend the Bill and the amendments to the House. I thank the Minister, the Department and the Bill Clerks for their engagement on the Bill.

11.30 am

Ms Flynn: I also support the Health and Social Care Bill as amended by my party and other Committee colleagues.

The closure of the Health and Social Care Board is a policy that has cross-party support, and it has the support of those who gave evidence to our Committee and many of those who responded to the consultation. As we know, there is almost universal recognition among all participants that reform is necessary and that what will replace the old board must be better. The closure of the board is a step in the right direction in the transformation that, we know, is vital to improving Health and Social Care services. It has already been said by other Members that each of us in the Assembly agrees that transformation of the health and social care system overall is completely necessary and that it must be completed in a considered and measured fashion so that,

going forward and into the future, we get right all of the issues that Members have raised today. The amendments proposed by my colleagues improve the Health and Social Care Bill in particular, as they acknowledge the necessary co-production requirements going forward as we transform the sector.

The amendment to retain the local commissioning groups has my strong support. Until the Department brings satisfactory proposals before the Assembly and the Committee for their replacement, the LCGs will remain a participant and an integral part of any transformation of the health and social care sector. During consideration of the Bill, members of our Health Committee highlighted concerns with the Department, including the lack of clarity that we had around the new arrangements and what would replace the local commissioning groups and concerns around the diminished local input into the commissioning process. As my party's spokesperson on mental health and substance use, I cannot overstate the importance of that local input, particularly from the community and voluntary sector and other local organisations that, as we all know, provide an invaluable understanding around mental health and substance use challenges on the ground in our communities. We cannot understand substance use or design the needed treatments without understanding the circumstances of mental health patients or of people who suffer with addictions. For me, that is one of the reasons why the amendment is so important. The community and voluntary sector and local groups provide much of the important intelligence that is needed around the commissioning process for mental health and addiction services and, of course, other health services. In the context of mental health and addiction, that is one of the ones that I wanted to focus on today. Thankfully, through amendment No 1, if it is passed, that local engagement and input into the commissioning of services can be and will be maintained throughout the transitional phase of the process and the legislation passing.

Amendment No 2 places a statutory duty on the Department of Health to make regulations on area integrated partnership boards, and that amendment also has my full support, as it will give the Committee and the Assembly the highest level of approval when we come to consider those regulations when they are introduced.

To conclude, like the Chair, the Deputy Chair and other Members, I thank the Minister and all of his officials for taking Committee members'

concerns on board and for tabling the amendments. I look forward to engaging and continuing to engage on the new structures into the future.

Mr Swann: I thank all of those who contributed to the debate today on the amendments. As I said, the amendments have been developed as a consequence of my Department's consideration and co-working and co-production with the Health Committee and the Health Committee's scrutiny report to address the issues that have been raised in full.

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

I turn to a number of comments of Members in the debate today. I note that there is no objection to the amendments that we have tabled. The Chair had a query regarding where we are with local input and engagement, and many Members raised LCGs and the transition to area integrated partnership boards.

From some Members' input, it sounded as though local input was being done away with completely, but Ms Flynn acknowledged that, if we get area integrated partnership boards right, they will add real value, structure and local input to what we do — possibly more than LCGs added in the past. That matter was responded to during the consultations, as well. The LCGs committed a very important piece of work, because local input and intelligence have always been key components of our planning process and are the underpinning principle of the new ICS planning model that my Department has consulted on.

I have, however, taken account of the Committee's concerns about the loss of the legislative provision for local input while the work on the new planning model develops. The amendments tabled today will therefore allow the continuation of local commissioning groups until such time as regulations are laid on the new local area bodies, which will be known as area integrated partnership boards and will be at the heart of the integrated care system. That amendment also provides the legislative basis for bringing forth those regulations. Members referred to that as well.

The Chair noted that nine groups engaged with the Committee about the Bill and the next session. When we went out to targeted consultation on the draft framework that was going to underpin this model, we received over 120 responses, which shows the importance of the integrated care system for Northern Ireland. That has shown the value and importance of

that engagement process, but it has also shown where the integrated care system and AIPBs could be in bringing forward what could be transformational local input.

As regards comments from the Deputy Chair and others around the House about work, I note that this legislation started in 2015. Ms Erskine referred to that. It was continued under Minister O'Neill and, finally, has been brought to fruition by me. I could use the phrase "Success has many fathers" or "Success has many mothers", but, when other Members talk about the waiting lists and challenges that we have, I do not often hear them say that they were Minister at that point in time. It is about where we take the work that is progressing now. It is about how we take that work forward. It is good to see that we are making progress on this. It would have been very wrong to park this legislation, considering so much work had been done and so much engagement had been carried out in the background while we were going through a pandemic. Many organisations would have found it a slight and an insult had we stopped and parked this work, especially the work on the transformation in local engagement.

When Mr McGrath opened his contribution by talking about the loss of local input, I thought that he had missed the importance of the area integrated partnership boards, but he went on to acknowledge that they were there. I think that we needed to have that engagement with the Committee about the transitional period while we got those into place.

Mr McGrath mentioned the cost savings that will be brought about by this and said that, while those savings may be minimal, this is not solely about the financial cost but about the streamlining and the transformation of our health service. He went on to list a number of areas in my Department that are still not funded. I say to that Member that, if his Minister had got her way with her £76 million bid at the last monitoring round, a lot of what we are currently doing would not be funded. A call has to be made somewhere about asks and realisations of where money is being spent, considering the last monitoring round was mostly Health Barnett consequentials from Westminster.

With regard to Mr Chambers' contribution, today's commitments recognise that it is through the partnership approach between the Department and the Committee, working in conjunction with Bill Clerks, Committee staff and my departmental officials, that we have got to where we are today. Paula's contribution was about the wider precepts of the Bill, as well as

acknowledging the benefits that these practical amendments brought. This is the Consideration Stage. This was the opportunity for further amendments to have been proposed by not just me or the Committee but individual Members. However, as Ms Ní Chuilín recognised, the concerns that were raised did not transform into amendments that could have been discussed or debated here today and changed the Bill.

There was a question about decentralisation and bureaucracy. As I have outlined, it is important that we take a staged approach to how we transform, plan and manage our services. The first step of closing the board streamlines our structures and reduces bureaucracy. Staff will continue to undertake the same functions as before. Building on that first step, the Bill also includes a duty for my Department to establish local bodies in the form of area integrated partnership boards. Those local bodies will be key to the development and success of an integrated care system, which will be underpinned by a population health approach. That integrated care system model will look to promote collaboration and partnership working across sectors and traditional organisational boundaries to identify and remove any barriers and unnecessary bureaucracy in our system.

That leads to Ms Ní Chuilín's point about the benefits that come from the Bill. I know what she said, but I also welcome the Member's detailed scrutiny of the Bill and the issues that she raised at Second Stage. She will know me well enough to know that, when she raised those questions, I would get the answers and ask why. After the Committee deliberated on its amendments and worked in conjunction with my departmental officials, the amendments have come from me, as Minister, because they are the right thing to do. It is about the building bases approach, as the Member identified. It is what this place should be about when it comes to legislation: co-working and co-challenge. It is not always about Members coming in here to grab a headline. The "L" in MLA stands for "legislative"; that is what we are meant to be about. This is what legislation looks like. It is heavy work and heavy going. Mrs Erskine, Ms Ní Chuilín, a number of other Members and I recognise the heavy workload that is in front of the Health Committee as we move to the end of the mandate, but it is all very important work. It is all legislation that will be heavy going and will not grab headlines. It will not keep a lot of people up at night, apart from us and the people whose lives will be changed by that legislation. That is what it is about. It is about delivering legislation and change that does not always come with a headline or a media

announcement. I thank the Member for the acknowledgement and recognition of the Committee staff and the work that has been done. It is about having a collaborative approach and working with my departmental officials.

Mrs Erskine acknowledged the importance of the work at even a local level, where we currently are and the challenges that are in front of us. This piece of work started under Minister Hamilton in 2016. We have got here now, but the rest of the transformation that we need to do cannot, and should not, take that long. We need to move at a pace that is in keeping with the changes that we need to make in our health and social care system.

I thank Órlaithí Flynn for her continued engagement on our substance use strategy and the mental health strategy, and for bringing community organisations to engage with my departmental officials and trust officials. That shows the benefits that AIPBs can bring to the structure of Health and what it should be doing so that we really make the changes that can be brought about.

I acknowledge the comments that Members have made. Given that there are no objections to the amendments that have been brought forward, I propose that they be accepted.

Amendment No 1 agreed to.

New clause ordered to stand part of the Bill.

11.45 am

New Clause

Amendment No 2 made: After clause 2 insert -

"Duty to establish bodies for local areas

2B.—(1) After section 15A of the Health and Social Care (Reform) Act (Northern Ireland) 2009 insert—

'Local area bodies

Duty to establish bodies for local areas

15B.—(1) The Department must by regulations establish one or more bodies under this section.

(2) A body established under this section is to be called an 'Area Integrated Partnership Board' or such other name as may be prescribed.

(3) Each Board is to exercise its functions for such area of Northern Ireland as may be prescribed; and the Department must ensure that there is a Board for each area of Northern Ireland.

(4) Each Board is to exercise such functions relating to the following matters as may be prescribed—

(a) the identification of the health and social care needs of the people in its area,

(b) the planning, delivery and management of health and social care for those people, and

(c) the facilitation and encouragement of co-operation between those responsible for planning, delivering or managing health and social care for those people.

(5) Each Board must exercise its functions with the aim of—

(a) improving the health and social well-being of the people in its area;

(b) reducing health inequalities between those people, and between those people and other people in Northern Ireland.

(6) The Department may by regulations—

(a) provide that Article 18 of the Order of 1972 is to apply to each Board with such modifications (if any) as may be prescribed, and

(b) require each Board to exercise its functions in accordance with any scheme having effect under that Article.

(7) The Department may by regulations—

(a) provide that each Board is established as a body corporate (and that section 19 of the Interpretation Act (Northern Ireland) 1954 applies to each Board with such modifications (if any) as may be prescribed);

(b) make provision for the constitution of Boards (including, in particular, their membership, general powers and proceedings);

(c) make provision for the payment of remuneration and allowances to members of Boards, and for the defraying of the expenses of Boards;

(d) make provision in relation to accounting, reporting and record-keeping by Boards;

(e) make such further provision in relation to Boards as the Department considers appropriate.

(8) Regulations under this section may apply (with or without modifications), amend or repeal any statutory provision whenever passed or made, including any provision of this Act.

(9) In this section—

'Board' means a body established under this section;

a reference to the area of a Board is to the area prescribed for that Board under subsection (3).

Power of Department to give directions and guidance

15C.—(1) The Department may give directions of a general or specific nature to a Board as to the carrying out by the Board of any of its functions.

(2) The Department may give guidance to a Board as to the carrying out by the Board of any of its functions.

(3) Before giving any directions to a Board under subsection (1) the Department must consult the Board.

(4) Where the Department is of the opinion that because of the urgency of the matter it is necessary to give directions under subsection (1) without consulting the Board concerned—

(a) subsection (3) does not apply; but

(b) the Department must as soon as reasonably practicable give notice to the Board of the grounds on which the Department formed that opinion.

(5) Where the Department is of the opinion that (for any reason other than the urgency of the matter) it is not reasonably practicable to comply with subsection (3)—

(a) that subsection does not apply; but

(b) the Department must as soon as reasonably practicable give notice to the Board concerned of the grounds on which the Department formed that opinion.

(6) It is the duty of a Board—

(a) to comply with any directions given to it under subsection (1);

(b) to have regard to any guidance given to it under subsection (2).

(7) In this section 'Board' means a body established under section 15B.

(8) This section does not affect the Department's powers to give directions or guidance apart from this section.'

(2) In section 29 of that Act—

(a) after subsection (1) insert—

'(1A) No regulations are to be made under section 15B unless a draft of the regulations has been laid before, and approved by a resolution of, the Assembly.';

(b) in subsection (2), for 'this Act' substitute 'any provision of this Act other than section 15B'.—
[Mr Swann (*The Minister of Health*).]

New clause ordered to stand part of the Bill.

Clauses 3 to 5 ordered to stand part of the Bill.

Clause 6 (Commencement)

Amendment No 3 made: In page 2, line 31, at end insert - "(ba) section 2A and Schedule 1A;"— [Mr Swann (*The Minister of Health*).]

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

Clause 7 ordered to stand part of the Bill.

Schedule 1 (Transfer of the Regional Board's functions)

Amendment No 4 made: In page 42, leave out line 35 and insert -

"232. Omit sections 7 and 8 and the italic heading before section 7.

232A. In section 9, omit subsections (1), (3)(b), (6)(b) and (7).

*232B. Omit sections 10 and 11."— [Mr Swann (*The Minister of Health*).]*

Amendment No 5 made: In page 43, leave out line 13 and insert -

"239. In Schedule 1 omit—

(a) paragraphs 1 to 7;

(b) paragraphs 8 to 11(1), except so far as those paragraphs apply to, or relate to, the Local Commissioning Groups and their members;

(c) paragraph 11(2);

(d) paragraphs 12 to 21."— [Mr Swann (The Minister of Health).]

Amendment No 6 made: In page 43, leave out lines 38 and 39 and insert -

"(3) In section 3(6)—

(a) for 'the Regional Health and Social Care Board' substitute 'the Department';

(b) omit 'and Local Commissioning Groups'."— [Mr Swann (The Minister of Health).]

Schedule 1, as amended, agreed to.

New Schedule

Amendment No 7 made: After schedule 1 insert

"SCHEDULE 1A

Section 2A.

