



Official Report (Hansard)

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Weir, Peter (North Down)
Wells, Jim (South Down)

Northern Ireland Assembly

Wednesday 18 November 2015

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

Members observed two minutes' silence.

Ministerial Statement

November Monitoring Round: 2015-16

Mrs Foster (The Minister of Finance and Personnel): Thank you for the opportunity, Mr Speaker, to update the Assembly on the outcome of the November monitoring round. As Members will be aware, this is the first full Executive public expenditure monitoring round this year, with the planned June and October rounds not having taken place owing to the failure to implement the Stormont House Agreement and deal with welfare reform.

Following yesterday's agreement, 'A Fresh Start: The Stormont Agreement and Implementation Plan', I am now in a position to deliver a 2015-16 in-year monitoring round on the basis that the Stormont House Agreement will be implemented in full and welfare reform introduced in a manner that is tailored to meet the specific needs of the people of Northern Ireland.

Agreement to the budgetary flexibilities negotiated in the Stormont House Agreement has provided the certainty needed for the Executive to agree an in-year monitoring position aimed at addressing the outstanding issues facing departmental budgets in this year. I always said that failing to deal with welfare reform was having a devastating impact on this year's Budget. I had to write to Executive colleagues requesting that no further expenditure be made on discretionary programmes. All Departments have had to make difficult decisions, and we have seen the impact that that has had on the services that they deliver, whether in our schools, health systems or our ability to cut the grass at the sides of the roads. I am pleased to say that, as a result of yesterday's agreement, we are able to prioritise spending for our health system, the roads and the education system.

Before I go into the detail of the monitoring round, it is worth pointing out that the focus

continues to be on non-ring-fenced resource items, which I will hereafter simply refer to as resource expenditure or resource departmental expenditure limit (DEL). The Executive still monitor the ring-fenced resource and administration expenditure positions, and those are included in the tables attached to the statement.

The key issue for the Executive in strategic financial management in this financial year will be managing the overall position to allow the Executive to live within Her Majesty's Treasury's control totals for the 2015-16 year, whilst ensuring that any underspend falls within Budget exchange limits of 0.6% of resource DEL and 1.5% of capital DEL.

As Members will be aware, the Budget for 2015-16 was predicated on the financial package that was negotiated under the Stormont House Agreement. Had the Stormont House Agreement fallen, the Executive would have lost the flexibility to repay the £114 million cost of not implementing welfare reform and the £100 million reserve claim in 2014-15 from asset sales and capital budgets, which would have created a significant resource DEL pressure. I am pleased that, as a result of the recent intensive political discussions, the budgetary flexibilities that were agreed last year at Stormont House will stand.

The starting point for this monitoring round is the June monitoring technical exercise, which was previously agreed by the Executive and notified to the Assembly, and which concluded with an overcommitment on resource DEL of £1.7 million, with £10.3 million of capital DEL unallocated. Following the June monitoring technical exercise, the First Minister and deputy First Minister agreed in September to an allocation of £13.3 million in capital DEL to DCAL through the urgent procedure mechanism to facilitate the progression of the regional stadiums programme. That resulted in a small overcommitment of £3 million in respect of capital DEL.

Before detailing a number of adjustments to centrally held items, I would like to update members on the public sector transformation fund. Members will recall that, as part of the Stormont House Agreement, the Executive agreed a comprehensive programme of public sector restructuring and reform. One of the specific measures included the flexibility to use up to £700 million of borrowing under the reinvestment and reform initiative to fund voluntary exit schemes across the public sector. The public sector transformation fund is to be available over four years, with £200 million in 2015-16, £200 million in 2016-17, £200 million in 2017-18 and £100 million in 2018-19. Those annual limits are firmly set by Her Majesty's Treasury with no across-year flexibility. Not all of the fund may be required, as drawdown may be dependent upon demand by public-sector organisations. The public sector restructuring steering group, which is chaired by the head of the Civil Service, was created by the Executive to oversee the process for allocating funding.

In recognition of the significant savings arising from the voluntary exit scheme, the Secretary of State agreed in September that the Executive could access that funding for 2015-16. The various schemes have been proceeding on that basis. However, the November monitoring round provides the first opportunity to provide details of allocations in individual schemes. Full details are set out in the tables that accompany the statement.

Returning to the issue of the resources available to the Executive in the November monitoring round, a number of adjustments were made to centrally held items, which impacted on the overall financial position in this monitoring round. I would like to highlight these items next.

The Budget exchange scheme allows the Executive to carry forward and draw down end-of-year underspends up to a limit that is agreed with Her Majesty's Treasury. The 2014-15 provisional out-turn position indicated that we would draw down £47.9 million of resource DEL and £10.7 million of capital DEL in this financial year under the Budget exchange scheme. That assumption was factored into the June monitoring technical exercise. However, the Budget exchange scheme requires the devolved Administrations to adjust drawdown to the final out-turn position, which is known only once departmental accounts have been finalised. Due to the timing of this monitoring round, the final out-turn position has yet to be confirmed with Her Majesty's Treasury. However, the latest position indicates that there was an additional resource DEL underspend in

2014-15 at block level of £0.4 million, whilst, on capital DEL, the underspend was £2.4 million less than was declared at the provisional out-turn. The additional resource DEL will now be available in this monitoring round, whilst the reduction in the capital DEL underspend will create a pressure to be addressed in this round. Crucially, the level of underspend that is anticipated remains within the overall Budget exchange scheme limits and the position remains that no resources have been lost to Northern Ireland.

A reduction in the level of EU match funding that is required by Departments for EU Peace and INTERREG programmes has resulted in £8 million of resource DEL and £1.1 million of capital DEL being surrendered from the centrally held budget. This funding becomes available for allocation in this round.

The Chancellor of the Exchequer's summer Budget resulted in Barnett consequentials totalling £2.6 million resource DEL and £0.1 million capital DEL. Whilst the amount has yet to be confirmed by HM Treasury, the council tax freeze has resulted in a Barnett consequential that is expected to be in the region of £5.5 million, which can also be taken into account in this round.

Colleagues will recall that the Executive set a capital receipts target of £50 million this year. The June monitoring technical exercise included adjustments totalling £21.8 million to departmental budgets, leaving a target of £28.2 million to be realised over the remainder of this year. The latest update from the asset management unit indicates that a further £3.3 million relating to the sale of various surplus assets can now be factored into the DRD budget in this monitoring round. This, combined with a £0.8 million adjustment to the amount allocated to DFP in the June monitoring technical exercise, means that there remains £25.7 million of the £50 million target unrealised. Whilst the asset management unit has identified a number of other opportunities to generate additional capital income, there is significant risk attached to their delivery in the current financial year. The Executive have therefore agreed that the £25.7 million should be taken into account as a capital DEL pressure in this monitoring round.

Members will recall that the Executive agreed to set aside £26.9 million resource DEL in 2015-16 for measures to alleviate the worst impacts of welfare reform. Delay in implementing welfare reform means that this funding is no longer required for the purpose intended in

2015-16 and is now available for reallocation in this monitoring round.

Members will recall from the 2013-14 January monitoring round that, as part of an agreement to provide £35 million of ring-fenced financial transactions capital funding to the Ulster University for its greater Belfast development, the university agreed to return £7 million to the Executive from its accumulated reserves, with £3.5 million to be returned in this year and a further £3.5 million in 2016-17. The Executive have now received the £3.5 million relating to this year, and that can be made available for reallocation in this round.

There was also a small pressure of £0.6 million resource DEL relating to the salaries of individuals working in statutory bodies that must be taken into account now, whilst OFMDFM has advised that £7.2 million of capital DEL relating to the social investment fund will not be required in this year and therefore becomes available for reallocation by the Executive.

As a result of these changes, we start the monitoring round with £44.6 million of resource DEL available and an overcommitment of £22.7 million on capital DEL. That is before the departmental reduced requirements, reclassifications and internal reallocations are taken into account.

Departments declared reduced requirements in this monitoring round of £33 million in resource expenditure and £20.4 million in capital investment. Full details are included in the tables provided. Members will note that the reduced requirements declared by the Department for Employment and Learning include £4.5 million relating to the FE college end-year flexibility (EYF) scheme. This will be added to the 2015-16 opening stock of £14.3 million, meaning a stock of £18.8 million is carried forward into 2016-17.

Under the terms of the economic pact, the UK Government agreed that the Executive could access an additional £100 million of reinvestment and reform initiative (RRI) borrowing, spread over three years, for shared education and housing schemes. Allocations in this year totalled £26.8 million, comprising £11.8 million to DE, £5 million to DEL and £10 million to DSD. Departments have declared reduced requirements relating to schemes funded through this initiative totalling £15.7 million in this monitoring round. Full details of these reduced requirements are in the accompanying tables. As this funding is ring-fenced for specific shared education and

housing schemes, it cannot be reallocated by the Executive in 2015-16.

It is good practice that Departments seek to manage any emerging pressures internally before bringing forward bids for additional allocations. Whilst the public expenditure control framework allows Departments scope to undertake many such movements on a unilateral basis, movements across spending areas in excess of the de minimis threshold are subject to Executive approval.

In some instances, Departments have also sought permission to move allocations across spending areas to facilitate the transfer of responsibility for a particular function from one business area to another. The internal reallocations agreed by the Executive in this monitoring round are included in the tables for information.

10.45 am

The Executive also agreed a number of reclassifications between the resource and capital categories in this round. There were also reclassifications between the ring-fenced and non-ring-fenced resource DEL categories. Again, those reclassifications are shown in the tables.

All the issues that I have outlined impacted on the amount of resource available to the Executive in this monitoring round. Taking into account the starting position, the reduced requirements and reclassifications resulted in £77.4 million on resource DEL being available to the Executive and an overcommitment of £2.1 million on capital DEL. Before turning to the bids submitted by Departments in the monitoring round, I will update Members on ring-fenced financial transactions capital (FTC) and the Executive's central funds.

The Executive's Budget for 2015-16 included ring-fenced financial transactions capital allocations of £129 million this year, including £40.9 million set aside for the Northern Ireland investment fund. Following a number of further allocations to Departments in the June monitoring technical exercise from funding held for the Northern Ireland investment fund, we enter the November monitoring round with £11.7 million set aside for that purpose. Departments have declared a number of reduced requirements on ring-fenced financial transactions capital, totalling £61.7 million. Details are provided in the tables.

My officials continue to work towards establishing a Northern Ireland investment fund. Progress to date includes the conclusion of the Deloitte feasibility study and further market testing to determine the potential structure and scope of the fund. However, a significant amount of technically complex work remains to be done before the fund can become operational, and DFP officials continue to engage with the European Investment Bank on those work streams. The outstanding work includes, among other things, development of an investment strategy for the fund; determination of the appropriate governance structure; development of the fund manager procurement strategy; and the fund manager procurement process. The latest discussions with the European Investment Bank suggest that that outstanding work is expected to take at least nine to 12 months to complete. Therefore, the proposed fund will not be able to avail itself of financial transactions capital until the next financial year. As a consequence, the £11.7 million held for that purpose is now available for reallocation.

As a result, the reduced requirements declared in this round, combined with funding held for the Northern Ireland investment fund not being required, mean that the Executive now have £73.4 million of ring-fenced financial transactions capital available for reallocation in this round. Departments have submitted bids in this monitoring round for ring-fenced financial transactions capital of £85 million, including £75 million from DSD for co-ownership housing and £10 million from DEL for the Queen's University school of law and integrated student hub. Details are provided in the tables.

The Executive have agreed allocations of ring-fenced financial transactions capital in this round totalling £73.4 million, including £63.4 million to DSD for co-ownership housing and £10 million to OFMDFM for the Queen's University school of law and integrated student hub. Colleagues will recall from previous monitoring rounds that DEL does not have the legislative authority to issue loans to private-sector entities. The Executive have agreed that, consistent with previous FTC allocations to DEL, the allocation to Queen's University in this monitoring round should be processed by the Strategic Investment Board (SIB). Therefore, the allocation is made to OFMDFM. Taking account of that allocation, the Executive exit the November monitoring round with no ring-fenced financial transactions capital unallocated.