LOCAL COMMISSIONING GROUPS

Statutory provisions to continue to operate in relation to Groups as continued

1.—(1) The following provisions continue to apply to or in relation to Local Commissioning Groups and their members—

(a) section 9(2), (3)(a), (4), (5) and (6)(a) and (c) of the Health and Social Care (Reform) Act (Northern Ireland) 2009 ('the 2009 Act');

(b) paragraphs 8 to 11(1) of Schedule 1 to the 2009 Act, so far as those paragraphs apply to, or relate to, committees of the Regional Board and their members;

(c) regulations 1, 2(2) and 3 of, and the Schedule to, the Local Commissioning Groups

(Number, Area and Functions) Regulations (Northern Ireland) 2009 (S.R. 2009/99);

(d) the Local Commissioning Groups (Membership) Regulations (Northern Ireland) 2009 (S.R. 2009/395) (the 'Membership Regulations'), except regulation 3(1) to (3) (appointments);

but this is subject to the modifications made by sub-paragraph (2).

(2) The provisions applied by sub-paragraph (1) are modified as follows—

(a) the power conferred by paragraph 9 of Schedule 1 to the 2009 Act is conferred on the Department, and in that paragraph the words 'Without prejudice to section 19(1)(a)(v) of the Interpretation Act (Northern Ireland) 1954 (c. 33)' are omitted;

(b) in the Membership Regulations—

(i) references (however expressed) to employment by the Regional Board are to be read as references to employment by the Department or the Regional Business Services Organisation;

(ii) other references to the Regional Board are to be read as references to the Department.

2. Paragraph 1 does not affect the continued operation of any other statutory provision that applies to, or relates to, Local Commissioning Groups.

Appointments and terms of office

3.—(1) Any person who is a member of a Local Commissioning Group immediately before the dissolution of the Regional Board is to continue to be a member of that Group; but this is subject to the following provisions of this paragraph.

(2) The term of office of a person who is a member of a Group by virtue of sub-paragraph (1) is to end six months after the date on which the Regional Board is dissolved.

(3) The Department may direct in writing that the term of office under sub-paragraph (2) is to be extended by such period, not exceeding 12 months, as may be specified in the direction.

(4) The Department may exercise the power conferred by sub-paragraph (3) more than once.

4.—(1) *In the event of any vacancy in the membership of a Local Commissioning Group (as determined in accordance with regulation 2 of the Membership Regulations), the Department may appoint a person to fill the vacancy.*

(2) *The terms of appointment under sub-paragraph (1) must comply with the Membership Regulations, but otherwise are to be determined by the Department.*

(3) *A person who has ceased to be a member of a Group is eligible for re-appointment.*

5. *Paragraphs 3 and 4 are subject to regulations 3(4) to (9) and 4 to 6 of the Membership Regulations (cessation of membership in certain circumstances, disqualification, resignation and removal).*

Other provision about the Groups as continued

6. *The Department may pay to members of a Local Commissioning Group who are not employees or officers of the Department or the Regional Business Services Organisation such remuneration and allowances as the Department may determine.*

7. *In the 2009 Act—*

(a) *section 2(3)(h) (duty of Department to monitor and hold to account) applies in relation to Local Commissioning Groups;*

(b) *the duty in section 5 (preparation of framework document) applies as if a Local Commissioning Group were a health and social care body;*

(c) *section 6 (power of Department to give directions) applies in relation to Local Commissioning Groups;*

(d) *a Local Commissioning Group is a relevant body for the purposes of section 15 (RBSO support services);*

(e) *sections 17 to 19 (Patient and Client Council and public involvement) apply to Local Commissioning Groups.*

8.—(1) *The Department may give guidance to a Local Commissioning Group as to the carrying out by the Group of any of its functions.*

(2) *It is the duty of a Local Commissioning Group to have regard to any guidance given to it under sub-paragraph (1).*

(3) *Section 29(3) of the 2009 Act applies to guidance given under sub-paragraph (1).*

9. *References in the following provisions to a health and social care body are to be treated as including a Local Commissioning Group—*

(a) *Article 67 of the 1972 Order (duty of various bodies to co-operate with one another);*

(b) *section 3(8) of the Health and Social Care (Control of Data Processing) Act (Northern Ireland) 2016 (code of practice on processing of information);*

(c) *sections 14(2)(a) and 15(1) of the Public Services Ombudsman Act (Northern Ireland) 2016 (matters which the Ombudsman may investigate).*

Continuity

10.—(1) *Any document made or other thing done by the Regional Board in relation to the Local Commissioning Groups, if in effect immediately before the dissolution of the Board, continues to have effect to the same extent and subject to the same provisions.*

(2) *Sub-paragraph (1)—*

(a) *does not apply if the context requires otherwise, and*

(b) *is subject to any power conferred on the Department by paragraphs 1 to 9 to make other provision.*

Power of Department to dissolve the continued Groups

11.—(1) *The following provisions cease to have effect on such day as the Department may by regulations appoint—*

(a) *section 9(2), (3)(a), (4), (5) and (6)(a) and (c) of the 2009 Act;*

(b) *paragraphs 8 to 11(1) of Schedule 1 to the 2009 Act, so far as those paragraphs apply to, or relate to, the Local Commissioning Groups and their members;*

(c) *section 2A and this Schedule;*

(d) *the Local Commissioning Groups (Number, Area and Functions) Regulations (Northern Ireland) 2009;*

(e) *the Membership Regulations.*

(2) *Accordingly, on the day appointed under sub-paragraph (1), the Local Commissioning Groups are dissolved.*

(3) *The Department may not make regulations under sub-paragraph (1) unless the Department makes, or has made, regulations under section 15B(1) of the 2009 Act, as inserted by section 2B(1) of this Act (establishment of local area bodies).*

(4) *Regulations under sub-paragraph (1) are subject to negative resolution.*

(5) *But sub-paragraph (4) does not apply if a draft of the regulations (whether alone or with other provision) has been laid before, and approved by a resolution of, the Assembly."— [Mr Swann (The Minister of Health).]*

New schedule agreed to.

Schedules 2 and 3 agreed to.

Long title agreed to.

Mr Deputy Speaker (Mr McGlone): That concludes the Consideration Stage of the Health and Social Care Bill. The Bill stands referred to the Speaker.

Members should take their ease before we move to the next item of business.

The Local Government Auditor's Draft Code of Audit Practice 2021

Mr Deputy Speaker (Mr McGlone): Members, in anticipation of a quorum, the next item of business is about the Local Government Auditor's draft Code of Audit Practice 2021.

Ms Hargey (The Minister for Communities): I beg to move

That the Local Government Auditor's draft code of audit practice 2021 be approved.

Mr Deputy Speaker (Mr McGlone): The Business Committee has agreed to allocate 30 minutes to the debate. The Minister will have five minutes in which to propose the motion and five minutes in which to make a winding-up

speech. All other Members who wish to speak will have five minutes. Please open the debate on the motion, Minister. Muna miste leat, a Aire, an gcuirfeá tús leis an díospóireacht ar an rún?

Ms Hargey: Article 5(1) of the Local Government (NI) Order 2005 requires the Local Government Auditor to prepare, and keep under review, a code of audit practice that prescribes the way in which auditors carry out their functions for district councils and other local government bodies. Article 5(2) of the 2005 order provides that such a code shall embody what appears to the Local Government Auditor to be:

"the best professional practice with respect to the standards, procedures and techniques to be adopted by auditors."

Article 5(3) provides that a code of practice will not:

"come into force until approved by a resolution of the Assembly, and its continuation in force is subject to its being so approved at intervals of not more than five years."

The Local Government Auditor consulted interested parties about the draft code of audit practice in 2021. Fourteen responses were received as part of the consultation. I therefore seek the Assembly's approval for the Local Government Auditor's draft Code of Audit Practice 2021 to come into force with effect from 1 April 2021.

12.00 noon

Ms P Bradley (The Chairperson of the Committee for Communities): On behalf of the Committee, I thank the Minister for bringing the motion to the House. The Local Government Auditor's code of audit practice came into force on 1 April 2016. At that time, it was under the remit of the Department of the Environment and was therefore considered by the corresponding Committee. Since then, it has been transferred to the remit of the Department for Communities. The Committee for Communities understands that article 5(3) of the Local Government (Northern Ireland) Order 2005 provides that the draft code will not:

"come into force until approved by a resolution of the Assembly"

and that it will then be subject to approval:

"at intervals of not more than five years."

The Department alerted the Committee to its intention to lay the code before the Assembly by way of a motion to be tabled in the week commencing 15 November, and the Committee considered the draft code in its correspondence at its meeting on 4 November. On behalf of the Committee, I support the motion that the draft Local Government Auditor's draft code of audit practice 2021 be approved.

Ms Ferguson: The Local Government Auditor has an important role to play in overseeing council financial statements and the dissemination of information contained in yearly financial reports, as well as statutory obligations and some key governance responsibilities. It is therefore important to review regularly the code of practice and to update it where necessary if the situation changes.

The independence of the office is critical to reaching an opinion on local institutions and their use of resources. It is welcome that the code of practice is being reviewed in line with regulations to do so every five years. The principle in the code of practice that auditors must carry out their roles:

"with integrity, objectivity and independence at all times"

is crucial to the impartial nature of the role and should always be at the centre of the decision-making process. The code of practice acts as the guiding principles for the Local Government Auditor, and, as such, it is important that it be robust and stand up to scrutiny. I thank the Minister for bringing the code before the House, and I assure her of my support.

Mr Allister: I will make a couple of short points. Obviously, it is right that there should be a code. I have always had some reservations about the juxtaposition of the Local Government Auditor and the Northern Ireland Audit Office and about the crossover in that office. My primary difficulty over the years with the Local Government Auditor is the practice that has developed whereby individual auditors are embedded, as it were, with a council for a period of up to five years. They will be embedded with more than one council. In my experience, that has induced what I perceive to be an unhealthy cosiness in the relationship between council and the Audit Office.

I have had experience of that with an issue that I had with a council. The auditor looked at the issue, simply accepted at face value nonsense that they were told by the council, did not dig or interrogate, and gave a clean bill of health on

an issue on which that should never have been the outcome. That issue now lies at the heart of the Minister's having to seek a special audit of that council. It is tangential to that.

The relationship that can develop between the Audit Office and councils is one that needs to be kept under close scrutiny, because public faith is put in the auditors to be interrogatory in their approach to matters rather than to be fobbed off with answers that are convenient to the council but that bear little relation to the function of the auditor in getting to the bottom of those matters. I trust that, in any code, there will be more vigour required and expected with regard to these matters. I trust, too, that when special audits are ordered, they will have the same vigour. Therefore, I trust that lessons can be learned, and will be learned, from what I see as failings that I have experienced with one particular council in the past, and that, going forward, we will see greater interrogatory rigour from the Local Government Auditor.

Ms Hargey: I thank the Chair of the Committee and those who have contributed. The outworkings of any review or special audit that has been conducted by the Department will be looked at. We will assess that once it has concluded, and any appropriate changes or recommendations will be made then.

The existing code is similar to the previous code that was passed. It is principles-based. It is about reflecting the good practice and developments in other public bodies, not just here but in Britain and across this island. It continues to incorporate the Local Government Auditor's statutory responsibilities with regard to performance improvement audits and assessments that were introduced as part of the 2014 Act. We will continue to keep that under review. Members should not hesitate to talk to me or departmental officials if they have any specific issues. We are more than happy to do that. Again, I beg that this be approved today.

Question put and agreed to.

Resolved:

That the Local Government Auditor's draft code of audit practice 2021 be approved.

Support for Mortgage Interest etc. (Security for Loans) Bill: Second Stage

Ms Hargey (The Minister for Communities): I beg to move

That the Second Stage of the Support for Mortgage Interest etc (Security for Loans) Bill [NIA 42/17-22] be agreed.

Mr Deputy Speaker (Mr McGlone): The Second Stage of the Support for Mortgage Interest etc (Security for Loans) Bill has been moved. In accordance with convention, the Business Committee has not allocated any time limit to the debate. Glaoim ar an Aire leis an díospóireacht a oscailt ar an Bhille go hoifigiúil. I call the Minister to open the debate on the Bill.

Ms Hargey: The Support for Mortgage Interest etc (Security for Loans) Bill gives my Department powers to make regulations to enable a statutory charge to be registered against a support for mortgage interest loan. This technical amendment ensures that my Department can meet its original policy intention to allow all support for mortgage interest loans to be secured and consider recovery of loans provided.

Homeowners on qualifying social security benefits can get help towards mortgage interest payments with a support for mortgage interest loan. The primary purpose of the support for mortgage interest loan is to protect owner-occupiers who are receiving an income-related benefit from the threat of repossession. In April 2018, support for mortgage interest changed from a benefit to an interest-bearing loan. This loan is only recoverable from any equity on the sale or transfer of ownership of the property or when the recipient dies.

If there is not sufficient equity to repay the total of the loan, the Department will write off any amount that cannot be repaid. The differences in land law between here and Britain meant that obtaining a similar level of security to consider recovery of the loans was difficult. At present, the legislation allows for a legal charge to be placed on properties where a loan under article 13 of the Welfare Reform and Work (Northern Ireland) Order 2016 has been paid. However, legal charges can only be placed against properties that are registered in the Land Registry. As it stands, 541 of the 1,409 outstanding loans do not have the security of a legal charge. At the current average of £5,000 per loan, approximately £2.7 million of loans are unsecured.

The remaining 868 loan recipients with a legal charge are not being treated equally to the 541 unsecured loan recipients. That could result in a legal challenge. The creation of a charge by the Bill will allow the Department to consider recovery of loans over all properties here, subject to there being sufficient equity in the property after a sale or transfer. If there is insufficient equity to repay the total of the loan, my Department will write off any amount that cannot be repaid.

The support for mortgage interest loan is not registered on the person's credit history and does not affect their credit history in any way. I must highlight that recipients of a support for mortgage interest loan will not experience any charge by the introduction of the Bill. Recipients have been notified of the possibility of a loan being secured by a statutory charge, as it is contained in the information booklet that is supplied to the person when they initially request a loan. It is also contained in the support for mortgage interest loan agreement that is signed by the person before a loan can be paid. In addition, my Department meets all administrative costs, which are considerably lower when a statutory charge is used.

The Bill contains two clauses, the first of which allows regulations to impose a charge on the property in respect of which a support for mortgage interest loan is made and provides for charges securing support for mortgage interest loans to be registrable in the Statutory Charges Register. The second clause deals with the commencement date and the short title of the Bill.

No charges will be created over any properties until the necessary regulations have been made and come into operation. Once the regulations have been made and come into operation, any charge created by the regulations will be registrable in the Statutory Charges Register. It is not intended that the regulations will impose a statutory charge in respect of the past or future loan payments under an existing loan agreement for so long as they continue to be secured by an existing legal charge.

Once the change to primary legislation is commenced and subordinate legislation is amended, all new loans will be secured by statutory charge, which will be registered on the Statutory Charges Register. Unsecured loans will be registered in tranches so as to ensure that resources in my Department and Land Registry can be managed. My officials will be in contact with Land Registry and will maintain contact as the Bill progresses.

It is important that the amendment proposed in the Bill to enable a statutory charge to be used as a method of security on support for mortgage interest loans is progressed to ensure equal treatment for all loan recipients and to provide my Department with a more effective form of recovery on all loans. I commend the Bill to the Assembly.

Ms P Bradley (The Chairperson of the Committee for Communities): On behalf of the Committee for Communities, I welcome the Second Stage of the Support for Mortgage Interest etc (Security for Loans) Bill. The Committee received a pre-introductory briefing from the Minister on 4 November, before the Bill's introduction to the Assembly on 8 November 2021. The Committee knows that the primary purpose of support for mortgage interest is to protect owner-occupiers receiving an income-related benefit from the threat of repossession and that the support is available also for corresponding sums under arrangements that do not involve the payment of interest.

The Minister highlighted to the Committee that, in April 2018, support for mortgage interest changed from a benefit to a loan in Northern Ireland. In Britain, that change was included as part of the Welfare Reform and Work Act 2016. The provisions were replicated here in articles 13 to 16 of the Welfare Reform and Work (Northern Ireland) Order 2016. The Committee heard that the Bill will amend article 13 of the 2016 Order to allow a loan provided under that article to be charged on the property in respect of which that loan is made. It will also amend schedule 11 to the Land Registration Act (Northern Ireland) 1970 to enable a charge securing a loan provided under article 13 to be registered in the Statutory Charges Register. That is in line with the policy intention to ensure that a loan is recovered if there is available equity when it becomes repayable. The repayment of such loans is, of course, limited to the available equity after prior charges on a property have been repaid; that means the available funds, once the mortgage and other relevant charges have been paid from the proceeds of the sale.

12.15 pm

The Minister highlighted to us the difficulties with the outworkings of the current legislation. Current law allows for that legal charge to be placed on properties, but the differences between land law in Britain and Northern Ireland mean that obtaining a similar level of security to consider recovery of the loans is

difficult here. Also, legal charges can currently be placed against properties only where all of the legal owners are included in the benefit unit — meaning a single claimant and his or her partner, if any, or joint claimants — and that is only practicable to secure loans when the property is registered and appears on the title register in the Land Registry. We are advised that around 20% of properties are still catalogued in the Registry of Deeds, and those loans cannot be secured as it stands. Of the 1,409 outstanding loans, 541 do not have the security of a legal charge.

The Committee understands that the Departmental Solicitor's Office has advised that a statutory charge would provide a more suitable form of security. In addition, a statutory charge would simplify the process of transferring a loan from one property to another and aid future proposed amendments to subordinate legislation to defer the recovery of the loan and allow the loan to transfer to another property.

It is a short Bill with only two clauses. As I have outlined, the Committee is fully aware of the background to it and the need for it. The Committee supports the principles of the Bill and looks forward to the scrutiny at Committee Stage. The Minister advised the Committee that the Executive supported an expedited Committee Stage that would, ideally, be completed within 15 working days. However, the Minister also wishes the Committee to provide valuable scrutiny of the Bill.

That brings me to a number of points that I will highlight to the House. First, the Committee has been advised by the Bill Office that there is no official expedited Committee Stage; there is only Committee Stage or accelerated passage. Secondly, the Department has not consulted on the Bill, for the reason that loan recipients have been notified of the possibility of the loan being secured by a statutory charge, which is contained in the support for mortgage interest loan agreement. If that loan agreement is as technical as the rationale for this short Bill, it is clear that the Committee needs to conduct a proper Committee Stage on the Bill in the absence of any prior consultation. That will allow relevant groups and individuals to comment on the proposals. The Committee will issue a call for evidence and views next week and seek a research briefing. It will be guided by the outcome of those to determine whether there are any key issues on which we need to take oral evidence. Thirdly, it is not of the Committee's making that we are considering the Bill only now. The provisions of the Loans for Mortgage Interest Regulations (Northern

Ireland) 2017 came into operation over three years ago, and it has taken until November 2021 for the Bill to be introduced.

In response to a Committee query on the Bill, the Minister has confirmed that, since support for mortgage interest loans were first introduced in April 2018, out of the 1,645 loans paid out to date, there have been only four repossession cases. Three loans were written off due to insufficient equity, and one was successfully recovered.

The Committee does not wish to give itself extra work — believe me, we have enough already — but nor can we do a cursory Committee Stage, because we have already seen in every Bill that we have considered to date how any clause of any Bill can throw up unintended consequences. I assure the Minister that the Committee will not take longer than necessary, but members are not convinced that the Bill should leapfrog in front of the three important Bills that are already at Committee Stage with us. As I said, the Committee is supportive of the principles of the Bill and looks forward to considering it in further detail at Committee Stage.

Ms Ferguson: I thank the Minister for outlining the rationale for bringing the Bill before the House and for the briefing that she provided to the Committee on 4 November. As the Minister and the Chair of the Committee have noted, the Tory Government made the decision at Westminster to end the support for mortgage interest as a benefit in April 2018, and, in line with the parity principle, it was introduced in the North at the same time.

After that date, support with mortgage interest became a loan that would have to be repaid with interest when the house was sold or transferred.

We acknowledge that the change of the support for mortgage interest from a benefit to a loan has been challenging for the Department, particularly in having to maintain parity, despite the fact that there is a difference between land law here and in Britain. Here, it has been compulsory to register a property only since 2003, which means that the regulations drafted in Britain did not provide the necessary legal certainty for the loan on unregistered properties here. Additionally, of course, some properties will have joint owners or a number of owners, all or many of whom are not in the social security system. Both those issues mean that a legal charge could not be put on those properties, and, whilst that does not mean that the loan cannot be recovered, it makes the

process slow and complex and reduces the likelihood of success for the Department. We appreciate the reassurance given that those who avail themselves of the loan will not experience any change as a result of the Bill and that it remains the case that the Department will seek to recover the loan only where equity is available at the time of sale or transfer.

The purpose of this short Bill, as explained by the Minister and the Chair of the Committee, to change the legal charge on properties to a statutory charge where necessary and, as I understand it, to introduce the statutory charge as a standard practice for new loans will enable us to ensure that all loans are treated the same. I accept that there is a requirement for legal certainty in this area, and, on that basis, I support the Second Stage of the Bill and look forward to giving it further scrutiny in the Committee.

Mr Durkan: This is a short Bill, as has been stated, and today's debate will be short too. However, the passage of the legislation will not be as swift as the Minister would like, because, as the Chair of the Committee outlined, it would be irresponsible of the Committee to forgo full scrutiny of the Bill. I thank the Chair, who comprehensively covered what the Bill entails and its purported intention to protect owner-occupiers who receive an income-related benefit from the threat of repossession, as well as outlining the Committee's position.

The Chair and others have mentioned the fact that, in April 2018, support for mortgage interest changed from a benefit to a loan. I would like to touch on that briefly. I acknowledge the fact that that was introduced by the Tories as an element of the Welfare Reform and Work Act 2016, but it is important to note that that was not merely foisted on us in a vacuum; rather, some parties in the Assembly gave the Tories the power to do it. Rather than providing low-income and struggling households with mortgage interest costs via a benefit, the process was made more complicated and less accessible and was converted to that of a loan.

I have to admit that, when I heard that legislation was coming on mortgage support, I got rather excited, and that does not happen often here. Maybe I should say that I was relieved, given several indications that I received from the Minister that she was reconsidering introducing the benefit or, at least, bringing forward new support for people struggling to pay their mortgage. I have consistently appealed for improved financial support for homeowners who have struggled to

keep up with mortgage payments throughout the COVID pandemic, given the fact that Northern Ireland has a greater proportion of homeowners in poverty than anywhere else across the UK. In fact, we have twice as many households behind with their mortgage payments, according to research from the Joseph Rowntree Foundation — a position that has, more than likely, worsened over the past 20 months, given the economic consequences of the COVID crisis.

The financial impact of COVID-19 has exposed the vulnerabilities of homeowners, who were provided with minimal assistance and placed at a greater risk of homelessness as a result. Initially, the Communities and Finance Ministers advised that mortgage support was a matter for Westminster. At the height of the pandemic, in response to my Assembly question to the Minister's predecessor and party colleague, Carál Ní Chuilín, I was advised that the SMI and the universal credit uplift were already in place to support people struggling to make mortgage payments. That position softened somewhat as the Minister came under a bit of pressure, maybe, to provide support. She has indicated to me on several occasions that a mortgage rescue scheme is under consideration. Ulster University's Economic Policy Centre was commissioned to research the establishment of a mortgage support scheme. Has that research been completed, will it be published, or is the Minister in a position to tell us any of its findings or recommendations?

Given the cruel cut to universal credit, the end of mortgage payment holidays and the clear shortcomings of the SMI loan, what safety net is in place for homeowners? What meaningful assistance will the Minister and her Department put forward? Essential reforms must be made to SMI if it is to provide any real assistance to struggling homeowners. We have to prevent people from falling into more debt and save more families from homelessness and the plethora of problems that comes with that. We need to use every tool at our disposal to do so. If those tools do not exist, we should look to develop them. That is the legislation that I would rather be debating today, and I have no doubt that the Committee will look at that. Instead, the Bill seems to be as much about protecting the Department as about protecting people. That is hugely regrettable, given the precarious financial situation that so many homeowners find themselves in or will soon find themselves in.

The comprehensive legislation has not been tabled in this mandate. I implore the Minister to

act on her pledge to protect the most vulnerable and consider bringing forward a mortgage rescue scheme. People have already waited too long and face too much uncertainty. They need the support now more than ever. We certainly support the broad principles of the Bill. I just fear and feel that we are looking at another missed opportunity to help people in need.

Ms Armstrong: On behalf of Alliance, I start by saying that we will, of course, support the Bill through its Second Stage. Unfortunately, Mr Durkan stole some of my thunder when he referenced the Joseph Rowntree Foundation. We need to help our homeowners. Many struggle, and many people are now known as the "working poor".

Minister, when I hear "write off debt", as a Committee member, my ears prick up. We have to protect public money. I raised that when you briefed the Committee. The explanatory and financial memorandum states:

"Unless a default event occurs, the current regulations and loan agreements provide that a loan is only recoverable from any equity on the sale or transfer of ownership of the property or when the claimant (or their partner) dies."

When I asked for clarification about that "default event" — for instance, sadly, when someone has their house repossessed — and whether the loan would be recouped from the assets or the money from the sale of that house, the Department said that that would be the case only if money were left. I am concerned about that. If someone has an SMI and their home is, unfortunately, repossessed, it sounds as if we, as government, will lose money and that debt will be written off. I do not wish to cause more problems for people who find themselves in that horrendous situation. However, if we are named as a creditor and, as government, are able to claim back that money, we can protect the public purse.

Minister, I support what you are trying to achieve with the Bill. It will go through Second Stage. The Committee will discuss the Bill. We need to get clarification on the matter that I just mentioned. We also need to find out what is happening with the Department of Finance to ensure that all properties are on the title register in Land Registry so that we can ensure that there is security on those loans. There is much to work through, but I promise you, Minister, that we will work on this as hard and as fast as we can. You are certainly giving us a lot of

legislation to work through, but our Committee is up for it.

12.30 pm

Mr Frew: First, I apologise to the House for my voice. I was up last night shouting at Italians, telling them that they were a very ordinary-looking San Marino, so you will forgive me if my voice fails. I am sure that it would bring great comfort to the House if my voice were to fail.

The Bill is very short — two clauses — and seems to be technical in nature, and it is fair to say that most people will never be affected by it at all. However, that does not negate the importance and significance of the Bill, and, when I read the advisory notes, it is clear that the Bill contains only two clauses. The first clause allows regulations to impose a charge on the property in respect of which a support for mortgage interest loan is made. It also provides for charges securing support for mortgage interest loans to be registrable in the statutory charge register. The second clause deals with the commencement date and the short title of the Bill.