Members will recall that, in Budget 2015-16, the Executive set aside £11 million resource DEL and £15 million capital DEL for the social

investment fund in this financial year. In addition, the Executive set aside £3 million resource DEL for this year to fund childcare strategy initiatives. A number of allocations were agreed in the June monitoring technical exercise, which concluded with £1 million resource DEL and £7.5 million capital DEL on the social investment fund, and £1.6 million resource DEL relating to the childcare strategy remaining unallocated.

While no funding was specifically set aside for the Delivering Social Change programme or the Atlantic Philanthropies programme in the Budget 2015-16, the Executive, at the request of OFMDFM, have agreed to flexibility in this monitoring round to fund them from money set aside for the social investment fund and the childcare strategy.

OFMDFM has confirmed allocations to Departments in this monitoring round totalling £2.6 million of resource DEL. That includes £1 million to the Department of Health, £1 million to DE and £0.6 million to OFMDFM, with £0.3 million capital DEL also being transferred to OFMDFM. Those allocations will fund a combination of Delivering Social Change, the social investment fund and Atlantic Philanthropies programmes. Those transfers mean that there is no resource DEL and £7.2 million of capital DEL remaining in the social investment fund for 2015-16. That has been returned to the Executive for reallocation in this round. No resource DEL funding is available under the childcare fund following this monitoring round.

Budget 2015-16 set aside £10 million of resource DEL for the Together: Building a United Community programme. Following a number of allocations agreed in the June monitoring technical exercise, the November monitoring round commences with £1.9 million of resource DEL unallocated from the Together: Building a United Community fund. That has been supplemented by funding returned from a number of programmes totalling £0.2 million, making £2.1 million available for allocation in this round. OFMDFM has confirmed allocations totalling £2.1 million under the Together: Building a United Community programme to be processed in this round, including £1.8 million to OFMDFM and £0.3 million to DCAL. Those transfers mean that there is no resource DEL remaining in that fund.

Against the available resources, Departments submitted bids amounting to £91.4 million in respect of resource DEL and £59.9 million in respect of capital DEL. Those bids are detailed in the tables.

Members will be aware that I have warned about the significant financial pressures facing the Executive's Budget this year. In view of that, I wrote to Executive colleagues early in this financial year, advising them to halt expenditure on discretionary programmes. That action taken by Ministers to contain spend in the year, combined with access to the budgetary flexibilities detailed in the Stormont House Agreement and the UK Government's agreement to access the funding necessary to progress the public-sector voluntary exit scheme, has meant the pressures facing the Executive's Budget this year have been contained. That has been reflected in the level of resources available for allocation in this monitoring round and the level of bids submitted by Departments. I am pleased that Ministers have taken action to contain spend on lower priority programmes as that now provides the Executive with an opportunity to make a number of allocations in line with their priorities.

The Executive have agreed allocations in this monitoring round totalling £87.4 million of resource DEL and £13.7 million of capital DEL. Full details of the allocations are contained in the tables, so I will only highlight some of the main ones. There is a £47.6 million allocation of resource DEL to the Department of Health to address a number of the significant pressures facing the health service relating to elective care and diagnostics, psychological therapies and unscheduled care and other services. There is a £19.1 million allocation of resource DEL to DRD for roads maintenance, concessionary fares and community transport plus £5 million of capital DEL for structural maintenance of roads. There is an allocation of £15 million of resource DEL to the Department of Education for drawdown of school surpluses, estate management and special educational needs. There is also an allocation of £3.9 million of resource DEL allocated to DARD for TB compensation costs.

I would also like to update Members on the schools end-year flexibility scheme, which allows schools to either draw down or increase their reserves. The stock of school reserves carried forward from 2014-15 amounted to £41.7 million. The Department of Education has been allocated the £5 million requested in this monitoring round from that stock. As a consequence, the schools' EYF stock carried into 2016-17 is £36.7 million.

Following the allocations detailed, the Executive exited this monitoring round with a £10 million overcommitment in respect of resource DEL and £15.8 million on capital DEL. In addition, £24.4 million of resource DEL ring-fenced for

depreciation and impairments remains unallocated. However, due to the ring-fenced nature of that fund, it is not available for reallocation by the Executive.

The uncertainties relating to the Executive's budgetary position in 2015-16 have been clarified through the talks process, and Ministers have taken action to contain expenditure in this year. As a consequence, the Executive have, through this monitoring round, been able to address some high-priority departmental pressures, not least in the health service and ensuring that our roads network remains fit for purpose. I believe that the Executive are now on course to live within their 2015-16 spending controls. However, I will continue to closely monitor the position through the remainder of this year.

The Executive have agreed that, unless circumstances merit a further monitoring round, this will be the final Executive monitoring round in 2015-16. However, it has been agreed that a technical monitoring round should take place in early January without recourse to the Executive. That will provide Departments with an opportunity to adjust their budgets within Executive agreed allocations ahead of the spring Supplementary Estimates process. That exercise, as a one-off, will provide Departments, subject to DFP approval, with flexibility to process proactive reductions and internal reallocations without recourse to the Executive, providing greater flexibility to manage emerging pressures over the course of this year.

It is now critical that the Executive turn their attention to agreeing a Budget for 2016-17. The Chancellor of the Exchequer will announce the outcome of the UK Government's spending review on 25 November. That will detail the Executive's settlement for the coming years. Following that, I will bring a paper to the Executive on the Budget before Christmas. The Executive have previously agreed that the Budget should be developed based on the planned new nine-Department structure. It is also my preference that we agree a one-year Budget, thus providing the new incoming Executive, following next year's Assembly elections, with an opportunity to develop a longer-term Budget, in line with their Programme for Government. However, I recognise that, in relation to a number of large capital infrastructure projects, it may be necessary to provide some certainty on longer-term Budget allocations through the upcoming Budget process.

With that, I commend the statement to the Assembly.

Some Members: Hear, hear.

Mr McKay (The Chairperson of the Committee for Finance and Personnel): Go raibh maith agat, a Cheann Comhairle. I start by congratulating the Minister and all those involved in reaching the agreement, particularly for securing protections for welfare claimants and also help for families on tax credits. That is something that many other jurisdictions do not have. I am sure that many families in a similar situation in places like England would greatly appreciate a similar support mechanism being put in place.

The Minister made reference to longer-term Budgets, and we need to start to look towards 2016-2021. Does the Minister agree that we need to ensure that we get corporation tax right? In the event of a corporation tax reduction, as outlined in the agreement, what efforts will the Minister undertake to ensure that VAT and other revenues generated by a corporation tax reduction, which will go to London, will come back to the Executive, where they rightly belong?

Mrs Foster: I thank the Member for his comments and, indeed, his warm welcome for the agreement that was reached yesterday. He is, of course, right to point out that we will have a very generous welfare scheme here within the United Kingdom and that we will support hard-working families who have been targeted in relation to tax-credit cuts. That was something that we felt very strongly about on this side of the House, as he knows.

In relation to corporation tax, I am of course only too delighted that we have been able to set the date and the rate for April 2018 at 12.5%. That will allow Invest Northern Ireland and, indeed, Ministers to now go out across the globe and sell Northern Ireland as a good place to do business, as it always has been, but it now opens more doors to the companies that, heretofore, have not been open to us. So, this gives us a tremendous tool to go out and look for more foreign direct investment.

11.00 am

As he will know, because the main rate of corporation tax in the United Kingdom has fallen, the cost of corporation tax being cut here in Northern Ireland will also have fallen, and therefore the cost to the block grant will not be as large as it was when the main rate was

higher. We are continuing to speak with Treasury about the cost of corporation tax. The full cost, of course, does not come out until year 3. Until then, it is a graduated cut to our block grant. The Office for Budget Responsibility (OBR) has indicated that the resource DEL will start to grow again by year 3, 2020-21. That is the year in which our resource budget will start to grow again, so that is to be welcomed.

Secondary benefits is an issue that we continue to talk to Treasury about. He is right to say that, if we are growing the economy here in Northern Ireland, we should take some benefit from that in the receipts that come. That is something that we will continue to talk to Treasury about.

Mr Middleton: I thank the Minister for the many welcome announcements in her statement. We are all aware of the pressures that have faced the health sector over the last number of months. The announcement that it is to receive an additional £47 million is really good news. Can the Minister outline what impact this will have on the health service?

Mrs Foster: I must say that all my colleagues across the parties acknowledged that there was a need to deal with the pressures in the Health Department. It was at the top of our priorities when we went to look at the allocations. So, £40 million of the allocation will go to elective care and diagnostics, £1.6 million will go to psychological therapies and £6 million will go to unscheduled care and other services. I know that my colleague the Minister of Health has been working very hard to make sure that the money that has been allocated to the Department of Health will make a real impact on the lives of real people. That is something that the House should very much welcome.

Mr D Bradley: Go raibh míle maith agat, a Cheann Comhairle. I thank the Minister for her statement. I, too, welcome the £47.6 million for the health service. The Minister mentioned £6 million to be invested in unscheduled care and other services. I would like to ask the Minister this: will this investment ensure that hospital emergency departments, like the emergency department in Daisy Hill hospital in Newry, have the staff to operate on a 24-hour basis and free from the threat of closure or partial closure? That is a way in which that investment would, as the Minister said, affect the lives of real people.

Mrs Foster: I welcome his congratulations on the amount of money that is going to the Department of Health. Some £4 million of the

£6 million for unscheduled care and other services will be going to deal with winter pressures, which we know occur every year and, therefore, need to plan for. In all, the money that has been allocated to the Department of Health will mean that we will be able to put in place 40,000 assessments and around 15,000 operations and procedures. That is a tremendously good news story for people right across Northern Ireland. Regardless of where you live or access your hospital care, we are now going to be able to make those available to people. If the Member has very specific issues about hospitals in his constituency, I suggest that he raises those with the Minister of Health.

Mr Cree: I thank the Minister for her statement. She must be pleased, as I am, that it is not as bad as was anticipated. There are two points, Minister. The first is on the November monitoring outcome. You referred to £24.4 million of resource DEL not being capable of being reallocated. Does that mean that it will have to be returned? Is she aware that DCAL had an under-commitment of some £600,000 for depreciation for the last year brought forward? Maybe she will say a few words about where the financial transactions capital is sitting at the moment.

Mrs Foster: I will take the last point first. As I indicated, all the financial transactions capital has been allocated. The larger amount of it has been allocated to the Department for Social Development for co-ownership housing, although it could have taken even more — £10 million more, I think — if I had had the money available to me in the financial transactions capital. Ten million pounds goes to Queen's University for a new school of law and an integrated student hub. So, absolutely no money from the financial transactions capital is unallocated. I am pleased about that, given that quite a bit of financial transactions capital had come back from Departments into the centre.

In terms of the money that cannot be reallocated, that is money that is ring-fenced to deal with non-cash pressures relating to depreciation and impairments. It is very strictly monitored by Her Majesty's Treasury. There are no unmet ring-fenced pressures, and the unallocated £24.4 million cannot be used or reallocated to the Executive to meet pressures outside the ring fence. That much is very clear.

I am sure that the Ulster Unionist Party will want to join me in congratulating the First Minister and the deputy First Minister on the financial package that they achieved under the Stormont

Agreement, because, of course, there is absolutely no new borrowing in that package. It is all real money. Therefore I know that the Ulster Unionist Party will welcome that, given that it had indicated that there was going to be £0.5 billion of borrowing. Of course, that is not the case. It is a good day, because we can move ahead with real money in the package that was announced yesterday.

Mrs Cochrane: I thank the Minister for her statement. In previous years, moneys have traditionally bridged financial gaps in health funding. We welcome the addition of the money announced today to Health. Has the Minister any concerns about trusts' capacity to spend that money this late in the financial year, as, obviously, we want all of it to be used to make a real difference to patients?

Mrs Foster: I thank the Member for her question. Indeed, the Health Minister, along with me and others, has been working on a plan to deal with waiting lists for some months, despite what others may have been saying. We have been planning and preparing in the hope of achieving what we have achieved today — the allocation of £47 million to the Department of Health. We will work to ensure that as many people as possible have access to operations and procedures, but we will have to work within the capacity that we have. We will use everything that we can to make sure that we allow as many people as possible to be dealt with in the coming weeks and months, because we realise — it would be wrong of us not to acknowledge — that there have been tremendous pressures on people's lives. People have been told that they will have to wait a very long time for operations and assessment; therefore, we need to be able to deal with those people as quickly as possible. So, yes, we have been working on a plan. The Minister of Health, along with his officials, has been preparing for this day, and I know that he is very happy that this day has come.