I agree with Members across the House. When you read the title of the Bill — the Support for Mortgage Interest etc (Security for Loans) Bill — it suggests all sorts of manifestations, yet it does not really produce what it says on the tin. The title of the Bill is slightly misleading in that I do not think that it gives support or succour when it is not there. However, I understand the technicalities around this and why it needs to be done, because, as Members across the House said, we need to be careful with public money and how we protect it. We should treat it as an asset, as we do with our own assets and our own money, because we are the guardians of public money. It is a very important Bill.

If the Bill is very important, it needs to be given the parliamentary respect that the House provides, so I find myself on my feet, not for the first time in this term, having to defend the very good practices and procedures of the House from a Minister who wishes us to do something else. She is not alone in doing that during this term. It strikes fear into me that the Assembly would even contemplate some of the wishes of Ministers and the Executive or the asks that they have made of it over this last term. It frightens me that officials and Departments think that they can do this and think that they can push an Assembly and its Committees into positions that are not necessary, are not procedurally correct and, in some cases, will be dangerous to the democratic process and, by extension, the people out there whom we serve.

I put on record that there is no such thing as an expedited Committee Stage that takes 15 days. There is no such thing. It does not exist and, more importantly, should not exist. There is only a Committee Stage or, alternatively, accelerated passage, and whilst I have misgivings about accelerated passage, I know full well that, at times, it is required. When it is required, it is used, but it is the Assembly that decides whether to grant accelerated passage, not any other body, collective or organisation. It is not the Executive; it is the House.

Why should we not have an expedited Committee Stage? Quite simply, it is because a Committee's work on any Bill is probably one of the most important stages of the democratic process. It is where you have the space and time to be devil's advocate, the space and time to assess evidence and the space and time to collect that evidence. To collect that evidence, you need time. You need time to go out and consult, seek out experts, communicate and gather the evidence that people submit. It then takes time to diligently go through every scrap of evidence that you have collected.

That is the duty and role of a Committee. It is even more important — it becomes vital — in an Assembly like ours, where we have an Executive with a mandatory five-party coalition. The Committee becomes the Opposition. Using the evidence that we are given by outside experts, we can scrutinise every clause. It is, in essence, the model of co-design. It is exactly what we want to push and get to in our deliberations. To produce or invent an expedited stage does away with all that and does great harm to the democratic process of which we are the guardians.

Once again, I feel the need to defend the democratic procedures of the House against Ministers who want to change them. This is not the first time, and it is not only this Minister. In fact, this is the first time that I have had to speak about it with this Minister. I understand why the Department and the Minister want to push through as many Bills as possible, including this very important one: we are coming to the end of a mandate. However, that is precisely why we need to take our time and be diligent. We are coming to the end of the mandate, and Bill after Bill is coming before Committees. It is the time when we must be at our most diligent.

I support the principles of the Bill at Second Stage. I look forward to it coming to Committee, as will all the other Bills that the Minister, and any private Member for that matter, have brought forward. We will do our job as diligently

as we can, and we will do it professionally. We do not need anybody handicapping us or holding us back. When the Bill becomes an Act, we will have to answer to the population on the role that we played in it. I want to be able to say that the Committee that I sat on did its job diligently, looked through the Bill and collected all the evidence that it could to make this legislation the best that it could be.

Are there are gaps in the Bill? Absolutely. Could it do a lot more? Yes, it could. Are we coming to the end of a mandate and struggling for time? Yes. However, we will scrutinise what is in front of us and see whether we can make it better. If we cannot and are happy enough with it, we will pass it through Committee Stage. That is our job and our role. My plea to Ministers is not to impede that work. It is a democratic process, and it needs to be in place.

Mr Deputy Speaker (Mr McGlone): Glaoim ar an Aire le críoch a chur ar an díospóireacht ar an rún. I call the Minister for Communities, Deirdre Hargey, to conclude the debate on the motion.

Ms Hargey: I thank all the Members who have contributed to the debate on Second Stage. I also thank the Chair, Deputy Chair and Committee members for their deliberations on the Bill.

Initially, when I brought the Bill to the Executive for accelerated passage, it was not to hide anything — the Bill has two clauses, there is nothing to hide, and people grasp its principles — but because we are in the midst of a pandemic and running out of time in this mandate. The policy is there, so this is not about changing the legislation or policy. On the naming of the Bill, I did not make it up. That was created when the Bill was created. Therefore, I have to call it by the same name. I cannot change that without a lot of wrangling around changing the name. We are not here to do that. We are here to do business and to get stuff done. The reality is that we are running out of time. We have only until March and, as the Committee itself has said, I am putting through huge pieces of legislation on which the Committee is deliberating.

The idea of expedited passage came from other colleagues on the Executive. You need to speak to your colleagues about where that came from. It certainly did not come from me, but I was happy, in trying to get consensus, to put it through so that we could take it to the Committee. I am also happy if the Committee wants to take some extra time. I have no problem with that or with working with the

Committee. I have shown in the past that I am willing to work with the Committee to make amendments or changes to ensure that we put legislation through.

This is a technical amendment. That is the point of the legislation. Trying to dress it up as something else is disingenuous, because that is not what the Bill is about. It is about making a technical amendment to an existing policy to ensure that that policy and its intent treat everybody fairly and that there is equality. Indeed, the Bill has been equality-screened and rural-proofed, and it stacks up. It is a technical amendment, and I am not pretending that it is something else. We are doing work with Ulster University and others to look at the broader issues that need to be addressed, but I am not going to address those in a technical amendment to a Bill that is about making sure that we treat everybody fairly. My priority, as you know, because you have commended the Department previously, is about protecting the most vulnerable. You know that, and you commended the Department on that previously. We are trying to do that in the midst of a health pandemic, a cost-of-living crisis, a global fuel crisis and all those challenges.

Again, I am happy to work with the Committee. If it wants to take the full length of time or does not want to do it in this mandate, I will obviously raise my concerns about that. However, I will work with the Committee on the time that it needs and I thank its members.

I know that Kellie — sorry, the Deputy Chair — raised concerns previously about repossession, which we will obviously continue to look at. Regarding the repossession of properties by mortgage lenders, if it is a default event for an SMI loan and, as such, brings the agreement to an end and requires a repayment of the loan to the Department, while the Department has no direct relationship with lenders and no power to influence the decision of the recovery of the mortgage moneys, lenders are regulated by the Financial Conduct Authority in terms of how they deal with mortgage contracts and repossession cases. The Department is happy to look at that in more detail at the next stage, and there may be other people whom you can bring in as part of your call for evidence to scrutinise that in a bit more detail.

At this point, I am asking that the Bill move to the next stage to allow the Committee to carry out its scrutiny role. It wants to do that in more detail, and I completely respect that.

Question put and agreed to.

Resolved:

That the Second Stage of the Support for Mortgage Interest etc (Security for Loans) Bill [NIA 42/17-22] be agreed.

Mr Deputy Speaker (Mr McGlone): That concludes the Second Stage of the Support for Mortgage Interest etc (Security for Loans) Bill. The Bill stands referred to the Committee for Communities.

The Business Committee has agreed to meet at 1.00 pm. I propose, by leave of the Assembly, to suspend the sitting until 2.00 pm. The first item of business when we return will be Question Time to the Minister of Finance.

The sitting was suspended at 12.44 pm.

2.00 pm

On resuming (Mr Speaker in the Chair) —

Oral Answers to Questions

Finance

Mr Speaker: Maurice Bradley is not in his place.

Budget

2. **Mrs Dodds** asked the Minister of Finance when he will present a draft Budget to the Executive. (AQO 2740/17-22)

Mr C Murphy (The Minister of Finance): Legislation constrains the Executive on presenting a draft Budget until at least 14 days after a statement is laid before the Assembly setting out our control totals as notified by the Secretary of State. That statement was formally laid on 4 November. I have undertaken a series of bilateral meetings with Executive Ministers on the Budget. My intention is to bring a draft Budget to the Executive as soon as possible and to present a draft Budget to the Assembly once Executive agreement is secured.

Mrs Dodds: I thank the Minister for his answer. I am glad to note that the Sinn Féin Finance Minister intends to bring a Budget to the Assembly at last.

When officials were at the Education Committee the other week, they indicated that there would be a £350 million shortfall in their

budget, going on the baseline that had been provided for them. Will the Minister make that cut to Education, or will he prioritise children and young people in Northern Ireland?

Mr C Murphy: The Member will know, from the outcome of the spending review, that the Budget is certainly not what the Executive require for the services that we want to be able to offer to all citizens here. The situation has forced the Executive, over a long number of years, to prioritise the services that they can afford to provide over those that they would like to provide. Health has been the primary recipient, although Education has always come a close second. I met the Education Minister last week, and I am very much aware of the challenges in the Education Department, as well as those across all public services. The challenges are particularly acute when it comes to children and young people, to whom we want to give the best possible start in life.

The decisions on prioritisation and, indeed, on the outcome of the draft Budget, will be for the Executive as a whole to take. I have spent the past while and will continue engaging individually with all Executive Ministers, as the Member will know from her experience, to hear what their priorities are and what challenges they face, so that we can stretch a limited Budget — although we are pleased that it is over three years, because it gives us the ability to do more planning — as best we can across the range of priorities that the Executive will have. Ultimately, however, it will be for the Executive to decide that.

Dr Aiken: We have the opportunity to have a three-year Budget. Will the Minister explain what discussions he has had on it with Ministers and how he will link the Budget to the Programme for Government or, more properly, to its delivery?

Mr C Murphy: Over the past week or so, as I said, I have had bilateral engagements with almost all the Executive Ministers; I have a few still to go. As the Member knows, we had the pre-spending review outcome discussion at Executive level about our priorities before we were aware of the outcome of the spending review. We discussed what our priorities would be in the time ahead, how we would plan for them over three years and how we would try to match them to the Programme for Government commitments and ensure that we have outcomes attached to them. That is the challenge that lies ahead for the Executive. We have had that discussion, largely, with all the Ministers. My job will be to bring a draft Budget

to the Executive and to seek their approval for it. That will, of course, be a matter for the Executive.

As the Member says, we very much wanted the ability to plan over three years. We therefore have to ensure that, however we prioritise — and it is a stretch to try to fit in all the priorities that Ministers want — we do so in a way that achieves tangible outcomes for the public that we represent.

Mr McHugh: Minister, given that victims' payments will have to be incorporated into the draft Budget, can you confirm whether the British Government have yet agreed to step up to the plate and honour their responsibility to help to fund the payments?

Mr C Murphy: No, they have not made that commitment as yet. We are in dispute resolution with Treasury on the issue of victims' payments. We have committed up front to ensure that those payments are met so that no one who will potentially be a recipient will have to wait, or be concerned that they will have to wait, on such a payment coming through. The issue of funding is still a matter of dispute between the Executive and the Treasury. I raised the issue with the new Chief Secretary to the Treasury when I met him about a month ago. The dispute resolution process has not yet completed, and I intend to get back to him in the very near future to try to secure an agreement for that. It is a very substantial cost on the Executive's annual funding at a time when our annual funding does not come anywhere close to what we require to provide decent public services.

Mr Muir: The Minister is now clear that we have a multi-year Budget ahead of us. As part of that, there is an uplift in capital funding. I have a concern about our ability to spend that effectively given that, this year, there is still capital funding that is unspent. What more does the Minister intend to do to ensure that the capital funding for the multi-year Budget will be spent effectively? Can the Minister provide an update on the infrastructure commission, which the Executive agreed to establish?

Mr C Murphy: I am not certain that there was capital money unspent this year. The Audit Office presented a report into major capital programmes and how those could be improved. My Department has had a role in responding to that report, and there are lessons in it for all government Departments to make sure that there is an improvement in addressing the issues that it raises. With a limited Budget and

so many competing priorities and projects looking for capital and resource money, the worst thing that we could do is not spend that out properly. There is a real onus on us to get that right. If there are lessons coming from that Audit Office report, we need to make sure that those are recognised and that appropriate action is taken.

On the infrastructure commission, I know that the Infrastructure Minister has raised issues around that. It will be a matter for the Executive to establish that and I am sure that they will get around to that in due course.

Living Wage: NDNA Commitment

3. **Ms Ferguson** asked the Minister of Finance for an update on the New Decade, New Approach (NDNA) commitment for the Executive to become a living wage employer. (AQO 2741/17-22)

Mr C Murphy: I was delighted to announce at an event this morning that the Living Wage Foundation has now formally accredited the Executive as a living wage employer. While that fully delivers on the NDNA commitment, my Department has gone further by introducing a new wider procurement policy that will see the living wage included as a condition of contract for tenders from June 2022. Furthermore, my officials are discussing with the foundation how we can support its campaign to encourage more employers to pay a living wage.

Ms Ferguson: Thank you, Minister, for your answer. You will be aware of the invaluable role that our domiciliary care workers have played in supporting our most vulnerable people and our elderly people, particularly during COVID. Despite that, they are often paid the minimum wage. Will the living wage policy apply to them?

Mr C Murphy: The Executive's living wage accreditation that was announced today applies to the Civil Service. We are encouraging and working with all public-sector organisations to make sure that that rolls out through the public sector generally. Care workers do an absolutely invaluable job. If that was not recognised before, it has certainly been recognised over the course of the pandemic. As you said, many of them are being paid the minimum wage.

As part of the procurement rules for new contracts, which we have changed, from June 2022, anyone who secures a government contract under which they would be employed by various trusts will have to pay their staff the Living Wage Foundation living wage. That will

be a substantial hourly increase for those workers. Today's announcement is not just good news for civil servants and public-sector workers; as we roll on into this and continue to do work on the living wage, it will also be good news for thousands of workers. Of course, a whole range of anti-poverty measures are needed. The Executive will have a role across all of those to try to ensure that people here enjoy a decent standard of living, particularly in the time of this cost-of-living crisis.

Mr Catney: Minister, we have seen a sharp rise in energy prices and the cost of living. You set out your reasons for not taking action on the universal credit cut, but will you urgently convene a cost-of-living task force with the Economy and Communities Ministers to explore what more can be done to support people this winter?

Mr C Murphy: First, I correct the Member: the decision on universal credit was taken by the Executive and not by me. Members, from your party in particular, often credit me with more powers than I have. If you ever have a proposition to give me more powers, I will be very happy to receive it.

The reality is that that decision was taken by the Executive. I am very happy to work with other Ministers, in recognition of the fact that there is a cost-of-living crisis and that increased costs, particularly for energy and food, are very real for very many families. There was to be a dedicated discussion on that to see what all the parties can bring to the table. The Communities Minister has very much been pressing for that discussion. I am very happy to play my part if there is a proposition about that.

Ms Bradshaw: Thank you, Finance Minister. I go back to your last answer about the awarding of contracts. Will that include the community and voluntary sector, which is in receipt of government grants?

Mr C Murphy: We are looking at that issue again. We had a discussion at the event this morning. That was not just a launch. We had a discussion with people from that sector. There is recognition that a lot of the contracts provided by the community and voluntary sector are very location-specific. Those organisations know the geography and the people of the area that they are dealing with, and there is often not enough recognition of them, with contracts being awarded to larger firms that can simply come in with a lower cost.

There is recognition. Measures will be included within procurement to ensure that we recognise that the community and voluntary sector can provide a more effective service to local communities. Whether it is done through a tender process or a grant process, we have to ensure that the flexibility that already exists for the way that Departments approach this is followed through, making sure that services in localities are provided by people who have experience in and knowledge of those localities.

Mr Nesbitt: Has the Minister factored the national living wage into future departmental spending? If so, what is the impact?

Mr C Murphy: Yes, and we will have to do that. One of the leading officials at the event this morning said that there is a cost attached to this but that it is the right thing to do. The Living Wage Foundation wage has gone up in the last day or so, so that will increase the cost, but it was in the region of a small number of millions of pounds in overall terms of our budget. That is for the total number in the Civil Service. Once you get out into the broader public service, that increases. There are all sorts of implications for public finances of people living in poverty, which include for education and health, and, if we want to lift people out of poverty, we have to recognise that we need to adopt those standards. It is the right thing to do. It is not a very substantial cost on the public purse in broad terms, but it can have the effect of reducing dependency on other public services.

Climate Mitigation: Funding

4. **Mr McGrath** asked the Minister of Finance what plans his Department has to provide multi-year funding for climate mitigation and the transition to net zero. (AQO 2742/17-22)

Mr C Murphy: The Executive will shortly be preparing a draft Budget for the next three years, following the outcome of the spending review. To inform the development of the draft Budget, each Department has been invited to make bids against a limited number of Executive priorities, including green growth and sustainability, which will also cover climate mitigation. It will then be for the Executive to determine what funding will be made available as part of the Budget to help to tackle climate change and to support the transition to net zero.

Mr McGrath: Minister, as we saw at COP26, commitment to carbon reduction needs action plans, and action plans require financing, whether that is for retrofitting homes, overhauling public transport or a just transition

for workers who are affected. Will you guarantee that the multi-year Budget that you will set in the coming months will have specific funding streams for the transition to net zero, so that the public can judge the level of Executive commitment?

Mr C Murphy: Again, it is for the Executive to guarantee that, not me. At our planning session pre the spending review outcome, which I remind the Member was disappointing, I invited the Executive to set priorities. One of the priorities that I invited them to set, by making submissions to allow me to draft a Budget with bids against some of those priorities, was around green growth and sustainability.

So we have had interest from a range of Departments that have responsibility in that regard. The Executive will have to set that priority against competing priorities in health, inequalities, economic growth, sustainability, skills and all the other areas that, when it comes to a Budget debate here, Members will, I am sure, say that we should have prioritised. Of course, commitments have been made for the transition to net zero. The Executive will have to try to match those commitments in their spending.

2.15 pm

Mr Delargy: The Minister has demonstrated his intent to utilise public spending for public good by incorporating social value requirements into the procurement process. Will the social value element also include a focus on climate change?

Mr C Murphy: One of the elements of the social value that people will have to demonstrate, which will be 10% of the contract value from next June and move up to 20% in June 2023, can and should be environmental. There is an opportunity for people to make that contribution. It is not just about simply the measures that the Executive take through public funding but about how they utilise their procurement power to ensure that other sectors make environmental contributions as well.

Mr Beggs: There are financial pressures on Health, as was indicated earlier, Education and many Departments. We also have two climate change Bills before us, the outcome of which will be additional pressures in terms of supporting change or mitigations for those who have been adversely affected. Does the Minister accept that there is a need to record the cost of what we are doing and to ensure

that a budget is set aside to enable our movement towards UK net zero carbon?

Mr C Murphy: It is incumbent on us to try to ascertain the costs as best we can and make sure that, if that is a priority for the Executive — I am recommending that it should be — we have resources to meet our targets. The Executive have set themselves targets. We are not doing that alone; we are, obviously, part of a global attempt, as limited and fractious as it may be coming from COP26, to transition to net zero for future generations. We have to try to match the resources that are required to do that and understand the costs that are associated with doing it, but we set that against a range of priorities, some of which the Member outlined: health, education, protecting vulnerable people and economic recovery. We have to try to stretch what is a limited resource, even though it allows us to plan over three years, across that range of challenges.

As the Member referenced, two climate change Bills are going through the Assembly. I hope that there is some attempt to have a meeting of minds so that we get something that everyone can buy into and does what needs to be done in the time ahead in terms of climate change.

Ms Armstrong: Minister, what considerations have been given to seeking the ability to levy a carbon tax on all fossil fuel company emissions?

Mr C Murphy: Something at that level is done by Treasury, so, ultimately, it is a question for it. We have a more limited role here. The Fiscal Commission is looking at various tax-raising and tax-levying powers. I have not been prescriptive with it about what it might look at. I am eagerly awaiting a draft report to make sure that we can have that debate. Of course, a final report will be a matter for an incoming Executive to consider legislating for. The ability to put a carbon tax on large fossil fuel companies would more than likely originate from Treasury.

Spending Review: Impact

5. **Ms Kimmins** asked the Minister of Finance to outline the expected impact of the spending review on public services. (AQO 2743/17-22)

Mr C Murphy: The spending review outcome was better than feared but less than what we needed. I set out the details of the spending review settlement in my written ministerial statement, but I will comment about the increase in the Executive's Budget for the three-

year period ahead. Much has been made of the Chancellor's announcement of £1.6 billion extra per annum for the Executive, but he was referring to additional amounts compared with a baseline that was significantly lower than the actual Budget for 2021-22. It is more accurate to compare the Budget envelope for the next three years with the Executive's 2021-22 Budget. When that comparison is made, the funding is much lower than £1.6 billion per annum. When compared with the 2021-22 Budget, there is no increase in the resource budget in real terms by the time we reach 2024-25. The capital budget, with a 2.1% increase in real terms by 2024-25, is somewhat better.

Ms Kimmins: I thank the Minister for his response. Does he agree that the British Government's refusal to cut VAT on energy bills as part of the spending review represents another attack on hard-pressed workers and families who are already struggling in the face of a cost of living crisis?

Mr C Murphy: As I said in response to previous questions, there is no doubt that we are in a cost of living crisis, and it is incumbent on all of us in the Executive to pool the limited resources that we have to try to ensure that we help families as best we can. The Communities Minister is very exercised about that and has programmes that can assist people, particularly with winter heating. However, those programmes are limited, and the additional Barnett consequential that we may receive from the Treasury is well short of what we spent in that area last year. I wrote to the Chancellor about VAT on energy bills, and we will see what comes out of that. It is a complex issue, but other Governments have been looking at introducing a temporary waiver on VAT on those bills in recognition of the climate that we are in.

Mr O'Toole: Minister, in June, having written to the Chancellor, you said:

"It is essential that the British Government delivers a multi-year budget as this will enable the Executive to strategically plan the delivery of public services."

On the same day, the Health Minister launched his framework for delivering reductions in waiting lists, but that set out targets to 2026, and the spending review runs to 2025. People will lose even more confidence in us if the budgets that we set do not match the aim to quickly reduce waiting lists. When you assign money, and I agree that Health should be a priority, can you commit that the targets will not

just be to 2026 and that there will be earlier targets for reducing waiting lists, not just for the end of the three-year Budget period but for the years in the middle, so that people can see what they are and whether we are delivering against them?

Mr C Murphy: The Member makes a fair point. The Health budget has increased year-on-year, yet the problems, as we have all experienced or witnessed over the past number of days, continue to grow. I am committed to resourcing Health to try to make the transformative changes needed to properly fund our health service and reduce the cost of that provision to the public purse. Of course, improving public health is not simply a matter for the Department of Health; a range of Departments has a role. Indeed, we all have a contribution to make in that regard.

The draft Budget is yet to be set, and it may well be the case that other Departments will be asked to contribute to that outcome. If that is the case, people will want to know what we are getting for that contribution. That is not just about hearing that more cash has been given to Health; it is about understanding how the objectives that we all want to see in elective care and a range of other measures are being met. Shorter-term and medium-term targets would be a very helpful approach, and I would be content to consider it. That discussion is ongoing. If, collectively — I do not mean just the Executive, I mean the Assembly as a whole — we are to allocate a significant chunk of our resources to Health, which is absolutely necessary as we deal with the consequences of years of austerity Budgets and try to support a service that is in crisis, we have to see what the transformative outcome of that will be over a number of years, and it is appropriate to measure that as we go along.

Non-Domestic Rates (Coronavirus) Valuation Bill

6. **Mr Butler** asked the Minister of Finance to outline the rationale for not consulting on the draft non-domestic rates (coronavirus) valuation Bill. (AQO 2744/17-22)

Mr C Murphy: Support for the Bill and the accelerated passage process were agreed by the Executive on 21 October. This is not ordinary legislation; it is an emergency measure that is being introduced purely to mitigate significant fiscal risk. Failure to bring the legislation through could result in revenue losses of up to £255 million for the Executive

and district councils over a three-year period from April 2020 to March 2023.

The Department has taken legal advice on its obligations to consult. For this Bill, which addresses an urgent taxation matter, there is neither a statutory obligation nor a legitimate expectation to consult.

Additionally, a consultation should not be undertaken if it is not going to be meaningful. In this case, there is no outcome of a consultation on the Bill that could change the need for the legislation or its intent or nature. I can confirm, however, that equivalent legislation in England, Wales and Scotland has been introduced without consultation.

Mr Butler: I thank the Minister for his answer. I am sure that he will agree with me that some non-domestic ratepayers will be concerned, as will other stakeholders. What confidence can you give to significant stakeholders and, in particular, local councils that fiscal pressures will not be forced on them as a result of any outcomes of the Bill?

Mr C Murphy: The precise point of the Bill is to make sure that we deal with potential fiscal pressures. It is a device that was intended to deal with some specific local issues. It can now be used in a global pandemic, although that was never its intention, so we are moving very specifically in that regard to protect the public purse from any loss.

We are in discussion with council finance officers, and I intend to have discussions with business organisations in the very near future. Our ability to consult anyone was dependent on the Executive's approval for the Bill to be taken forward, which was granted only a few short weeks ago. We have no intention of absorbing the cost. There would therefore be no intention of passing that cost on to local government.

Mr Speaker: I call Robbie Butler for a supplementary question. Apologies. You have already had your supplementary. I am being very generous this afternoon. *[Laughter.]*

Mr K Buchanan: My understanding is that over 2,000 businesses have appealed their NAV on the basis of coronavirus being an issue. If the Bill passes, what will happen to those 2,000 businesses?

Mr C Murphy: Such legislation originated in Westminster, and, as I said, legislation of a very similar fashion to the Bill that we have adopted is going through in Wales and in Scotland. We

hope that, associated with the Bill, there will be some compensatory factor available to us that will come across as a Barnett consequential. If that is the case — we certainly hope that it is the case, and we are testing that at the moment with Treasury — we will try to ensure that businesses get some recompense for that. The consequence of not doing anything, however, would be a much greater cost to the public purse, which would ultimately impact on our ability to move on things such as looking at business rates and some of the rates interventions that we could make on small business support and manufacturing support. That type of hit to the public purse would probably have more negative and longer-term consequences for rates for those businesses.

Ms Sheerin: Many businesses benefited from the two-year rates holiday as part of the package of support for them during the pandemic. Does the Minister expect that there will be further rates support in the incoming financial year?

Mr C Murphy: The rates support that was provided was largely from COVID money that we received from Treasury, so we do not have that level of money going into the next financial year. Nonetheless, we have asked the Ulster University Economic Policy Centre, which provided us with some advice, guidance and supporting evidence on how we tailored the rates package after the initial four months, to give us some further advice on which specific sectors are continuing to suffer as a consequence of the pandemic.

A lot of the retail sector and the hospitality sector has been opened up, albeit with ongoing restrictions in place, but some sectors are suffering as a consequence. We are looking at which sectors are continuing to feel the weight of the impacts of COVID to see whether there is anything that we can do to support them in the new financial year, but that will very much depend on the budgets that are available to us.