Lord Morrow: I thank the Minister for her comprehensive statement. She said that there would be additional funding and money for the Roads Service. How will that assist in the fixing and mending of our roads, not least in Fermanagh and South Tyrone?

Mrs Foster: May I join the Member in urging the Minister for Regional Development to make sure that she has due regard to the very important constituency of Fermanagh and South Tyrone when she comes to deal with her budget? Unfortunately, the capital DEL position

remains constrained. Members will see that from the figures that I outlined today.

It has limited the capacity for the Executive to make significant allocations in relation to that area. However, we have agreed allocations of £5 million in capital DEL. We hope that that will be helpful not only to road users and those of us who travel long distances every day but to the construction industry. That industry has had huge pressure on it over the past couple of years. We hope that that money will give some help to them. We have also been able to allocate £16.5 million, a not insubstantial amount of money, for roads maintenance. I am sure that the Department will be happy to receive that; I know that the Minister certainly is. Again, that will hopefully provide a small boost. We realise that it is a small boost, but hopefully it is an indication of things to come.

Mr Ó Muilleoir: Go raibh maith agat, a Cheann Comhairle. Ba mhaith liom comhghairdeas a dhéanamh leis an Aire agus leis na páirtithe uile ar éirigh leo teacht ar an chomhréiteach seo. I want to add my congratulations to those parties and my colleagues who put together this good deal. I hope that it is — I am confident that it will be — a fresh start.

The Minister mentioned the Chancellor's next move on 25 November. I have no doubt that he is still wedded to his austerity ideology, but I think that we have made a great job of trying to force back that assault, especially on the less well off.

I want to ask about the very good news for Queen's University. I was to meet the vice chancellor at 3.00 pm but had to cancel. He is pleased that he is getting a £10 million cheque. It will do something to get him over the disappointment of missing the meeting. That is good news.

I want to ask a broader question about investment and investor sentiment because last week I met Dan Sten Olsson, the chief executive officer of Stena Line, which will bring two new ferries into Belfast in 2018-19. The big message from him, Minister, was to build confidence, create stability and show that you are united around creating jobs for the future and a better society for all. Does the Minister believe that today's statement and last night's agreement will build the type of confidence that we need in this region and society?

Mrs Foster: I thank the Member for his commentary and, indeed, his question on these issues. I have listened very carefully to some of

the naysayers on the agreement. They cannot take away from the fact that there is no doubt that the agreement that was reached yesterday provides us with financial stability and a fresh start.

He is right to say that we have moved to support not only welfare recipients but hard-working families who otherwise would have been hit by the reduction in tax credits. Whilst the Chancellor may have been pushed back somewhat by the noble lords in the House of Lords, I would say that he will continue to look for that large amount of money — £4.4 billion. Whilst, when he comes to make his comprehensive spending review statement on 25 November, it may not be as hard and fast on tax credits, there will be other consequences in relation to the issue.

We were right to support working families. Likewise, we are right to give hope for the economy here in Northern Ireland. I very strongly believe that the reduction in corporation tax gives hope for businesses here and will allow them to expand and grow in a way that they would not have been able to otherwise and will attract foreign direct investment to Northern Ireland. There is support for working families, hope for the economy and, of course, stability, which we all know will bring further investment in Northern Ireland.

Mr Weir: I will try to keep my question a bit shorter than the previous one. I thank the Minister for her statement. It is notable that those who, not that long ago, were deriding this budgetary process as a "fantasy Budget" are, today, faced with the realities of additional resources for health, education and DRD. Specifically on the issue of education, can the Minister outline how the additional funding for education will maintain and improve schools, and not just in the constituency of North Down?

Mrs Foster: Well done for getting North Down mentioned. As I have indicated, of the £15 million for the Department of Education, £5 million will relate to the drawdown of school surpluses; £5 million to the education and schools estate management; and £5 million to special educational needs. I am sure that everyone in the House will welcome that extra money for special educational needs. I know that, at a constituency level, there have been growing pressures in relation to accessing help for young people who need it in schools. Therefore, I warmly welcome — I am sure the House will warmly welcome — the £5 million for special educational needs, and I hope that it will make a real difference to our young people

who, currently, are struggling without that extra help that they would otherwise have.

11.15 am

Mr Speaker: Before I call the next contributor, I have a very long list of Members who wish to speak. The questions are reasonably short but the commentaries are unreasonably long. I just want to draw that to Members' attention.

Ms Ruane: Go raibh maith agat. I will not mention South Down in my question, although I hope that it gets some resources. Gabhaim buíochas leis an Aire as a ráiteas. I welcome the statement, which is very important, and I welcome the end-year flexibility for schools. I am sure that the improvements to the schools estate, as was mentioned, will help our construction industry.

The Minister mentioned children with special educational needs, and I share her concern about that. Will she outline what difference the additional resources will make to our special educational needs children?

Mrs Foster: As I just mentioned — I am sure that I am not alone in this — recently a number of parents have been very upset about the fact that they have not been able to access assistance for their young people. They have had the assessment carried out and they know that there is a need to provide assistance, but they have not been able to provide that because the money has not been available. I really hope that this extra £5 million will make a difference to those individuals. It will allow the children to learn in a supported way. It is an issue that many of us across the House have been lobbied on, and I am delighted that we have been able to help today.

Mr McGlone: Go raibh maith agat, a Cheann Comhairle. Gabhaim buíochas leis an Aire as a ráiteas. I thank the Minister for her statement. Specifically about allocations of funding to job creation and support for it, it has been proven, through facts provided to the Enterprise Committee, that investment in collaborative projects through InterTradelreland and with its support has helped in the drawdown of EU funding for those projects more successfully than would normally be the case. Unfortunately, it appears that InterTradelreland has been targeted for further budget cuts. Does the Minister accept that investment in such projects is of greater benefit in the long term than a simple cut now?

Mrs Foster: I do not have the details of the cut to InterTradelreland that he mentions. He is right that when we work in collaboration we are able to draw down more money. That has been shown by a number of case studies in which InterTradelreland has been involved. As he knows, in-year, people have plans for the year ahead and sometimes things come into those plans that mean that they cannot fulfil them in the financial year. It does not mean that the plans are not going to be fulfilled later on. Resources have been surrendered from the centrally held EU budget; that was in cases where plans had been made but, unfortunately, have not been able to be completed in this year. It does not mean that, in the next year, they will not be completed. That money has been surrendered, and it allows us to reallocate, which is absolutely the right thing to do.

Mrs Dobson: I am sure that many of the 373,000 local people on the waiting lists will join me in welcoming these much-needed additional funds for our health service. Will these additional funds enable the pressures that many domiciliary care providers find themselves under to be lifted? Trusts have often been far too quick to see this area as a soft target for cuts.

Mrs Foster: Of course, each trust has to decide where it believes funding is best directed to. I share her concern about care packages, but if we are going to release beds in hospitals, people need to be able to access care packages to allow them to leave hospitals. Often, as is the case in the south-west in any event, I have found that there are not the staff and the care packages available to allow people to come out of hospital.

I am sure that the Health Minister will agree with me when I say that I hope that there is more proactive management of that system in the coming years, because there is no point in having more money available to allow people to have operations and procedures carried out if they then cannot come out of hospital after those procedures have taken place. Obviously, it is about dealing with the whole spectrum of care not just in hospital but outside hospital.

Mr Douglas: I thank the Minister for her statement, particularly in relation to the additional financial transactions capital. Can the Minister outline to the House how this will allow housing associations to build much-needed affordable homes across Northern Ireland?

Mrs Foster: I am delighted that the Co-ownership Housing Association came forward, through the Department for Social Development, with such a substantial bid for financial transactions capital. I think that it will make a large difference to the housing situation across Northern Ireland, and it takes a huge pressure off me, frankly, in relation to the use of financial transactions capital. As we have said, £10 million is going to Queen's, but the rest of that money will go to the Northern Ireland Co-ownership Housing Association, and it has proven to be a very good catalyst for dealing with the lack of social housing. I hope that that continues to be the case.

Ms Maeve McLaughlin: I thank the Minister for her statement, and I very much welcome the additional investment into the Department of Health, particularly the £40 million for elective care. Specifically in relation to the crisis in our waiting times, what is the Minister's assessment of what that money can do and how much of a shortfall might be left? Also, in going forward, on the protection of the Health budget, coupled with the reform agenda, does the Minister envisage that that protection of Health will be maintained, or is it likely to change?

Mrs Foster: On that last issue, I hope that the Executive have shown that we consider Health to be very much a priority Department in the Executive and for Northern Ireland. We have seen, when Health is under pressure, the impact that that has right across the community in Northern Ireland. Ultimately, of course, it will be a matter for the Executive, after discussion, whether Health remains protected, but I am sure — at least, I hope — that the Minister agrees with me that there is scope for reform in the Department of Health and that we will want to see that reform continuing to take place.

As I have indicated, up to 40,000 people will be able to have assessments using the money that has been allocated today, and up to 15,000 operations and procedures will take place. I think that those are large numbers of operations and assessments in addition to what is already being put through the system at present. Under anyone's money, those are large numbers, and I am pleased that the Executive have decided, again, to prioritise the Health Department.

Mr Dunne: I, too, thank the Minister for the positive news here today. Does the Minister see real benefits for the construction sector flowing from what we have heard today? It is a sector that has suffered so much in the recent downturn in the economy.

Mrs Foster: I do see benefits for the construction industry. Of course, it is not as large as any of us would like. We would like more capital money available to us to be able to give more opportunity to the construction sector, but we have overcommitted with the capital DEL. We do that, and I do not think that that is a significant risk. I think that we will be able to manage that and that it was absolutely right to allocate £5 million capital DEL to DRD. I hope that that will make a difference, and £4 million capital DEL has been allocated to Invest Northern Ireland. Again, we hope that that will make a difference as well. For the forensic lab and prison estates, £2.7 million capital DEL is allocated.

In my Department, I will continue to work with the construction sector to make sure that we can make procurement of government contracts as easily understood and as accessible as we can. I think that we have made progress on that matter, particularly with the new procurement contract regulations, and we will continue to push ahead with that.

Mr McCarthy: Like others, I commend the Minister for her statement this morning. I very much welcome the extra £47.6 million for the health service. However, the Minister may be aware of the request for £98 million in this year's June monitoring round, so that leaves a balance of £51 million. I am disappointed because there is nothing for mental health, learning disabilities or Transforming Your Care, for instance. Can the Minister assure or give some consolation to parents of children with learning disabilities, autism etc that those services will not continue to be the Cinderella of the health service? Simple as that.

Mrs Foster: Well, as simple as that is, I can allocate only the money that I have. First, I wish that I had that sort of money. Secondly, we have to be realistic — this relates to Mrs Cochrane's question — about what can be spent between now and the end of the financial year. I am confident that we have allocated an amount that can be spent. I am not sure that, even if I had been allocated £100 million, it could have been spent.

In response to Mr McCarthy's question about special educational needs and those with learning disabilities, I hope that he welcomes the fact that we have been able to allocate £5 million to schools to help the sort of children whom he refers to. He should recall that it is not just the Department of Health that deals with those children and young people. We should all be concerned about it, and that is

why, for me, the Department of Education's allocation is an important one.

Mr I McCrea: I thank the Minister for her statement today. Instead of Mike Nesbitt apologising for the singing of our national anthem, maybe he will apologise for getting his financial predictions wrong for this Budget.

Will the Minister outline why she has cancelled January monitoring? Will that mean no further allocations in this financial year?

Mrs Foster: As I said, we are now in a very tight situation because of the turnaround for next year's Budget. We have the comprehensive spending review next week, on 25 November. We then have a very short time to set the Budget for 2016-17. I believe that we have addressed the highest priority pressures in this monitoring round. I do not currently envisage a huge amount of money becoming available to warrant another full monitoring round in this year. However, if money becomes available, I will keep that position under review. We have agreed that there will be a technical monitoring round in January, so, if any issue arises in the interim, we will be able to deal with that there.