Mr Allister: The Minister describes this as "not ordinary legislation". He is certainly right about that, because it combines, in a most toxic mix, that which is retrospective with having absolutely no consultation. The Minister then wants to add to that a third component: accelerated passage. He wants to bring to the House legislation that is retrospective, that denies appeals and that has involved no consultation with the sector, and he wants to ram it through the House. Is that not a triple lock of unaccountability?

Mr C Murphy: I think that it is absolutely prudent that, if we recognise that there is a significant risk to the public purse, we take steps to address that. If we did not, I have no doubt that the Member would be very vocal in his criticism of inaction.

It is not ordinary legislation. I do not like the idea of using accelerated passage. Now that we have Executive approval to go ahead, I intend to consult business sectors and others to make sure that people understand what we are doing. I think, however, that even the Member understands that the legislation that exists that allows this was not designed for a global pandemic but for specific local instances in which people lost the value of their property. As I said, it is clearly not what the legislation was designed for.

We have a responsibility to try to protect the public purse, in light of all the conversations that we have had for the past half hour about the pressures on public services.

2.30 pm

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

Health Funding

T1. **Mr Muir** asked the Minister of Finance, whose support for increased funding for the Department of Health is on the record, whether his definition extends beyond that Department to other Departments, in recognition of the fact that preventative measures are often more cost-effective by reducing health inequalities and future demand on our health and social care system. (AQT 1791/17-22)

Mr C Murphy: Yes, I recognise that. Although, obviously, the lion's share of health spend is in the Health Department, there are certainly actions which could be taken in a lot of Departments that could contribute to good health and mental health, all of which would reduce the demand on health services. Some of the anti-poverty measures that we talked about earlier also make a contribution in that regard, as do transport measures and a range of others. All Departments have a responsibility in that regard. That is why the Executive have collectively prioritised health. They recognised that it was not just an area for the Health Department itself, but that we all had responsibility to try to fund it and deliver. That is why we have invited all Departments to bid with

regard to health in the run-up to the draft Budget stage.

Mr Muir: I thank the Minister for his reply. This is crucial with regard to the three-year Budget ahead. As the Minister said, the lion's share will go to the Department of Health, but I am also conscious that it is five years since the Bengoa report was published, and the enactment of those reforms has been slow. Is consideration being given to tying the increased funding to the Department of Health to the requirement to enact those necessary reforms in order to ensure that patients across Northern Ireland get the quality care that they deserve?

Mr C Murphy: The Health Department is committed to the reform process. The Health Ministers, current and previous, have been committed to that reform process. One thing that we have suffered from is annual Budgets that do not allow the necessary planning and recurring funding to ensure that, for one thing, enough staff are recruited to cover that responsibility and to ensure that those reforms can carry on over a number of years. Health is, of course, already committed to that. If, as I said in response to an earlier question, the Executive are in a situation where other Departments are making a contribution, we will want to understand that the programme of reform is being followed through and that we are getting that, because there is a recognition — and Health recognises it as much as anybody — that to leave things unchanged for the next number of years would result in an ever-increasing contribution from the entire block grant to Health alone. That is not sustainable in the longer term, so reforms are absolutely necessary for the system itself and also for our public finances.

Procurement: Community Groups

T2. **Ms Á Murphy** asked the Minister of Finance for an update on the work that he is doing to ensure that community groups have a level playing field when bidding for contracts, particularly those for delivering community-based services, which he previously highlighted as important. (AQT 1792/17-22)

Mr C Murphy: We are doing that through the Procurement Board, which I reconstituted. I brought in a range of people so that we could get some voices in there that had not previously been heard, and also some practitioners to ensure that we had that level of expertise in the Procurement Board. We made a recent addition: we brought in people from the voluntary and community sector — we already

had social enterprise people — to make sure that their voices were heard.

One thing that we have heard loud and clear from community projects is that they have spent years providing services, particularly in areas like mental health and health support to communities, only to find themselves outbid for some of those contracts by organisations that have much deeper pockets and have come in and, in some cases, subcontracted the services back out to the community and voluntary sector organisations that were doing the job in the first place. They have ended up doing the same job for less money. Obviously, they have built up the local connections, knowledge, interactions with people in the area and that confidence in providing a service.

Therefore, through procurement, we have said clearly to Departments that they have the flexibility to look at awarding grants rather than tenders. They can look at how services are provided. Of course, we want top-class services. We want to ensure that those services are working for people. There is that flexibility but, through our own procurement guidance that we are bringing through the Executive bit by bit, we are ensuring that that is hammered home. A guidance paper will go to the Executive tomorrow, I hope, that will reinforce that message.

Ms Á Murphy: This morning, I was delighted to hear that the Executive has secured accreditation as a living wage employer. Will that extend to procurement policy?

Mr C Murphy: That is part of it. A living wage has been brought in by the Executive for all Civil Service workers in the first instance. It affects in the region of 300 or 400 Civil Service workers, bringing them up to the level of the living wage. On procurement, the Executive approved our agreement to ensure that, from next June, new government contracts will be awarded on the basis of ensuring that the people who win them pay a Living Wage Foundation standard living wage to the people whom they employ.

Climate Change: DFI Funding

T3. **Mr Harvey** asked the Minister of Finance to outline the financial support that he has provided to the Department for Infrastructure to tackle climate change, given that he will be aware that all Departments are engaged in work on climate change. (AQT 1793/17-22)

Mr C Murphy: The Department for Infrastructure is one of a range of Departments. As part of the pre-planning exercises, before we knew the outcome of the spending review, we presented to Executive colleagues a range of priorities with which we believed the Executive should engage. Health was one, obviously. Others were green growth and recovery, sustainable economic growth and tackling inequalities. We invited Departments, including the Department of Infrastructure, to make bids against the priorities. By doing that, we will get a sense of the contribution that Departments want to make over the next three years, but we have to match that against the resources that we have for those Departments over that period.

Mr Harvey: I thank the Minister for his answer. He will be aware that there is growing demand for electric vehicles and, especially, charging points. Does he have plans to commit additional budget to that area in the coming year?

Mr C Murphy: The Department for Infrastructure has been looking at how to do that. I heard the Minister for Infrastructure, when she was answering questions yesterday about the British-Irish Council transport meeting that she was at, saying that we have also offered to look at building regulations to see whether to include charging points in new buildings.

Some of it is about financial contributions, but we can do other things to make sure that the electric charging infrastructure is sufficient to encourage people to make the move from fossil fuel powered vehicles to electric vehicles. We need to make sure that the incentives are there and that some of the issues that concern people, such as access to charging, are dealt with. Through things such as building regulations, as well as through some financial contribution, the Department of Finance can contribute to that.

Fresh Start Money: DOF Role

T4. **Ms Armstrong** asked the Minister of Finance to clarify his role and that of his Department in the management of Fresh Start money. (AQT 1794/17-22)

Mr C Murphy: Fresh Start money is generally earmarked as part of an agreement, so, to a large extent, it is ring-fenced. We obviously liaise with the NIO, through which the Fresh Start money came, to make sure that we access it and include it in our budgets, but it is earmarked for a range of matters. Some of it

was health transformation money. Some of it was money to be spent by TEO on tackling paramilitarism and other areas. It is not a matter of taking a pot from the NIO and then making recommendations on its allocation to the Department of Finance. Parties agreed with the British Government on spending on a range of areas. It still will be included in our budgets this year, but it is largely ring-fenced for certain areas.

Ms Armstrong: The Minister of Education has been to the Treasury and got agreement for re-profiling some of the Fresh Start money. I am concerned, because 17 integrated education schools are in planning and have been told that they will proceed. Is there any risk to those schools?

Mr C Murphy: It is for the Department of Finance to engage with the Treasury on those issues. Specifically on the Strule Shared Education Campus, we have spoken to the Treasury about re-profiling money. We want to ensure that, where there is capital money that will not be spent at the time, particularly for Education — there was capital money for shared housing too — we engage with the Treasury to re-profile it in order to make sure that the money is not lost.

Energy Bills: VAT Waiver

T5. **Mrs Cameron** asked the Minister of Finance whether he has received a response from Treasury to his recent written request for a temporary VAT waiver in energy bills to help families and businesses that are struggling with soaring bills. (AQT 1795/17-22)

Mr C Murphy: No, we have not as yet. The letter was sent last week, I think, although judging by the time that Treasury sometimes takes to respond to us — I hope for an early response, because I am firmly of the view that we are in the midst of a cost of living crisis. Any steps that can be taken such as waiving VAT on energy bills should be explored by the Government. That would make a contribution. There are contributions that the Executive could make as well, and it is incumbent on us to find ways to do that. Certainly, Treasury could make a major contribution in terms of VAT on energy bills.

Mrs Cameron: I thank the Minister for his answer. In the Ten Towns network area, which includes Antrim, my home town in my constituency, prices will increase by 38% in December. Other major companies, like SSE Airtricity and Power NI, have also announced

large increases in gas and electricity bills. Has the Minister had any discussions with the Communities Minister about the potential need for further welfare support for those who are being pushed into debt and poverty by the added pressure of energy bills?

Mr C Murphy: Yes, I have. I know that the Communities Minister is very exercised about that. Last year, people required support with their energy bills over the winter, and we had more money in the pot to do that because of the COVID money. This year, the gas and electricity price hikes have happened very suddenly. You have identified the very significant costs associated with that. The Communities Minister is very concerned, and I have had discussions with her.

The next redistribution point for any available funding is January. By that stage, people might already be in crisis. We are considering discussing with other Departments, which might know now, what they will surrender in January and seeing if we can get Executive agreement to put that towards the cost of living crisis. That will depend on what returns Departments make. We are trying to identify some steps that can be taken to address some of these issues in advance of the deep winter. The Minister already has a number of schemes from which she can allocate funding to support people with their home heating costs. Last year, we put in an additional £50 million. This year, we have an additional £12 million or £13 million, which, clearly, will not be adequate when the increase in energy costs is added.

Shared Prosperity Fund: Update

T6. **Ms P Bradley** asked the Minister of Finance whether we are making any headway with the Shared Prosperity Fund, about which Members recently received correspondence from the Minister for Communities and on which he is proactively taking the lead. (AQT 1796/17-22)

Mr C Murphy: We are trying to analyse the outcome of the Community Renewal Fund, which came here recently. As you know, we have made repeated representations to Treasury — Scotland and Wales have made exactly the same representations — that it is funding projects and schemes in our area that do not take account of the Executive's priorities and that we have no function or role in. We were offered a high-level contribution and asked to say whether or not it met our priorities. We had no sense of whether that would actually secure the funding, or whether, if we said that it

did not meet our priorities, that might knock a project out of funding and that money would not come back to us to allocate to other priorities.

We have been trying to analyse the first run of funding. To be quite honest, we can see no rhyme or reason as to how the funding was allocated. As a matter of fact, the view of the Executive was not sought on the three projects that got the largest share of the funding. One of the projects was a call centre based in Oxford. I am not sure how that got funding attributed to the Executive; maybe it provides services to us. It is very unsatisfactory, and we will continue to make representation.

I have asked for an analysis of the outcomes of that funding allocation to try to get some sense of it. It does not come through us so we do not know who applied for funding and did not get it. I spoke to the Scottish Finance Minister recently, and she is doing something similar. No doubt, Wales will be doing that. We will go back to Treasury and say, "This not working for us". What we require, particularly on lost EU funding, is that the money comes to us, this institution decides the priorities, and we allocate accordingly — not the random way in which it has been done to date.

Mr Speaker: There is time for a really brief supplementary question.

2.45 pm

Ms P Bradley: I thank the Minister for his answer. I will be brief. We know that many of our funding streams require match funding with EU funding. Have any scoping exercises been done to look at that match funding and at how the shortfall can be met, be that through match funding through the Executive or through other people not in government?

Mr C Murphy: No, there is no sense of that with any of the projects, and I do not think that it could be the case that they would apply for funding on the basis of getting match funding from us, because we are not in that application process. Over the course of last year, we replaced funding that we had lost through the EU. The previous Economy Minister will know that we had to replace skills funding that was lost through the European social fund, but that was at our own expense. If we have to do that again this year, it will be from the Executive's Budget.

Mr Speaker: Time is up, Members. Please take your ease for a moment or two before we move on to the next item of business.

Mr M Bradley: Mr Speaker, I apologise to you and the House and the Minister, as he is still here, for not being in my place for Question Time.

Mr Speaker: Thank you, Maurice.

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

Executive Committee Business

Horse Racing (Amendment) Bill: Consideration Stage

Mr Deputy Speaker (Mr Beggs): I call the Minister of Agriculture, Environment and Rural Affairs, Edwin Poots, to move the Consideration Stage.

Moved. — [Mr Poots (The Minister of Agriculture, Environment and Rural Affairs).]

Mr Deputy Speaker (Mr Beggs): Members will have a copy of the Marshalled List of amendments detailing the order for consideration. The amendments have been grouped for debate in the provisional grouping of amendments selected list. There is a single group of amendments containing two amendments that deal with provisions and definition.

I remind Members who intend to speak that, during the debate on the single group of amendments, they should address the amendments on which they wish to comment. Once the debate on the group is completed, any further amendments in the group will be moved formally as we go through the Bill and the Question on each will be put without further debate. The Questions on stand part will be taken at the appropriate points in the Bill. If that is clear, we shall proceed.

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

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

Clause 3 (Minor and consequential amendments)

Mr Deputy Speaker (Mr Beggs): We now come to the single group of amendments for

debate. With amendment No 1, it will be convenient to debate amendment No 2. I call the Minister of Agriculture, Environment and Rural Affairs to move amendment No 1 and to address the other amendment in the group.

Mr Poots (The Minister of Agriculture, Environment and Rural Affairs): I beg to move amendment No 1: In page 2, line 24, at end insert -

"(1A) In Article 2(2) (interpretation), omit the definition of 'modify'."

The following amendment stood on the Marshalled List:

No 2: After clause 4 insert -

"Transitional and supplementary provision

4A.—(1) *Down Royal Park Racecourse Limited must submit a statement of its expenditure for the year beginning with 1 January 2021 to the Department.*

(2) Where a horse racecourse operator has not submitted a statement under Article 3(4) of the 1990 Order for the year beginning with 1 January 2022, the operator must submit a statement for the year to the Department.

(3) A statement submitted under subsection (2) must include—

(a) the expenditure of the horse racecourse operator for the period beginning with 1 January 2022 and ending on the day the operator submits the statement, and

(b) the proposed budget and expenditure plans for the horse racecourse operator for the period beginning with the day after the day on which the statement is submitted and ending on 31 December 2022.

(4) The statements referred to in subsections (1) and (2) must be submitted before the end of the period of two weeks beginning with the day after the day on which this Act receives Royal Assent.

(5) In the 1990 Order –

(a) Article 3(5) has effect as if the reference to the statement submitted under paragraph (4) of the Article included a statement submitted under subsection (1) or (2),

(b) for the purposes of accounts prepared under Article 5 of the 1990 Order for the year ending on 31 December 2021, Article 5(2) has effect as if the reference to April were to June,

(c) Article 6(1)(a) has effect as if the reference to works under Article 3(5)(b) or (c) proposed in any statement submitted under Article 3(4) included works under Article 3(5)(b) or (c) to which expenditure in a statement submitted under subsection (1) or (2) relates,

(d) Article 10(1)(b) has effect as if the duty to prepare an annual statement of accounts for a period of 12 months ending on 31 December in each year included a duty for Down Royal Park Racecourse Limited to prepare such a statement for the year ending on 31 December 2021, and

(e) for the purposes of accounts prepared under Article 10(1) of the 1990 Order for the year ending on 31 December 2021, Article 10(3) has effect as if the reference to April were to June.

(6) In this section—

'the Department' means the Department of Agriculture, Environment and Rural Affairs;

'horse racecourse operator' has the meaning given by Article 2(2) of the 1990 Order."— [Mr Poots (The Minister of Agriculture, Environment and Rural Affairs).]

Mr Poots: Before I speak on the amendments, I thank the Chairperson and members of the Agriculture, Environment and Rural Affairs Committee for their detailed and constructive scrutiny of the Bill and its aims thus far. I also thank the Office of Legislative Counsel (OLC), legal advisers and officials in my Department for their work in getting the Bill to this key stage.

I welcome the publication of the AERA Committee's report on the Bill, which, as well as confirming the Committee's support, includes recommendations on the need for a strategic review of the operation of the horse racing fund. The Committee recommends that my Department set out a timetable for such a strategic review, which would consider who is eligible for support under the fund, whether the amount of the levy is appropriate and where responsibility for the fund best sits. The need for the strategic review of the operation of the fund was raised at Second Reading. At that point, I acknowledged that a fundamental review was necessary, but, owing to the complexity of the issues involved, it needed to be completed over a longer time frame. I am

therefore happy to accept the Committee's recommendation and can confirm that the initial scoping work is under way.

The Committee also recommended that the Department for Communities set out any long-term plans to review legislation on gambling activities, including those that relate to online gambling. As Members will be aware, DFC's gambling licensing rules do not currently regulate online gambling. Bookmakers who are licensed by DFC pay into the horse racing fund, and I understand that DFC is considering the licensing of remote bookmakers, albeit any review will not take place until the next mandate. It would therefore not be appropriate to make major changes to the legislation governing the fund until DFC has completed its review of licensing.

My officials have shared the Committee's recommendation with their counterparts in DFC, and I have asked that my officials work with DFC on the issues of common interest in reviewing the fund. I note that the Communities Minister has asked the same of her officials in undertaking a wider review of gambling legislation.

I will discuss the amendments in detail in a moment, but, first, I will remind the Assembly why this short Bill is before us. The Horse Racing (Northern Ireland) Order 1990 is the legal basis for the horse racing fund in Northern Ireland. The fund is made up of a levy collected from licensed bookmakers in Northern Ireland and was set up to provide financial support for horse racing at the two Northern Ireland racecourses at Downpatrick and Down Royal. However, since 2019, the new operator of Down Royal has been unable to access the fund, as it is not specifically named in the 1990 Order. Furthermore, as a consequence of my Department's assessment of subsidy control rules, payments to Downpatrick have also been suspended. That is because providing support to one racecourse when it is not possible to support the other would potentially create unfair competition in the market. Therefore, in amending the 1990 Order to name the new operators at Down Royal as beneficiaries of the fund, the Bill will allow for full reinstatement of payments from the fund to both racecourses. That is the main aim of the Bill. By keeping that narrow focus, I seek to ensure that the Bill is enacted in the current mandate, which will allow for the reinstatement of payments to the two racecourses as early as possible.

I turn now to the amendments that I have tabled. Amendment No 1 is a minor technical amendment to clause 3. It is simply a tidy-up of

the Bill and its impact on existing legislation. The amendment removes the definition of the word "modify", which is used only in article 11 of the 1990 Order. The article is omitted by clause 3 of the Bill, so the definition is redundant.

Amendment No 2 is more substantial. It introduces a new clause to the Bill, clause 4A, which is titled "Transitional and supplementary provision". However, it remains in keeping with the Bill's overall aims to reinstate payments from the fund as quickly as possible. There are two parts to the new clause. First, it allows for payments to be made from the horse racing fund for eligible expenditure incurred by racecourses in 2021. It does that by enabling Down Royal to submit a statement of expenditure for 2021 after the Bill receives Royal Assent. Members will recall that Down Royal has not been eligible to do so before the Bill's enactment, as the current operators are not named in the legislation. While Downpatrick has already submitted the necessary paperwork relating to 2021, it has not been eligible for support either, owing to the subsidy control rules. As a result of new clause 4A, once Down Royal has submitted its statement relating to 2021, both racecourses will be able to claim for 2021 expenditure. I am aware that the AERA Committee raised the issue of the payments for spend incurred by the racecourses in the period before the Bill is enacted, so I know that that will be welcomed by its members.

The second part of the new clause introduced by the amendment relates to payments from the fund in 2022. As the deadline for submitting the necessary paperwork passed on 31 October 2021, the current operators of Down Royal will not be eligible for funding in 2022 without the amendment introduced by clause 4A. The new clause provides for racecourse operators to submit the necessary paperwork relating to 2022 two weeks after Royal Assent.

Clause 4A also includes a small number of technical provisions to ensure the smooth operation of the supplementary and transitional provisions. They include an amendment to the deadline for racecourse operators and a provision for my Department to prepare audited accounts relating to the year ending December 2021. That is in recognition that extra time may be needed, depending on when the Bill receives Royal Assent. Amendment No 2 ensures the early reinstatement of payments from the horse racing fund to both racecourses, as was my aim when I first brought the Bill to the Assembly. Therefore, I call on Members to support the amendments.

Mr McAleer (The Chairperson of the Committee for Agriculture, Environment and Rural Affairs): I welcome the opportunity to outline the Committee's views on the Horse Racing (Amendment) Bill following its scrutiny at Committee Stage. The Committee's report, which was made available to Members prior to the debate, sets out its full work and considerations. In summary, the Committee welcomes the Bill and recognises the need for the legislation in order to support the sustainability of racing events at courses in County Down that not only provide a popular social outlet but generate significant income for the local economy.

As the Minister outlined, the Bill's main objective is to facilitate the resumption of payments from the horse racing fund to Down Royal and Downpatrick racecourses. Since 1990, both courses have been able to apply yearly to the fund, which is overseen by the Department, to support their activities, to subsidise prize money and to subsidise spending to ensure spectator safety and the proper conduct of races.

The Horse Racing Order 1990 provides for the management of the fund and names specific beneficiaries at Down Royal and Downpatrick racecourses. The fund is resourced through annual charges to local bookmakers, and its income is approximately £350,000 a year. Following a change of ownership in 2019, the incumbent operators at Down Royal have been unable to apply for fund payments due to the wording of the 1990 Order. There has also been a knock-on impact on Downpatrick: its fund applications were not considered by the Department because of concerns about breaching state aid regulations through continued allocations to one course over the other.

The Bill aims to overcome those issues by making changes to the 1990 Order. It inserts a generic definition of a "horse racecourse operator" at each site. That will enable the resumption of fund payments to both racecourses. It also makes several other technical amendments to future-proof the provision of fund allocations, should a similar scenario arise in the years ahead.

The Bill was referred to the Committee on 26 April 2021. Following that, we commissioned a briefing from the Assembly's Research and Information Service and undertook a call for evidence between June and August 2021. The Committee received eight responses to its call for evidence, and the majority of respondents supported the Bill's objectives and its primary

aim of facilitating the resumption of fund payments.

We heard how important the activities at Down Royal and Downpatrick are to the local equine sector and the wider economy. It is estimated that £4.5 million is generated annually in off-course spending by spectators, reaching retail, hospitality and restaurant venues. Stakeholders were concerned that a prolonged delay in receiving fund payments had the potential to jeopardise the racecourses' activities, meaning that they might have to hold fewer events in the year. That would have a negative knock-on effect on the economy and employment. In general, the respondents supported the Bill's aims, and there was consensus to modernise the provisions of the 1990 Order so that courses are not prevented from applying in future.

Through our call for evidence, we heard that a review of the scope of the fund might be useful, as well as an assessment of the levies that bookmakers are charged to resource the fund, in order to make sure that they are proportionate to their overall revenue. We also heard concerns from some stakeholders that the current operator of Down Royal is a privately funded company and, therefore, it is questionable whether it should be entitled to fund payments.

We sought assurances from the Department of Agriculture, Environment and Rural Affairs about that. The Department advised that, so long as the operator uses fund payments for the specific purpose of supporting horse-racing activities, it is not of relevance. The Committee was content with that rationale.

3.00 pm

Officials from DAERA briefed the Committee on the clauses on 16 September and confirmed that its primary purpose was to reinstate the allocation of fund payments to both racecourses in County Down through amendments to the 1990 Order. The Committee questioned the officials about the prospect of widening the scope of the fund to allow greyhound tracks to make applications and for them to use the licence fees currently charged to bookmakers. DAERA officials advised that the limitations of the fund are acknowledged and that the Department is committed to undertaking a fundamental strategic review of it in the long term but that will take time and require input and engagement from other Departments.

On 23 September, the Committee received evidence from Down Royal and Downpatrick racecourses. The Committee heard that the inability to access fund payments has had a major impact on their revenue and that, as a result, they have had to resort to other means of subsidising their income to maintain their activities. In the context of the COVID-19 pandemic, the inability to access fund payments has come at a particularly challenging time for the courses and has prevented them from making improvements to their facilities. We heard how crucial fund payments are to subsidising the prize pot payments available at each racecourse. That is important for attracting high-quality races and maintaining spectator levels.

The Committee therefore supports clause 1, which removes specific references to named beneficiaries in the 1990 Order and replaces those with a generic definition. That will allow fund payments to resume to Downpatrick and Down Royal. The Committee agreed that an amendment should be brought forward that would enable operators to apply for backdated payments so that they could access lost income from 2019 and 2020. The Committee therefore welcomes and supports the amendment brought forward by the Minister that will enable retrospective fund applications until the end of the transition period. The Committee also supports the amendment under clause 1 that will enable DAERA to make future changes to named operators through secondary legislation to avoid any future delay or suspension of fund allocations.

The Committee also supports clause 2, which will give greater flexibility to racecourse operators to make financial submissions independently or jointly. Committee members are also content with clause 3, which removes obsolete references in the 1990 Order relating to rules and by-laws of the Down Royal Corporation. The Committee did not identify any issues with clauses 4 to 6, which are technical and/or inconsequential.

The Committee is also content with the amendment that the Minister tabled that will put in place transitional arrangements for the calendar year 2022 only and avoid any further delays for operators in receiving allocations. The Committee acknowledges the issue raised by stakeholders that there should be a comprehensive review of the fund to look at what entities should be eligible to apply and about how the fund is operated. We also recognise that there is some discontent about the fees currently charged to bookmakers for the fund and that it is important to ensure that

those be fair and proportionate to their overall revenue. The Committee acknowledges, however, that those measures will take time and cross-departmental collaboration, and, in that context, it did not consider it appropriate to provide for that in the Bill; instead, it has made a recommendation to DAERA and the Department for Communities to take those work streams forward.

In summary, the AERA Committee supports the Bill and the need to restore speedily the ability of Down Royal and Downpatrick racecourses to access fund payments to support their activities, which provide an important social outlet for the public and greatly benefit the local economy.

Mr Irwin: As stated, the Bill addresses a technical issue on a specific set of circumstances relating to two racecourses in Northern Ireland. The reason for the change is to allow the racecourses to make applications to the horse racing fund to support their operating costs. That has not been possible for some time, owing to a number of technicalities that the Bill is designed to address. The amendments focus on the supply of financial statements on expenditure and accounts for the racecourses concerned.

The Bill's general thrust received broad agreement in the Committee. That being the case and given that the call for evidence opened and closed back in the summer, the Bill before the House represents an adjustment and correction of the technicalities that have prevented payments from being made for some time. The Bill enables that impasse to end and payments to be applied for again. For that reason, I do not intend to say much more on the matter, other than that I support the Bill.