Ms Boyle: Go raibh maith agat, a Cheann Comhairle. I, too, welcome the statement that the Minister has brought to the House today. Looking ahead at the wider strategic and economic issues, I welcome the proposal in 'A Fresh Start' for an independent fiscal council, which appears to pick up on a Finance and Personnel Committee recommendation. In addition to the role outlined in the document at section D, paragraph 4.1, what potential is there for an independent council also to make recommendations on revenues and savings to inform future in-year monitoring decisions?

Mrs Foster: I, too, welcome the proposal for an independent fiscal council. I think that it will give us a fresh and new look at how we approach financial settlements here. Of course, we have already asked the OECD to report on what is happening here, and I hope to have that report towards the end of this month or at the beginning of next month. That will give us a starting point for our financial processes, so I welcome it. If we recognise that we do not have a monopoly on the wisdom in how we deal with things, we should not be afraid to listen to outside, independent views on how we do things.

Mr A Maginness: I thank the Minister for her exhaustive, perhaps even exhausting

statement, this morning. In relation to the allocation of £63.4 million to DSD for the Co-ownership Housing Association, is she convinced that there is the capacity to dispose of that funding in co-ownership housing, given that we have only four months, effectively, until the end of the financial year?

In a sense, it does not really help the construction industry because it is for the purchase and recycling of homes presently built, rather than new builds.

11.30 am

Mrs Foster: I thank the Member for his question. If I am not exhausted by now after the talks process, I will never be exhausted. Financial transactions capital is different from other capital funding, in so far as it only has to be allocated in this financial year; it does not have to be spent in this financial year. Therefore, I am confident that it will be dealt with. It takes it off the balance sheet, and that is why it is a very useful way of dealing with the issue. So, they had asked for in and around £10 million more, but that was all that we had to allocate. So, we have allocated it now, and, therefore, it is gone. It is off the sheet, and it does not have to be spent by the end of this year.

Mrs Overend: I welcome the opportunity to ask a question on this issue. I welcome the additional departmental expenditure limit funding that has been allocated to the Department of Education. It is very much needed, especially the money that is going to special educational needs, because it is an issue that has been raised at constituency level time and again. Will the Minister clarify whether the £500 million that the Treasury committed in the Stormont House Agreement to fund shared and integrated projects still stands? I understand that the Executive had the flexibility to spend this money on things that are not necessarily educational but are relevant to a shared future. Will the Minister clarify that issue?

Mrs Foster: Yes, the £500 million that was negotiated last year is still there, as are all the flexibilities and money allocated from last December. What we have been able to achieve in the current negotiations is more flexibility in relation to that money, but, principally, the subject matter is still shared education and other ways of moving Northern Ireland forward in a shared and integrated way. So, I hope that the party that she represents will

welcome that; and it will allow us to move money around for a better future for everyone.

Mr Lyons: I also thank the Minister for her statement and welcome the extra money that will be made available for health, roads and education. It is very clear that this monitoring round and the priorities in it reflect the priorities of our constituents, and that is to be welcomed. Can the Minister give us some more detail on why the pressures facing the Executive's Budget are now less than what the Minister indicated earlier this year?

Mrs Foster: We all remember back to June of this year, when a number of Members took great delight in telling me that I was setting a "fantasy Budget". It was not a phrase that I was particularly fond of, I have to say, and I hope that those who doubted the good efforts of us all will now reflect on what they had to say. Back then, we had the pressures of not having access to the voluntary exit scheme money, and, as well as not having access to that money, we could not benefit from the in-year savings that we have now been able to achieve. We had the £114 million of welfare fines and all the consequences relating to that, and, because of the Stormont House Agreement, we now have all the flexibilities that the Budget was predicated on, and more, because, as you know, Mr Speaker, we have been able to achieve more money for the Executive through the Stormont House Agreement and Implementation Plan. So, that is good news for Northern Ireland, and it just shows what hard work, determination and taking responsibility can do.

Mr F McCann: Go raibh maith agat, a Cheann Comhairle. I thank the Minister for her statement to the House this morning and, especially, for the measures in the agreement that will help those most in need in society. Sammy Douglas touched on part of the statement, and there was a debate last week around the November monitoring round. There were some concerns, and one was about the £1.5 million reduction in the social fund, especially in the month of Christmas, when there is usually a run of people seeking crisis loans, but also the allocation to co-ownership. There is a waiting list of 600 for co-ownership, but, for social housing, there is a waiting list of 40,000, with 20,000 people in housing stress. If the Minister for Social Development brought a similar proposal to increase funding for the building of social housing, would the Finance Minister agree to it? If there is a run at Christmas, would more money be made

available for those who need crisis loans to help them over Christmas?

Mrs Foster: As I indicated, I can allocate only the money that I have. Indeed, I have overcommitted in resource DEL and capital DEL. However, we have been able to deal with quite a number of bids, as the Member could see from those that were made. I did not receive a bid from DSD in relation to the matters that he raised, and I cannot allocate unless I have a bid. However, as I indicated, if bids come forward and we have money available in January, we will certainly look at those bids.

Mr Ross: Table B of the annex to the statement indicates that the PSNI has returned close to £20 million. We know that, thankfully, the PSNI had to police a quieter summer this year than last. However, is there any other reason why the PSNI return is quite so large, and can DFP offer the police any assistance to help them to manage fluctuations in their budget? Are there any additional resources to help to meet the ongoing legal aid pressures?

Mrs Foster: Indeed, the police returned nearly £20 million during this exercise. However, in the Department of Justice, as I am sure the Member is aware, there is quite a large hole because of legal aid pressures. It was felt, therefore, that that money should be used to deal with those pressures. With budget management, I am sure that he will know that one of the benefits of a quiet summer is that we have money available from the Police Service of Northern Ireland. Frankly, I would rather that we had a quiet summer and money to reallocate in October monitoring than the alternative. Whilst DFP stands ready to assist Departments or arm's-length bodies in any way, I am sure that the police would say exactly the same about the situation.

Mr McMullan: Go raibh maith agat, a Cheann Comhairle. I welcome the Minister's statement. First, I welcome the increase for DCAL. As for agriculture, I welcome the TB compensation allocation that has been made to DARD, but does the Minister agree that, in the context of the ongoing work of the TB strategic partnership group on the wildlife issue, the Executive should now review the effectiveness of the compensation scheme that is in place to tackle TB?

Mrs Foster: I thank the Member. The issues that he raised about the TB strategic partnership group are not matters for me but for the Department of Agriculture and Rural

Development. I am sure that, if the Minister wants to bring an issue to the Executive, it will be considered by all her colleagues. It is good to be able to allocate £3.9 million to DARD for the TB compensation scheme and £1.1 million to DCAL for its health and safety obligations. That is the budget line under which those have been allocated.

Mrs McKeivitt: I thank the Minister for her statement. What funding has been set aside for an effective childcare strategy to support working families?

Mrs Foster: As the Member is aware, there is a consultation, which I think is still ongoing, on childcare, and it is hoped that, once the consultation is finished, we will be able to chart the way forward for childcare. Childcare is one of those issues that, frankly, no Department wanted to take ownership of. OFMDFM had to step in and take ownership of the strategy and is now moving forward to make sure that it will be well resourced and well dealt with in the future. I agree with the Member that an effective childcare strategy unlocks a lot of issues, not least the economic potential of those people who would otherwise have had to stay at home and been unable to access the world of work. In the future, we will be sympathetic to any money being sought for a childcare strategy.

Mr Kennedy: I thank the Minister for her statement. I welcome the allocations to Regional Development, including for essential structural maintenance, concessionary fares and community transport. The allocations completely justify the concerns that I raised consistently as Regional Development Minister. I hope that those allocations will be enough, and also, in time, assist a great many local firms that have been struggling for far too long.

The Minister indicated that this is the final monitoring round in this financial year. Can she address my concern, which will undoubtedly be shared by the construction industry, about how the Executive will address the overall shortfall of funding of the capital maintenance, given that approximately £130 million a year is required to maintain our road network?

Mrs Foster: I thank the Member for his welcome in relation to the allocation to DRD. As I said, and he is fully aware of this having been the Minister for Regional Development, we have an incredible pressure in relation to capital funding. That is why I am glad that we have at least been able to allocate £5 million in

capital funding, and £11.5 million for essential roads maintenance.

Whilst we would all wish it was more, and would hope to have access to more money for the construction industry, this will be welcomed. I only wish that we had more money to give to the Department. However, I know that the Minister for Regional Development is very content that we have been able to plug at least some of the gap in her budget.

Mr McAleer: Go raibh maith agat, a Cheann Comhairle. I welcome, Minister, that you made a reference to longer-term budgets and the importance of certainty for large-scale capital projects. I also welcome the fact that the A5 dual carriageway is referenced in the 'Fresh Start' document. Will the Minister now be prepared to work with her colleague the Regional Development Minister to ensure that the draft order is signed off to enable that project to progress to the next stage?

Mrs Foster: The draft order process is entirely a matter for the Regional Development Minister. I am sure that she will have heard what the Member had to say. The reason I mentioned the large-scale projects in the new budgetary process is that if we set a one-year Budget, often that will not allow us to plan ahead. When we are thinking about that Budget and planning ahead, we should, at least, identify a number of large-scale projects that we will be able to roll forward into the next Programme for Government. Otherwise, we would be wasting a year's planning. That is the sort of thinking that we have at this time, but of course that will be a matter for discussion with Executive colleagues.

Mr Dickson: I thank the Minister for her statement. Minister, previously you advised Departments to cease discretionary spending. No doubt, that contributed to the Budget allocations that you have been able to make today. Does that advice to Departments still stand?

Mrs Foster: He is right that that helped us to have money to allocate. I commend colleagues for abiding by that direction. This is an issue that his ministerial colleague raised with me. Now that we have made allocations, the key point is that people live within their controlled total. That is a matter for each Minister. The ministerial letter from me is probably out of date because I have made the allocations. Therefore, it is a matter for each Minister to live within them, and I encourage them to do so.

Mr Allister: Whatever the merits or demerits of this monitoring statement, is it not the truth that in order to make it and the agreement of which it is part, the Minister and her colleagues had to pay the shameful price of sweeping murder under the carpet?

Mrs Foster: Oh, is that the question? Sorry. I wish that people would read the 'Fresh Start' document. I wish that people would see that not only have we principles in respect of paramilitarism and criminality but that we have a plan to deal with it through the strategy; that we are taking action through the joint task force; that we have been allocated £160 million for the Police Service of Northern Ireland; and that we have allocated £25 million in respect of setting up a body to deal with paramilitary activity. So, while he might want to talk about paramilitary activity, some of us are taking action in relation to paramilitary activity, and he can sit back in luxury and do nothing as usual.

11.45 am

Mr McKinney: Does the Minister agree that, whilst the £40 million for elective care is welcome, it is over-welcome, given the Executive's failure to meet over many months? This money will only narrowly go to alleviating the extensive pressures within the health system, and those pressures are down to a failure to properly finance, married to systemic failure.

Mrs Foster: And his failure to agree with welfare reform, which we are about to debate, which would squander millions upon millions of pounds, £114 million this year and £196 million next year. We look forward to his contribution to the debate on welfare reform, which is to come now.

Mr B McCrea: The Minister has mentioned, a number of times, the technical monitoring round that may come up in January 2016. For those of us who follow these issues, it is quite a strange departure that such revaluations, if you like, are not brought back to the Executive. I just wonder why such a dramatic initiative is required because, certainly, there will be members of the Culture, Arts and Leisure Committee who are worried about internal reallocations going to places that were not thought of at the start of the year.

Mrs Foster: Well, I would hardly call it dramatic in relation to not having a monitoring round in January, given that we will be setting the Budget for next year and that I have said that, if anything comes forward, we will deal with the

issue. I am not being prescriptive in relation to the January monitoring round. If there is a need for a January monitoring round, we will deal with it. I say to the Member, if he has concerns in relation to the Department of Culture, Arts and Leisure, it is a matter for the Committee. The Committee needs to take action in relation to that, not me.

Mr Speaker: That concludes questions on the statement, and I congratulate the Minister in taking so many questions. It may, indeed, be a record.

Assembly Business

Standing Order 42A: Suspension

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

That Standing Order 42A be suspended in respect of the proposed introduction at Westminster of the Northern Ireland (Welfare Reform) Bill.

Mr Speaker: As with similar motions, this will be treated as a business motion. There will be no debate. Before we proceed to the Question, I remind Members that the motion requires cross-community support.

Question put and agreed to.

Resolved (with cross-community support):

That Standing Order 42A be suspended in respect of the proposed introduction at Westminster of the Northern Ireland (Welfare Reform) Bill.

Mr Speaker: I am satisfied that cross-community support has been demonstrated and that the motion is agreed.

Executive Committee Business

Welfare Reform: Legislative Consent Motion

Mr Speaker: Before we commence the debate, I encourage Members and the Minister to be mindful of the wording of the motion and confine their comments accordingly. Also, I know that this is a significant item of business, taken after a long period of discussion, but

Members should be aware that, if their conduct becomes disorderly, they may not be called to speak.

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

That this Assembly consents to the Northern Ireland (Welfare Reform) Bill 2015 being taken forward by the Westminster Parliament; approves the welfare clauses of the Welfare Reform and Work Bill as initially introduced at Westminster; the draft Welfare Reform (Northern Ireland) Order 2015; and the Executive's proposals to enhance payments flowing from the agreement announced on 17 November 2015.

I am grateful for the opportunity, at long last, to bring this legislative consent motion to the Assembly. I have spent many hours in the Chamber —

Mr Allister: On a point of order, Mr Speaker. Pursuant to Standing Order 16, I wish to have the opportunity to move that the debate be adjourned to 24 November, next Tuesday and, given the opportunity, I will expound the reasons why.

Mr Speaker: I am content that the motion is in order, and I will allow 30 minutes for debate. Members will have a maximum of three minutes in which to make their comments and they should indicate their desire to speak by informing the Table. The mover of the motion will have three minutes to propose and three to make a winding-up speech. I will not permit interventions during the debate and, if necessary and the House divides, the vote will be by simple majority.

I therefore propose now to suspend the sitting for 10 minutes, to allow Members and parties to make arrangements in relation to speaking in the debate. The Assembly is, by leave, suspended for 10 minutes.

The debate stood suspended.

The sitting was suspended at 11.50 am and resumed at 12.02 pm.

Assembly Business

Standing Order 16: Delaying Motion

Mr Allister: I beg to move

That this Assembly, in accordance with Standing Order 16, adjourns the debate on the welfare reform legislative consent motion until 24 November 2015.

We are to be asked today, according to the agenda, to approve a legislative consent motion. I suppose that the clue should be in the title — legislative consent. The motion states "That this Assembly", which is all of us:

"consents to the Northern Ireland (Welfare Reform) Bill 2015".

The rather elementary problem is that there is not, as published, a Northern Ireland (Welfare Reform) Bill 2015. No one has seen it. Therefore, we are being asked to consent, blind, to a Bill that we have not seen. That begs the question of how far the House is prepared to bend the rules to accommodate such a preposterous proposal.

The motion goes on to state that the Assembly:

"approves the welfare clauses of the Welfare Reform and Work Bill".

Yes, we can read those. I have read them and understand them, I think. It then states that the Assembly approves:

"the draft Welfare Reform (Northern Ireland) Order 2015".

Where is it? No one has seen it. It does not exist as far as the House is concerned. The motion goes on to state that the Assembly approves:

"the Executive's proposals to enhance payments flowing from the agreement announced on 17 November".

Where are the Executive's proposals? They have not been published. Nobody has seen them. Therefore, the House is being asked today, with undue haste, to consent to and approve that which it has not seen and cannot see. That seems to me to be absurd. That seems to me to reach new depths of what can only be described as a surreal situation. We are going to approve something, but we have not seen it and cannot read it. It is just not there.

Therefore, I suggest that, since those things are bound to be produced shortly, we adjourn the debate until next Tuesday. In making that proposal, I call in the aid of a paragraph of the agreement. Paragraph 2.2 on page 22 states:

"The Welfare Bill will be debated and approved by the Assembly by way of a Legislative Consent motion no later than the week commencing 23 November".

Even the agreement anticipates running it to next week. So what is the rush? Why are we foolishly putting ourselves in a position of ridicule by approving something that we have not seen?

Mr Storey (The Minister for Social Development): For accuracy for the Member, the Bill has been published. I have a copy of it here.

The reasons for the utilisation of the Order rather than an Act of the Assembly are set out in the memorandum of understanding that has been tabled today. For the Member's information, I will read that to him. It states:

"Welfare Reform has already been gradually introduced in [Great Britain] since 2012. The impasse on the implementation of Welfare Reform in Northern Ireland has been a significant ... the [Northern Ireland] Executive in reaching an agreed budget settlement and has attracted financial penalties from [Her Majesty's Treasury]. Given the financial pressures this has created, it is imperative that reforms are introduced in Northern Ireland as soon as possible.

Given that it would be extremely difficult for the Assembly to legislate on welfare before the end of the current mandate it is essential to allow Westminster to legislate to make the necessary changes."

To comply with the Westminster timetable, it is necessary to suspend Standing Order 42(a) to enable the legislation to be passed. If the Standing Order were not suspended, it would introduce a delay of a minimum of four weeks, which would jeopardise the passage of the Welfare Bill at Westminster. Those are the reasons why I have decided to move to suspend the Standing Order and proceed with the Bill as set out.

Ms Ruane: Go raibh maith agat, a Cheann Comhairle. We welcome the ruling that the motion is in order.

This is a historic agreement. It has been reached across a range of issues after weeks of debate and negotiations. It is about the future of our society. It is about protecting our most vulnerable: our people who are on benefits and

who are suffering. It is about defending our public services. It is a very serious debate.

We should get on with the debate. That is where we need to make the points and where all of us, together, need to ensure that we protect our most vulnerable and defend our public services. To be honest, I think that Mr Allister would be better placed doing that than the gimmick that we have seen today.

Mr Durkan: Go raibh maith agat, a Cheann Comhairle. I support Mr Allister's proposal.

Mr Givan: What a coalition.

Mr Speaker: Order.

Mr Durkan: A proposal was made at yesterday's Executive meeting and supported by the SDLP to defer any decision on the deal until next week. Evidently, there is great haste to get the deal across the line. Anyone would think that there must be something happening at the weekend. *[Laughter.]* Mr Allister cited the date that is given in the document and said that agreement must be reached by a date not later than the week commencing 23 November, which is next week.

Also in the document is a throwback to the Stormont House Agreement, institutional reform and how we improve the way that we do business around here. Paragraph 62 on page 36 states:

"Agenda circulated one day in advance of an Executive meeting".

Before yesterday's Executive meeting, an agenda and papers were circulated to us half an hour in advance.

This is not the way to do business. We should not be asked to vote on something blind, whether in favour of it or against it. I certainly support calls for a deferral of such a decision.

Mr Nesbitt: I also support the proposal to delay the debate until Tuesday.

It is, after all, less than 24 hours since the DUP and Sinn Féin published this document. I note that this version states that it is from the Northern Ireland Executive rather from the two main parties of the Executive, but we shall see. We shall see which Executive parties end up supporting it. Certainly, the initial version that I was given has no mention of the Executive on its cover.

Anyway, the document gives rise to the Minister's desire to propose a legislative consent motion on welfare reform. That is a very big move, and it is a big document. In briefing the Ulster Unionist Party, the First Minister and deputy First Minister seemed to take a degree of pride in the fact that it is a lengthy and detailed document, unlike the previous Stormont House document of 23 December last. So, there is a lot to study, is there not, as well as the 2015 Order?

Let me just put on record that, during the long talks, we in the Ulster Unionist Party were never in favour of handing welfare power back to Westminster. The reason for that is simple. The clue is in this title: we are Members of a legislative Assembly. We are supposed to be legislators. Is the height of our ambition to legislate to hand over the power to legislate to others because we want Westminster to pick up on welfare reform; we want a panel on paramilitaries; we want a panel deciding who the vulnerable are? It seems that the only thing that we want to legislate on is to give power away. Is that the height of our ambitions?

So, if this document really is a fresh start and is going to deliver —

Mr Speaker: May I just remind you that we are discussing a motion to postpone the discussion that you are having until next week. So, I think that you should address the motion that we are presently addressing, not the one that is to come.

Mr Nesbitt: OK, Mr Speaker. I will stand by that. I will conclude by saying that this is, according to the document:

"An agreement to consolidate the peace, secure stability, enable progress and offer hope".

If it is that important, surely allowing a few extra days for those of us who have had the document and the proposals for less than 24 hours makes utter, logical sense.

Dr Farry: Mr Speaker, mindful of your ruling, I will keep my remarks, and my colleagues will keep theirs, on the substance of the LCM until later in the debate. However, just to put it in context, we are speaking today as a party that is minded to vote in favour of the LCM, notwithstanding that we have expressed scepticism around the deal, particularly the rush and the degree of transparency. That said, in our wider intentions, we believe that nothing would be lost by the Assembly having a week to

consider the wider documentation around this. Many of those documents are already in the public domain. However, all of this is happening within a very rushed timescale.

In that context, Mr Durkan referred to the proposal that David Ford made at the Executive yesterday that consideration of the agreement be delayed until next week. The agreement itself refers to the week of 23 November being the decision-making week. In that respect, we believe that delaying a decision in the Assembly is consistent with the agreement, even though we have not yet, at this stage, endorsed that agreement.

A delay would allow Assembly Members to avoid the sense that they are being bounced or pressurised into making a very big decision over a very short time, less than 24 hours after the information, request or notice of an LCM came into the public domain. We think that that is the only fair way that the Assembly can have an open, fair and transparent debate, where no one can have any complaints, irrespective of parties' ultimate decisions on individual aspects of the deal, such as the LCM itself.

Mr B McCrea: I think that Mr Allister was quite prescient in bringing this to our attention. In his response, the Minister made a good argument for why Standing Order 42A needed to be suspended. I take on board that there would otherwise be a four-week delay that may cause some problems in the legislative programme at Westminster. However, I am not sure that he addressed why we should not wait until next Tuesday.

There is some talk that this appears to be a deal between the DUP and Sinn Féin. I am sure that they do not want it to be that and that they would like it to be more inclusive and to bring more people into the debate. Therefore, there is an argument for delaying it for a week to give people a chance to study it and come forward with proposals. Like Mr Farry, I will, in all probability, support the LCM, but I think that we should not rush into it. As a matter of principle, when you are asked to consent to something but you do not know what it is, and, as far as I am aware, it has not been laid, that seems to be a very dangerous precedent to set. If you are going to agree to something on a legislative basis, it ought to be in front of you so that you can see what you are agreeing to. On that basis, I will be supporting Mr Allister's motion.

12.15 pm

Mr Allister: I reiterate this: this is on the very simple but elementary premise that you should not consent to something that you cannot see and that you have not got.

Mr P Robinson: It is here. Open your eyes, then. Read it.

Mr Speaker: Order.

Mr Allister: The Minister claimed that the Northern Ireland (Welfare Reform) Bill 2015 is published.

Mr P Robinson: It is.

Mr Allister: Well, it is not in the Bill Office, so it is not available to a Member of the House. How are we to consent to something that is not available?

Mr P Robinson: It is available.

Mr Allister: It may be available to some clique —

Mr P Robinson: It is available to the public.

Mr Allister: — but it is not available to Members of the House — *[Interruption.]*

Mr Speaker: Order. The Member has three minutes to conclude.

Mr Allister: — nor is the Welfare Reform (Northern Ireland) Order, nor the proposals. We are asked to approve four things in the motion, and three of them are unavailable —

Mr P Robinson: Wrong. Wrong.

Mr Allister: — to Members of the House.

Why the rush, in breach of the very timeline in the agreement itself? Why the rush? Is Mr Durkan right? Is that the reason for the rush? Really, the House does itself no favours for its standing if it simply nods through something that it has not even seen. As others said, there is nothing to be lost and much to be gained by taking the six days to allow the Bill to be put into the hands of everyone and published, and to allow the Order to be published so that the House properly, by due process, can consent in an informed way to what it is being asked to consent to.

Anyone who is wondering about the degree to which we are departing from the norms should

read Standing Order 42A, which we have agreed to set aside. We have set aside huge hurdles, and, having agreed to do that, the least that we can do is now consent to delay the debate until the documents that we are being asked to agree are in our hands, because today they are not. That is unconscionable and wrong, and I very much regret the fact that the clique that dominates the House is nonetheless going to force through the House a suggestion that we pass that which we have not seen and cannot see.