Mr Catney: Thank you, Minister, for introducing the legislation. We support it. This is an important piece of legislation, needed to maintain the economic security of two of our key businesses. The Horse Racing (Northern Ireland) Order 1990 named the beneficiaries of the horse racing fund, and the change of ownership of Down Royal Racecourse led to the suspension of payments from the fund to both Down Royal and Downpatrick. This is a very focused piece of legislation that will ensure that the payments are resumed.

The two racecourses play a key role in the Northern Ireland economy, with Deloitte's analysts totalling the economic benefit of Down Royal and Downpatrick at roughly £9 million. Both racecourses also contribute to the agriculture sector through rural employment

and the breeding and training of horses. It is important to consider the key jobs that will be supported: those who maintain the courses and organise the races, the trainers and the breeders. Without the support of the horse racing fund, we cannot guarantee the future of our two racecourses. The fund was established to help with prize money and maintain the racecourses, including the safety and welfare of the horses, the staff and the racecourses. Down Royal and Downpatrick racecourses have successfully maintained their standards during the absence of the fund, but that will not be sustainable forever. It is important that access to the fund is resumed.

Horse racing is a social event, and the industry, like many sectors, suffered due to the impact of the COVID-19 pandemic. As a Lagan Valley MLA, like the Minister himself, I was delighted that Down Royal's recent festival of racing sold out. That is a positive image for the future of horse racing, proving that people in Northern Ireland were excited to get back to the races. After a tough 18 months for the industry, it was great to see so many people enjoying the social occasion. Now the Assembly can support the industry by resuming payments from the horse racing fund to Down Royal and Downpatrick.

I have to ask about our greyhounds. The subject has been touched on, but tracks sit within the scope of the legislation. They, too, have struggled with the impact of the pandemic, but lack the same support. Hopefully, that is something that the Minister will, as he said in his opening remarks, consider.

However, I support the legislation and hope to see it enacted in a timely manner so that those important funds can be accessed as quickly as possible. In addition to the reinstatement of the fund, I encourage that the Minister to investigate retrospective payments to the racecourses from the horse racing fund. The Committee heard during evidence sessions that Down Royal had been ineligible for payments from the fund since the current owners commenced operation in 2019, so has been without funding since then. The horse racing fund currently has a large sum that has not been able to be paid to the two racecourses, so I encourage the Minister to look into making appropriate retrospective payments to both racecourses in line with the objectives of the fund.

We have had horse racing at Down Royal for 300 years. Many a great sporting day has been had there. This legislation will bring it forward from when it got its charter to run races.

Mrs Barton: This Bill is a technical issue related to the two racecourses at the Maze, sometimes referred to as Down Royal, and Downpatrick, both of which received financial assistance. That assistance helped towards prize money, general expenses on race days and assistance towards the cost of improving the racetracks and facilities for spectators.

The 1990 Order extended the horse racing fund to include Downpatrick Racecourse, but the financial assistance was limited to prize money, general costs on race days and spectator safety. This legislation ensured that licensed bookmakers paid an annual fee, which the Department of Agriculture distributed to the beneficiaries at each of the horse racing courses. At Downpatrick Racecourse, that was known as "the company", while, at the Maze, the operators were referred to as "the corporation".

The change of ownership at Down Royal in 2019 brought about the suspension of payments. Consequently, the payments from the horse racing fund to the racecourse ceased, and Downpatrick racecourse also received no funding. Therefore, a resolution had to be sought to restore the funding from the horse racing fund to both racecourses.

There were options: do nothing, amend the 1990 Order or carry out a strategic review of the 1990 Order. Do nothing was not an option. Carrying out a strategic review would have involved a number of cross-departmental issues and the length of time needed to do that was not within our gift, so we looked at the second option, which was to change, as soon as possible, the named operator at Down Royal. The second option was the most suitable for reinstating funding for both racecourses as soon as possible. That option also negated potential negative impacts such as failure to attract top competitors and thus downgrading the quality of racing. That would also impact on tourism in the area.

Supporting the amendments to the Bill ensures that both racecourses will continue to receive funding to attract top competitors to the meetings, and that will have a positive impact.

Ms Armstrong: Thank you, Minister. On behalf of the Alliance Party, I support the progression of the Horse Racing (Amendment) Bill and the amendments to it. The Bill is largely technical in nature and has been introduced ostensibly as a result of nuances within the Horse Racing (Northern Ireland) Order 1990, which governs the management and allocation of payments

from the horse racing fund to Down Royal and Downpatrick racecourses.

The Minister has said, rightly, that the Department for Communities is taking through the Betting, Gaming, Lotteries and Amusements (Amendment) Bill. That is ongoing. Indeed, the Committee Stage investigation is still happening. The Minister has confirmed, rightly, that the Bill being taken forward by Communities will not deal with online gambling. That will have to happen in the next mandate. The revenue that can be generated from online gambling would be substantial and would certainly go a long way towards helping both our racecourses. As a long-established and popular pastime, horse racing has a vibrant support base across Northern Ireland, as well as being a significant generator of activity for the local economy.

Whilst I am happy to support the Bill based on these technical and legal amendments, I am hopeful that similar provision or legislation in the future will be broader in scope and will perhaps be more focused on increasing participation in sports. In the meantime, at this stage, the Alliance Party is happy to support the Bill and the amendments.

Mr Poots: Before I turn to the proposed amendments, I will take the opportunity to respond briefly to some of the issues that have been raised.

The Committee Chair raised the issue of a private limited company having access to the fund. The 1990 Order does not set any restriction as to the type of operation that may receive support from the fund. However, it does set out how the fund must be used in support of horse racing at the two named locations: Downpatrick and the Maze. Operators of the racecourses are required to provide a business plan to the Department in addition to the annual accounts. As a result, the use of the requirements of the 1990 Order is clearly audited. Therefore, it is the Department's view that there is no issue with the current operators of Down Royal being named as a beneficiary to the fund.

A number of Members raised the issue of the constraints that we applied when bringing the legislation forward. It has become evident to everyone who has been involved in the process that time would not have allowed us to open up the doors to look at other areas. Whilst there may be justification for other areas to seek to be included, that is a matter for a new Assembly and a new Minister to take forward in the future. It was important to address this issue

now, but, had we added other issues to it, that certainly would have created potential for none of it to happen.

Many of the issues that have been raised today relate to things outside the direct scope of the short Bill as introduced. The Chair and others referred to the call for a strategic review of the fund operation, and others specifically mentioned extension of the fund to other beneficiaries. As I noted when introducing my amendments, the licensing of bookmakers in Northern Ireland is the responsibility of DFC. Currently, online bookmakers are not licensed. As a result, only bookmakers on the high street and those based on the racecourses on race-days pay into the horse racing fund.

3.15 pm

Therefore, extending the beneficiaries of the fund at this stage to include greyhound racing, for example, or to support point-to-point racing without an extension of the levy, would mean that the level of support available to the two racecourses would be reduced, as payments from the fund would continue to rely only on the levy gathered from physical bookmakers. That reduction in the level of support would be unplanned and have an unintended consequence that the Department did not consult on. Hence the narrow focus of the Bill was necessary for it to meet its aim to fully reinstate funding as quickly as possible. However, as I have already said, I agree with the need for a strategic review to look at these things and, where necessary, to do this in cooperation with DFC, given that Department's responsibility for licensing of gambling in Northern Ireland.

The amendments are in keeping with the Bill's key aim of enabling reinstatement of funding as quickly as possible. As I said in my introduction, amendment No 1 is simply housekeeping. Amendment No 2 does two important things: it enables payments to be made from the fund for eligible spending incurred by racecourses in 2021, and it ensures that payments can be made in 2022. That can be done without delay.

Downpatrick has submitted the necessary paperwork for 2021, as noted, but it is not eligible for the payment due to subsidy control rules. Providing Down Royal with the scope to comply with the legislation for that period by submitting a statement of 2021 expenditure after Royal Assent will mean that both racecourses will be able to claim for expenditure incurred in 2021. Clause 4A also allows for the submission of statements of expenditure and plans for 2022, which, in turn,

ensures that payments can be resumed as soon as possible after the Bill is enacted.

I thank the Committee for raising the issues of the payments for spend incurred by the racecourses in the period before the Bill is enacted, which amendment No 2 seeks to deal with. I point out that, while new clause 4A allows for the payments from the fund for eligible spend incurred prior to the Bill's enactment, it deals only with the calendar year 2021: the period after the end of the EU-exit transition period, when UK subsidy control rules will have applied. Any payment before that will be a breach of EU state aid rules that continue to apply to that period. Despite that, I believe that the amendment will be warmly welcomed by both racecourses.

I, again, take the opportunity to thank the Chairman and members of the AERA Committee and other MLAs for their contributions to the debate at Second Stage and today. As the objective of the Bill is to seek the full reinstatement of support under the horse racing fund as soon as possible, and, as amendment No 2 in particular ensures the delivery of that, I call on Members to support both amendments in this group.

Amendment No 1 made: In page 2, line 24, at end insert -

"(1A) In Article 2(2) (interpretation), omit the definition of 'modify'."— [Mr Poots (The Minister of Agriculture, Environment and Rural Affairs).]

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

Clause 4 ordered to stand part of the Bill.

New Clause

Amendment No 2 made: After clause 4 insert -

"Transitional and supplementary provision

4A.—(1) Down Royal Park Racecourse Limited must submit a statement of its expenditure for the year beginning with 1 January 2021 to the Department.

(2) Where a horse racecourse operator has not submitted a statement under Article 3(4) of the 1990 Order for the year beginning with 1 January 2022, the operator must submit a statement for the year to the Department.

(3) A statement submitted under subsection (2) must include—

(a) the expenditure of the horse racecourse operator for the period beginning with 1 January 2022 and ending on the day the operator submits the statement, and

(b) the proposed budget and expenditure plans for the horse racecourse operator for the period beginning with the day after the day on which the statement is submitted and ending on 31 December 2022.

(4) The statements referred to in subsections (1) and (2) must be submitted before the end of the period of two weeks beginning with the day after the day on which this Act receives Royal Assent.

(5) In the 1990 Order –

(a) Article 3(5) has effect as if the reference to the statement submitted under paragraph (4) of the Article included a statement submitted under subsection (1) or (2),

(b) for the purposes of accounts prepared under Article 5 of the 1990 Order for the year ending on 31 December 2021, Article 5(2) has effect as if the reference to April were to June,

(c) Article 6(1)(a) has effect as if the reference to works under Article 3(5)(b) or (c) proposed in any statement submitted under Article 3(4) included works under Article 3(5)(b) or (c) to which expenditure in a statement submitted under subsection (1) or (2) relates,

(d) Article 10(1)(b) has effect as if the duty to prepare an annual statement of accounts for a period of 12 months ending on 31 December in each year included a duty for Down Royal Park Racecourse Limited to prepare such a statement for the year ending on 31 December 2021, and

(e) for the purposes of accounts prepared under Article 10(1) of the 1990 Order for the year ending on 31 December 2021, Article 10(3) has effect as if the reference to April were to June.

(6) In this section—

'the Department' means the Department of Agriculture, Environment and Rural Affairs;

'horse racecourse operator' has the meaning given by Article 2(2) of the 1990 Order."— [Mr

Poots (The Minister of Agriculture, Environment and Rural Affairs).]

New clause ordered to stand part of the Bill.

Clauses 5 and 6 ordered to stand part of the Bill.

Long title agreed to.

Mr Deputy Speaker (Mr Beggs): That concludes the Consideration Stage of the Horse Racing (Amendment) Bill. The Bill stands referred to the Speaker. I ask Members to take their ease for a few moments.

Committee Business

Abortion Services (Safe Access Zones) Bill: Extension of Committee Stage

Mr Gildernew (The Chairperson of the Committee for Health): I beg to move

That, in accordance with Standing Order 33(4), the period referred to in Standing Order 33(2) be extended to 28 January 2022, in relation to the Committee Stage of the Abortion Services (Safe Access Zones) Bill.

Mr Deputy Speaker (Mr Beggs): The Business Committee has agreed that there should be no time limit on the debate.

Mr Gildernew: The Abortion Services (Safe Access Zones) Bill passed Second Stage on 12 October 2021 and was referred to Committee Stage the following working day. The Bill requires the Department of Health to establish safe access zones around buildings that offer sexual and reproductive health services and makes it a criminal offence to harass people in any safe access zone.

The issue of protests outside healthcare clinics came up during the Committee's evidence gathering on the Severe Fetal Impairment Abortion (Amendment) Bill, and there has been a significant response to the Committee's call for evidence. It is planned that oral evidence on the Bill will commence in December.

The Committee seeks the extension owing to the extremely heavy workload in front of it and the large number of Bills that it has to scrutinise before the end of the mandate. The heavy workload means that the Committee has to meet twice a week to be able to consider all the

evidence for the Bills and to get them through Committee Stage before the end of January. The Committee therefore requests an extension to 28 January 2022. The proposed extension will allow as much time as possible for detailed consideration while balancing consideration of other Bills.

I commend the motion to the House.

Mr Deputy Speaker (Mr Beggs): No one else has indicated that they wish to speak to the motion.

Notice taken that 10 Members were not present.

House counted, and, there being fewer than 10 Members present, the Deputy Speaker ordered the Division Bells to be rung.

Upon 10 Members being present —

Question put and agreed to.

Resolved:

That, in accordance with Standing Order 33(4), the period referred to in Standing Order 33(2) be extended to 28 January 2022, in relation to the Committee Stage of the Abortion Services (Safe Access Zones) Bill.

Adjourned at 3.24 pm.

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