Question put.

The Assembly divided:

Ayes 33; Noes 58.

AYES

Mr Agnew, Mr Allen, Mr Allister, Mr Attwood, Mr Beggs, Mr D Bradley, Mr Byrne, Mrs Cochrane, Mr Cochrane-Watson, Mr Cree, Mr Dickson, Mrs Dobson, Mr Durkan, Mr Eastwood, Dr Farry, Mr Gardiner, Ms Hanna, Mr Hussey, Mr Kennedy, Ms Lo, Mr Lunn, Mr Lyttle, Mr McCallister, Mr McCarthy, Mr B McCrea, Mr McGlone, Mrs McKeivitt, Mr McKinney, Mr McNarry, Mr A Maginness, Mr Nesbitt, Mrs Overend, Ms Sugden.

Tellers for the Ayes: Mr Allister and Mr B McCrea

NOES

Mr Anderson, Mr Bell, Mr Boylan, Ms Boyle, Ms P Bradley, Mr Buchanan, Mrs Cameron, Mr Clarke, Mr Craig, Mr Douglas, Mr Dunne, Mr Easton, Ms Fearon, Mrs Foster, Mr Frew, Mr Girvan, Mr Givan, Mrs Hale, Mr Hamilton, Mr Hazzard, Mr Hilditch, Mr Humphrey, Mr G Kelly, Mr Lynch, Mr Lyons, Mr McAleer, Mr F McCann, Mr McCartney, Mr McCausland, Ms McCorley, Mr I McCrea, Ms McGahan, Mr M McGuinness, Mr D McIlveen, Miss M McIlveen, Mr McKay, Ms Maeve McLaughlin, Mr McMullan, Mr McQuillan, Mr Maskey, Mr Middleton, Mr Milne, Lord Morrow, Mr Moutray, Mr Murphy, Mr Newton, Ms Ní Chuilín, Mr Ó hOisín, Mr Ó Muilleoir, Mr O'Dowd, Mrs O'Neill, Mr P Robinson, Mr Ross, Ms Ruane, Mr Sheehan, Mr Storey, Mr Weir, Mr Wells.

Tellers for the Noes: Mr McQuillan and Ms Ruane

Question accordingly negatived.

Executive Committee Business

Welfare Reform: Legislative Consent Motion

Debate resumed on motion:

That this Assembly consents to the Northern Ireland (Welfare Reform) Bill 2015 being taken forward by the Westminster Parliament; approves the welfare clauses of the Welfare Reform and Work Bill as initially introduced at Westminster; the draft Welfare Reform (Northern Ireland) Order 2015; and the Executive's proposals to enhance payments flowing from the agreement announced on 17 November 2015. — [Mr Storey (The Minister for Social Development).]

Mr Storey (The Minister for Social Development): I am glad that that suspension was not as long as the previous one and that we are now able to proceed. As I was stating at the commencement, I, like many Members, have spent many hours in the Chamber over the past 12 months dealing with the issue of welfare reform. We can all remember the marathon sessions when we discussed the Welfare Reform Bill at Consideration Stage and Further Consideration Stage and how, ultimately, the Bill fell at its Final Stage.

We all recognise and understand the political and ethical challenges that the Welfare Reform Bill presents for all the parties in the Assembly. It has been clear for many months that getting the Welfare Reform Bill through the Assembly would be difficult and was not going to happen in the short term. In order to make progress, it was essential that we were creative and innovative in finding a way to move forward whilst recognising and addressing the genuine concerns that many in the Chamber hold about the proposed changes to the welfare system. Indeed, many of those concerns are held by many of our constituents across Northern Ireland. This has been a difficult balance to achieve, but I believe that the proposals before the Assembly today represent the most practical way of achieving it. I am, therefore, asking the Assembly to pass this legislative consent motion, which will enable us to reform the welfare system whilst helping the most vulnerable and those hard-working families who would lose their tax credits under the plans announced by the Chancellor.

This motion seeks agreement, in principle, from the Assembly for the Government to introduce

the changes to the welfare system in Northern Ireland at Westminster through the Northern Ireland (Welfare Reform) Bill 2015. For those Members who claim that they have not seen it and wish to have sight of it, that information is available on the Northern Ireland Office website.

This motion also provides for the introduction of both the Welfare Reform Order 2015 and the welfare clauses of the Welfare Reform and Work Bill, which was introduced in Westminster earlier this year.

The legislative consent motion will also ensure that the Executive will have the necessary powers to put the top-ups in place that follow from the agreement that was announced yesterday. Let me assure Members that the Welfare Reform Order 2015 will reflect the amendments and provisions that were agreed by the Assembly at Consideration Stage and Further Consideration Stage of the Welfare Reform Bill.

At the heart of the Fresh Start Agreement is, I believe, a recognition of the harsh fiscal realities that we, as an Executive, face, as well as a will to tackle the difficult issue of welfare and the protection of our most vulnerable citizens as we move forward. The Executive are committed to legislating for the implementation of a range of mitigation measures to offset the more adverse impacts of the Government's reform proposals. It builds on the work that was taken forward in the Stormont Castle agreement but also provides £240 million for families impacted by tax credits. No one should underestimate the difficulties and challenges that would have been created for families had we not made such an agreement.

This fresh start to how we deal with welfare reform will help ensure that Northern Ireland has a welfare system that meets the needs of its people and that is fair, affordable and deliverable. There are Members who, maybe, need that to be repeated: we want to ensure, for our people in Northern Ireland, a welfare system that meets their needs and that is fair, affordable and deliverable.

Our critics have continually complained about the failure to reach agreement on welfare and about how that has led to public services in Northern Ireland being damaged because of the fines being imposed by Treasury. If the Assembly passes this legislative consent motion, it will bring the regime of financial penalties to an end, and, indeed, the Executive will be able to reclaim some of the penalties

that the Treasury has already taken from the block grant. The Westminster Bill will include a sunset clause that will ensure that these arrangements will apply only until the end of next year.

Members, let me assure you that I recognise that this is a difficult issue for many in the Chamber, but I believe that passing this motion represents the best way forward.

I conclude, Mr Speaker, with the comments I made when I first came to the House as Minister to introduce the process of welfare. Let us not forget that we are dealing with people's lives. We are dealing with real people; we are dealing with people across our country who have real challenges and issues. I believe that it is incumbent upon us to do everything that we can. Yes, there are challenges, and, yes, it has been difficult, but we have stayed at this in a way which, I believe, has brought us to the place where we can have a fresh start on welfare. I commend the motion to the House.

Ms P Bradley: Thank you, Mr Speaker, for the opportunity to speak on the legislative consent motion. It is not my intention to repeat the many arguments for and against the impact of welfare reform. Indeed, this piece of legislation has been scrutinised and debated to the nth degree not only in the Committee for Social Development but in the Chamber. It has also been scrutinised in the many churches, community groups and civic buildings up and down the country. I cannot say that I look back with the fondest of memories to some of the many evenings spent in venues across Northern Ireland, listening to the concerns of individuals, the voluntary and community sector and, most importantly for me, the women's lobby. Thankfully, those voices were instrumental in shaping the Welfare Reform Bill that is tailored to Northern Ireland.

In preparation for the debate, I looked back at the contributions from all parties in the Assembly. No party in the Chamber has the monopoly on representing the vulnerable, and there is no party that does not agree with the general principles of the Bill, yet it has proven to be one of the most contentious pieces of legislation that the Assembly has had to deal with. Possibly, some in the Chamber today will make jibes in an attempt to politically grandstand and electioneer on the decision to allow Westminster to legislate. I ask them to remember that the legislation deals with a high number of our constituents whom we have vowed to represent and who, for some time, have been living with the unknown as to how their future will be affected.

I find it quite strange today to be speaking about welfare reform but not seeing Mr Mickey Brady's face across the Chamber. Mr Brady, when debating welfare reform — he talked quite a bit about the subject — never mentioned the word "benefits". I totally agree with his not mentioning it, because, when we think of benefits, we conjure up an image of advantage, a better life and something that makes life more comfortable. That is not what the benefits system is about, and it certainly does not do that.

I want to digress ever so slightly, if you will give me your permission, Mr Speaker, because I want to bring into the debate the issue of tax credits. Perhaps, you will allow me to explain why. Of course, I will respect your judgement should you ask me to go off the subject. As many Members will know, I was a single parent very soon after having my children. I was also a working mother, and I worked extremely hard to pay a mortgage and keep a roof over our heads. I remember working with many people who, like me, were in receipt of child benefit. I used to envy those who told me that they put away their child benefit to pay for a holiday or spending money, for their children going to university or to buy them their first car. I could not wait to get my child benefit every month just to put money in the electric meter. That is what so many people on welfare benefits face every day.

In another vein, I am old enough to have been a parent when family credit came in. What a difference that made to my life. What a difference it made to my children's lives. The difference in their birthdays, Christmases and any holidays that we had was because I was a working mother getting assistance through working tax credits. I want to commend not only my party but other parties in the Chamber that, at Westminster and in the House of Lords, voted against the Conservative cuts to tax credits. I, as a working mother, like many other working mothers and fathers out there, know just how much they benefit us and how much that benefits the economy. I welcome that and say well done to them.

I want to comment on the agreement reached on the £240 million for working tax credits. I know, as we all know here, that this will affect our nurses, our healthcare assistants and the people who work in our hairdressers, dentists and butchers. All along all our streets in Northern Ireland, they are the people who will benefit from this. It is vital that I put that in. In finishing, I ask that all parties around the Chamber put aside their differences and what

has happened during the talks over recent weeks. Instead, consider the impact on those in the welfare system and on our constituents who have felt the effects of nothing being done, and consider how that has manifested itself across all Departments. I support the legislative consent motion.

Mr Murphy: Go raibh maith agat, a Cheann Comhairle. I would also like to offer my support to the legislative consent motion. The Minister, when he was summing up, correctly referred to the fact that this is about families and people. It is about the impact that unjust and unfair changes to welfare and, now, proposed changes to family tax credit assistance by the Westminster Government will have on the real lives of ordinary people right across society here.

12.45 pm

Our responsibility as elected representatives is to do something about that. That is what brought us to the point, this time last year, in the Stormont House discussions as to how we would collectively create some type of mitigation system that would recognise the unfairness of the British Government's — at that stage, the coalition Government — decision to target those most vulnerable and most in need as a means to reduce the deficit when other means were very clearly available to them.

We had a very lengthy, detailed and often fractious discussion in Stormont House this time last year in the build-up to the Stormont House Agreement in December. At one stage, we had a four-party agreement on how this should be tackled, when the, then, other four parties in the Executive settled for an approach to resolve these issues. Sinn Féin was not satisfied with that, and we held out until such times as we secured a five-party agreement, when all the Executive parties agreed the approach that would be taken on welfare reform legislation and the establishment of a bespoke mitigation system to deal with those who were most affected and most vulnerable.

That Welfare Reform Bill went through after various debates and amendments having been made to it, but it fell at the last hurdle, after a very lengthy progress through this institution, because we were not satisfied, and we had some disagreements with the Minister for Social Development about the roll-out and design of some of the schemes that were to give effect to the agreement that we had. That is where the issue stopped.

I listened to the earlier debate on the motion to suspend Standing Orders. It was interesting to hear some of the parties on the Benches at the top end of the Chamber who, at that stage, were saying to us that we were the chief blockage to the passage of the Welfare Reform Bill and that we needed to get on with it. Other parties said that they did not like the Welfare Reform Bill but they had to accept it. Now, suddenly, they have taken cold feet on the issue and want another week to discuss the Welfare Reform Bill, having lambasted us for the last 10 or 12 months that we needed to simply get on with passing the Bill and deal with the consequences of it.

Everything changed for all of us with the election in May of a single-party Conservative Government that was even more hell-bent on pursuing austerity measures and making those less well-off in society pay for the deficit that that Government and previous Governments had created. George Osborne, the Chancellor of the Exchequer, made an announcement in July. The Tories had dressed up the changes to the welfare system for the last number of years as being something to encourage people out to work. Very clearly, that was proved to be the lie that most of us here knew it would be when they targeted working families and those who availed themselves of family and child tax credits for further swingeing cuts to the resources that were available to ordinary people.

That changed the game for all of us and brought us back to discussions, again, in Stormont House and Stormont Castle about how we would deal with the new situation over the summer months and, in a more intense fashion, over the last 10 weeks. I attended meetings with most of the parties, and I cannot recall a disagreement that all the parties accepted that we had a responsibility, just as we felt that we had a responsibility to deal with the welfare issue, to use the resources available to us to create a safety net for deserving and vulnerable people in society. We all accepted that the tax credit issue changed that and that we needed to look to that issue. We also acknowledged that we had a responsibility to deal with the impending cuts to families as a consequence of the proposed changes to tax credits.

Thus, we set about trying to craft a system that recognised that. As a consequence of the agreement that was reached yesterday, we will have a bespoke system that will be designed with schemes brought forward by a panel headed up by Eileen Evason, who is a recognised expert in this field and someone

who, all will recognise, comes from a position of deep sympathy for those people who find themselves made even more vulnerable as a consequence of the British Government's policies. She has a determination to find ways to assist the most vulnerable in society.

That panel will bring forward schemes worth some £585 million to be allocated over the space of four years, which is significantly more money over a shorter period than originally was in the Stormont House Agreement.

Interestingly, all parties here agreed that previous scheme, but they did not sign up to the deal when it eventually came out. Nonetheless, they managed to take part in implementation talks over the last 10 weeks to implement the deal that they refused to sign up to. That is the kind of topsy-turvy world that appears in this Assembly from time to time, where people can support things, oppose them, then support them and take the bits that they like and oppose bits that they do not like, and pose in that regard in front of the electorate.

All parties agreed that we needed to do something with tax credits as well as the welfare issue, and I think that what has been proposed and agreed in part of this implementation plan gives us protection measures that are better than those that exist anywhere on these islands for people who are struggling.

I turn to the matter that is front of us today, which is how to give effect to all of this. Over the last number of months, the British Secretary of State, Theresa Villiers, made a number of interventions, most of which were unhelpful, on this matter in particular and on a range of other matters. At one stage, she threatened that, in the event of no agreement among the parties, the British Government would legislate over our heads and against our wishes, and implement in full the welfare reform changes without any of the protections that we had agreed to build into that process. That, clearly, is not what is happening here today. We have an agreement among some of the parties, and some of the other parties have reserved their position on this. Having listened to some of the commentary over the last number of days, I am not clear where people actually stand in relation to the matter that is front of us, but maybe we will find out during the debate.

What we have now is the Assembly agreeing a scheme to look after the most vulnerable people in society and people who will be affected by tax credits. The Assembly will approve the legislation that will go over to Westminster to be passed. In doing so, we will

have returned to us at least some of the completely unjust and unjustifiable fines that were being taken as a consequence of our decision-making process on welfare. Importantly, because I have heard people say that we are handing power over to Westminster, the sunset clause in this legislation ensures that this is a one-off process to facilitate this particular arrangement, after which the powers in relation to welfare will come back to the Assembly. That may create further difficulties for us up the road. Who knows what the Tory Government have up their sleeve in terms of further attacks on the poor, the vulnerable and the working poor in society? But we will meet those challenges as they arise, but one thing is certain: this Assembly will retain control over those matters.

We are not looking for credit, and I quite understand people's frustration with all that has gone on here over the past time, but, over the eight or nine years since 2007, the Assembly has acted as a bulwark against austerity policies. We have prevented the introduction of water charges, and we have prevented the introduction of prescription charges. We have capped tuition fees, and we still have free transport for people over 60. All parties in this institution can and do claim some credit for all that. Even parties that consistently voted against the Budgets and consistently voted against Programmes for Government can claim some credit for those arrangements, and I think that we can justifiably be proud that, in a situation where hard-pressed families right across these islands are getting stretched and pressed and squeezed even more, we have taken measures and prevented things from happening to people and to try to give comfort.

As the Executive said at the time, the decision on water charges was taken on the basis that we considered that economically hard-pressed families could not sustain any further attack on them. The Assembly took decisions that others have criticised us for and that have stretched our budgets in other areas even further. Nonetheless, we took those decisions for those reasons, and I think that we can justifiably be proud of them. As I said, even those who have opposed Budgets and Programmes for Government can and do share in some of the credit for that.

I am sure that we will get an opportunity to return to the legacy issues that are outstanding and the refusal of the British Government to come up to the mark on those. Going forward from today, we can create an opportunity to continue with that work; to effectively use this institution to oppose and

challenge continued Tory austerity, as others are trying to do in Scotland and in Wales, although with less success than we have had on some of these issues, by the way; to work with progressive forces in Britain — Scotland, Wales and England — where there is increasingly a debate about the impact of all this on ordinary people and on society generally; to work with progressive people in the South as well; to continue to stand up for vulnerable people in this society; to continue to get the best deal possible and offer the best possible safety net, if you like, for those people; and to continue to ensure that hard-pressed families get our support. From the people here who did agree, in principle, to the measures being taken, given the unfairness and the unjustness of the British Government's approach, there is a determination to try to do things better for the people we represent in this part of the world. I think that the agreement reached offers us an opportunity to do that, and we should take it forward into the future.

Mr McKinney: Mr Speaker, at the outset, I ask for a bit of indulgence in the context of this debate. It obviously comes as a result of the negotiations that have been going on over the last while. I would like to put it on the record that we were, of course, disappointed that parties went off to deal with issues such as welfare and others without fully consulting all the parties. We saw — this is recognised — a major hole in the overall deal in its failure to deal with legacy issues.

For us, there is another major hole in the deal, in that it failed to include major work on the economy. Like other parties, the SDLP recognises that we have the lowest paid economy in the UK. We have regions and government districts in Northern Ireland that, 17 or 18 years after the Good Friday Agreement, continue to top league tables for long-term deprivation and unemployment. It was our expectation and hope that we would not attack those communities further and lead to the potential for a benefits cap or benefits freeze for four years and completely eliminate targets on child poverty. We wanted to see an ambition at the heart of this project that would have seen university places, training, apprenticeships, consistent actually —

Mr Speaker: Could I —

Mr McKinney: I did ask for a bit of indulgence, Mr Speaker.

Mr Speaker: Yes, and I think that you will agree that you got some indulgence. We are actually discussing the legislative consent motion, and I

have to strongly advise you to return to that, or else I will be obliged to stop your contribution.

Mr McKinney: Mr Speaker, I was touching, in the context of my remarks, on the issues of the benefits freeze, the benefits cap and the elimination of, or the attempt to eliminate, child poverty, which we should have as a core ambition here. West Belfast, for example, is an area that singularly tops the agenda there.

As for the SDLP's contribution to all these welfare reform issues, our bona fides are clear. We wanted to see this rooted in devolution. We wanted the clauses to appear in the legislation that applies here. I just turn to the Northern Ireland (Welfare Reform) Bill, which will be based on the principle of an Order in Council. I reflect that, rather than "will" or "shall":

"Her Majesty may by Order in Council".

And:

"No recommendation is to be made to Her Majesty to make an Order in Council under subsection (1) unless a draft of the statutory instrument containing the Order has been laid before, and approved by a resolution of, each House of Parliament."

So, I am delighted to see Sinn Féin's new-found confidence in the Tory Government in respect of that. I reflect Conor Murphy's remarks in that I think that we might see some more "topsy-turvy" to come.

As I say, the SDLP wanted to see things done differently. We are concerned about how some of this will be funded. We do not know where the money will come from. It is supposed to be coming from investigations into fraud. We note that just over £51 million of fraud was detected last year, yet there is an expectation to increase that by more than 100%.

It is important to get to the point of exactly what we are being asked to do. We are being asked to diminish aspects of devolution that the SDLP, for one, fought hard to achieve. We reject that. We are being asked to hand over to the Tories, or Thatcher's children, as Martin McGuinness likes to call them, decisions on legislating on welfare.

1.00 pm

Only a matter of weeks ago, Sinn Féin would have described this as a huge, serious mistake, but, now, Sinn Féin is doing Tory austerity, and in spades. By allowing the British Government

to implement welfare reform, it is introducing the benefits cap, freezing the benefits for four years and completely eradicating those targets.

I too would like to praise Eileen Evason. She has been a stalwart in defending the rights of the most underprivileged and vulnerable here. I welcome her involvement, but I express a concern that any involvement that her and her team will have will only be consistent with the legislation that comes back to us. For me, that is a concern because it removes the scrutiny that the Northern Ireland Assembly would have over many of these issues.

(Mr Principal Deputy Speaker [Mr Newton] in the Chair)

I touched earlier on the negotiations that led to the debate earlier in the year around all these issues and how other parties sought to reject the SDLP's honest amendments, which were tabled with the real intent of protecting those that we believed would be adversely affected by Tory austerity. We witnessed, against that backdrop, a Sinn Féin U-turn at its conference in the spring. We then had a subsequent debate around some of these issues.

Conor Murphy used the term "topsy-turvy". I do not know the extent to which Sinn Féin is going to engage in the debate, but I will refer to some of the remarks that Sinn Féin Members made at the time of the debate on the Final Stage of the Welfare Reform Bill. Martin McGuinness said:

"Capitulating to pressure and demands from the Tories in London is, in my view, a major tactical error. However, the crisis we are facing, and I say this to all the parties in the Assembly, is not of the making of any of the parties here or in the Executive. The crisis has been created by the austerity agenda of a Tory Administration in London that is attempting to decimate our public services and punish the most vulnerable people in our society". — [Official Report, Vol 105, No 1, p5, col 2].

He went on to reflect on how Sinn Féin had stood against Tory austerity in vast numbers and he reflected on how there were no Tories in Northern Ireland. He said:

"They have no democratic mandate for their austerity policies here in the North of Ireland, yet they have already taken £1.5 billion from the Executive's block grant".

He then went on to say:

"The British Government's Cabinet of Tory millionaires has announced plans for further eye-watering cuts of £25 billion ... Those new cuts are set to begin almost immediately, and they will devastate our core public services". — [Official Report, Vol 105, No 1, p6, col 1].

In that context, I mention the benefits cap, freezing benefits and completely eradicating targets for child poverty. That is what Sinn Féin is asking us to do today.

Alex Maskey, in the same debate, said:

"I will make the point again that the Tory Government, who are the body responsible for the position that we find ourselves in, have no mandate here whatsoever, whereas the parties around the table here do".

And what is it asking us to do today? To hand over that power to the Tories. Alex Maskey said:

"We have a responsibility to discharge that mandate to the best of our ability". — [Official Report, Vol 105, No 1, p18, col 1].

Mr Maskey: Will the Member give way?

Mr McKinney: I will.

Mr Maskey: I will ask the Member two questions, with the indulgence of the Speaker. You mentioned a few minutes ago in your commentary around the benefit cap that your party proposed the benefit cap in the talks that have just concluded. You might need to establish the factual accuracy of that. Secondly, your party colleagues were telling everybody here that you would be kingmakers after the general election at Westminster. Do you not accept in this House that you are only a bit player?

Mr McKinney: I have no difficulty dealing with both comments. I see my colleague Alex Attwood, who is a former Social Development Minister, shaking his head negatively. He was close, in those talks — *[Interruption.]* Sorry, I will just finish. We did not propose what you are talking about. I heard mention earlier of Mickey Brady. He will be at Westminster all right, but Mickey Brady is going to do nothing. Why should he have to do anything now, when you are handing the authority to the Tory Government to do what they want?

I will continue. Mr Maskey said:

"Nobody in this room, the last time that I checked, represents any electorate outside these Six Counties ... I just want to finish my remarks on this point: parties here have a major responsibility on their shoulders. We in Sinn Féin have no hesitation in standing our ground against austerity." — [Official Report, Vol 105, No 1, p18, col 1].

I ask you this, Mr Principal Deputy Speaker: is that what is happening today? Is that what we are being asked to do today?

Some Members: Yes.

Mr McKinney: Well, you tell that to the people of west Belfast and to the people of Northern Ireland. Mr Maskey continued:

"People inside and outside this Chamber have a responsibility to stand up against the cuts to the block grant and welfare, as well as the cuts that are coming down". — [Official Report, Vol 105, No 1, p20, col 1].

Of course, we will be looking closely for any further budget cuts that will come from the Tory Government in the next while.

I will continue, painful as it is for Sinn Féin to listen to this. Michelle O'Neill said:

"It is comical that Sammy Wilson referred to people burying their head in the sand, because I very much think that the DUP has an ostrich mentality when it comes to standing up to the Tory Government. There are parties ... that are very happy to cosy up ... to the Tory Government and their austerity policies, but not one party in the Chamber stood for the recent Westminster election on the same Tory policy." — [Official Report, Vol 105, No 1, p26, col 1].

That is the same Tory policy that Sinn Féin will now introduce to Northern Ireland from today, without the big debate that —

Mr Hazzard: Where is the bedroom tax?

Mr McKinney: Well, you do not know.

Mr Hazzard: It is not here.

Mr Principal Deputy Speaker: I ask the Member to direct all his remarks through the Chair.

Mr McKinney: Thank you, Mr Principal Deputy Speaker.

Michelle O'Neill continued:

"Not one person put that in their manifesto."

It is important to remember that she said:

"The people in the Six Counties did not vote for a Tory policy of austerity; the people in the Six Counties voted for local, elected politicians. ... That is why we are devolved."

Yet today she and her colleagues are asking for devolution and powers around welfare to be handed back to the Tories to do what they want. I refer again to clause 5 of the Bill. She went on to say:

"We have an opportunity now to stand up and show the electorate of the North that we will work together and face down the Tory policies of austerity."

I am glad to see that Mr O'Dowd is in the Chamber because he, too, spoke during that Final Stage. He said:

"You are never sure which Government will be returned, but why, after the Tories were returned, was there not more energy and enthusiasm from some quarters to resolve this issue?" — [Official Report, Vol 105, No 1, p65, col 1].

I think that there was, and I think that the SDLP demonstrated that there was. It was not us who sidelined us towards the end of these discussions. It was the two bigger parties. They did that so that they could shove this stuff off their desk. They did not like it, for electoral reasons and, potentially — I heard this mentioned earlier by my colleague Mr Durkan — for weekend reasons.

Mr Hazzard: I thank the Member for giving way. The Member seems to be taking an awful lot of offence that he has to deal with welfare today in one day. The Member will perhaps be enlightened to know that, on 6 October, during the talks, his colleague Alex Attwood asked for a one-day session to deal with welfare. I think that the SDLP should get its facts right on this issue.

Mr McKinney: I am not quite sure whether the Member is now agreeing with me and asking for a greater amount of time to do the talks. If he would like to contribute at a later stage and reflect on that, or maybe even suggest at the end of this process that he will vote against it so that we will have more time to discuss it, I will

welcome that, but I see from the look on his face that he will do no such thing. He will put his hand up today, as the rest of Sinn Féin will, for Tory austerity. Forget devolution, forget the people of Northern Ireland, forget the vulnerable and let us hand it all over to the Tories.

I return to Mr O'Dowd, who asked:

"Are we witnessing a choreographed plan? Has the DUP, or elements in the DUP — we have heard about such elements in other political parties — decided to hand back welfare to the Westminster Government? That is a huge mistake, both for the administration of government here and for the protection of — this is a well-used term — 'the most vulnerable in our society'." — Official Report, Vol 105, No 5, p65, col 1].

I wonder now whether he was thinking ahead in how he viewed those vulnerable. He went on to emphasise:

"It is a huge mistake." — Official Report, Vol 105, No 5, p65, col 2].

I know that Sinn Féin is fond of rewriting history from 40, 30, 20 and 10 years ago. It is now going to rewrite history from a few months ago. That is why I want to read into the record in this debate exactly what it said then and exactly what it is going to do now.

Mr O'Dowd continued:

"Every one of the parties, as far as I am aware, who stood in the general election, apart from the Conservatives, went knocking on doors and said, 'We are here to represent you. We are opposed to further cuts. We want to stand up for you. In fact, we are going to go back to Westminster's power brokers and we are going to help to form the next Government because we will stop them doing what they are going to do'." — Official Report, Vol 105, No 5, p68, col 1].

That is the point that Mr Maskey was making. At the first opportunity they have of standing up to them, they do the opposite.

Mr Murphy: I thank the Member for giving way. I am interested to note that he has so little to say on his own behalf that he spent three quarters of the time quoting Sinn Féin. Also, if there are any difficult questions asked of him, he intends to pass them on to Mr Attwood to deal with, so I appreciate that he is somewhat limited in his opportunity to reply.

I listened to his remarks, and the only thing that I can find that he objects to is the legislative passage that we are talking about, which he is entitled to object to — the use of the Assembly approving the legislation that goes to Westminster for completion, and an ending to that process with a sunset clause. Has he any other difficulties with the package that is proposed? Does he disagree with £585 million over four years to address these issues? Does he disagree with the fact that we are now trying to include some resource to deal with the issue of tax credits? Does he disagree with the panel being set up under Eileen Evason to bring forward schemes to deal with all those issues?

He almost has the white flag up in terms of complete Tory austerity, but thus far the only point of disagreement that I heard him raise is how the legislation is passed. Can he tell us whether he disagrees with all the mitigating circumstances that are included in this proposition?

Mr McKinney: I do not know if the Member was listening more intently to my latter comments than my earlier comments, in which I did reflect on the money. I wonder where the money is coming from and whether there is sufficient to deal with the issues.

We should all be concerned about this. The reason I am re-emphasising so much what Sinn Féin is about to do is that we are handing over power. We are emphasising the fact that child poverty targets are nowhere to be seen in this. Of course mitigations are welcome, but are they going to apply to the extent that we could and should have argued for? We do not know that, and that is of major concern to the SDLP.

I will finish by quoting Mr O'Dowd again. After the election, he said to the unionists:

"Let us be clear about this: the rebellious Scots have achieved more in the last six months from the British Government than ye have achieved over this last 50 years being loyal to them. So let us learn a lesson from the rebellious Scots; let us learn a lesson from them and stand with them and the Welsh to ensure that George Osborne, David Cameron and others get a very clear message that, while we respect their mandate, they have no mandate to deliver what they are proposing to do to our public services, to our government and to our people." — [Official Report, Vol 105, No 1, p68, col 2].

Mr O'Dowd: Will the Member give way?

Mr McKinney: I am about to conclude, so I will let you do it in your contribution rather than now.

We have seen what has happened here today. I would like to quote, finally, a remark from a senior politician as we neared the conclusion of the talks. I will not say who it was, but they said:

"If we had not reached some form of agreement, then that would have led to the collapse of the institutions. We have averted that, and that is hugely significant."

I hope that we have not done that at the cost of people who need our help.

1.15 pm

Mr Beggs: When I look closely at the legislative consent motion, I see four key aspects. First, the consent that the Northern Ireland (Welfare Reform) Bill 2015, which fell in the Assembly, is to be taken forward by the Westminster Parliament, so I know exactly what that is. Secondly, the approval of the welfare clauses in the Welfare Reform and Work Bill, as initially introduced at Westminster — not as they ended up or were delivered. Thirdly, there is the draft Welfare Reform (Northern Ireland) Order 2015. Fourthly, there are the enhanced payments from the agreement announced yesterday. I will try to cover each of those in my contribution.

Ulster Unionists regret the delay in dealing with the significant and important issue of welfare reform; the failure of the Assembly to deal with it; and now, finally, passing the buck to Westminster to deal with it. Just to remind everybody: we were talking about the 2012 Welfare Reform Act almost three years ago. We have had three years to show our political maturity and to take political decisions, but what are we doing? We are now deciding to pass the buck to Westminster, and that does not bode well. The issue has been here for a long time, and we really should have dealt with it ourselves. Indeed, Ulster Unionists had amendments down since 2012 to try to deal with welfare in a mature fashion. Those amendments were on issues such as the bedroom tax, which we felt was inappropriate, particularly as no alternatives were available. We now find that, by failing to deal with welfare reform, we have all had to suffer. Everyone in Northern Ireland has had to suffer. We faced financial penalties in each of the last number of years, and that has adversely affected a wide

range of services. I suspect that it primarily affects health, but it also affects education and roads.

Mr Dickson: I thank the Member for giving way. As regards the bedroom tax, the new agreement is over four years. We all had serious concerns, over six years, about what would happen when we fell off the edge of the cliff. Even though we had mitigated the bedroom tax in the previous Bill and there is more money for further mitigation, the reality is that the bedroom tax element will fall off the cliff in four years' time instead of six years' time. That seems to be an amazing achievement for the two parties.

Mr Beggs: The Member makes a valid point, and I will deal with further mitigation, because there is even a question mark over that.

I am talking about delays in introducing the 2012 Welfare Reform Bill and the failure to deal with it maturely in the Assembly. That was certainly not helped by the then Social Development Minister, Nelson McCausland, who brought forward the unamended, unchanged legislation that had been improved at Westminster, which included, for instance, reference to those who had suffered in the London bomb, but there was no regard for those who may have suffered here over past decades. Clearly, there was an imbalance.

There then followed a long delay, and, earlier this year, following the Stormont House Agreement, the welfare reform legislation started to flow properly through the Assembly. That came through the Stormont House Agreement, which was a cross-party agreement. Almost immediately, there was an apparent U-turn by Sinn Féin on what everybody thought had been agreed. Sinn Féin moved from costed, affordable measures to the irresponsible politics of blank cheques.

I have a couple of quotes. This one is from Conor Murphy, who said on 11 March:

"We stressed that any movement away from full protection for current and new claimants would not be agreed by Sinn Féin."

Martin McGuinness said on 9 March of this year:

"Until such times as the Minister can produce a scheme for agreement which gives effect to the intent of the Stormont House Agreement by providing full protection for current and future claimants,

Sinn Féin will not be in a position to support the Welfare Bill going through the Assembly."

The concern of everyone, including senior officials at the Department responsible for administering social welfare benefits in Northern Ireland, was that that position is not technically achievable. It is impossible to deliver. How do you calculate the difference between what someone might have got a year ago and what they might get in 10 years' time? The position is totally unachievable and unaffordable. The U-turn, when it occurred, turned the Assembly Budget into a fantasy Budget, and there is now a major financial crisis working its way through every Department.

Another implication of not approving the new system and trying to maintain current benefits is that we would need to maintain the ageing UK computer system, which is decades old and due to be turned off in 18 months' time. We were eventually told that, if we wanted to maintain that system, it was highly questionable whether that would even be technically possible. We could revert to a paper system, but, of course, that would be irresponsible, as many mistakes would occur and there would be huge delays. Alternatively, we could have bought an all-singing, all-dancing computer system, to be delivered in perhaps three or four years' time at a cost of £1.5 billion or £2 billion. These were the decisions facing us. Yet there was not the political maturity to take the difficult decision simply to move largely to where we are today by accepting the welfare reform legislation in 2015 and building in some mitigation through amendments so that we could work with the new computer system and produce deliverable and affordable measures of mitigation to protect the most vulnerable in our community. That Bill fell before the summer.

After the summer, the Secretary of State commenced talks at Stormont House. I personally attended on four or five occasions when welfare reform was being discussed, but there was no meaningful discussion of those pertinent issues. Then, suddenly, what do we find, out of the blue comes the two-party, DUP/Sinn Féin agreement, published yesterday. It really was out of the blue. There was no prior sight of it or notice of some of its implications. I got a copy late yesterday evening and spent the evening going through each of the 67 pages, trying to understand it and its implications, particularly for this motion, which I heard rumoured for today. I went to the Business Office before leaving the Assembly last night between 5.30 pm and 5.45 pm and

inquired whether the motion was available. It was not.

The motion was published, and, for the first time, I became aware of the draft Welfare Reform (Northern Ireland) Order 2015. Prior to that, I was unaware of its existence. In fact, I tried to google it this morning and could not come across it anywhere. I thank the Minister for letting me know that it is on the Northern Ireland Office website. That is good to know, but we are in the middle of the debate now, and I have had little chance to consider its 126 pages. Hence I supported a delay to allow for proper consideration. After waiting three years, surely one more week to understand properly what we were doing and proposing to pass from this House to Westminster would have been appropriate and reasonable. Nonetheless, I respect the decision of the Assembly. Sinn Féin and the DUP have voted everybody else down and decided to push on regardless of others' lack of knowledge. I noticed that some of your colleagues were waving, presumably, that document: I am sorry; I did my best. I did what was reasonable to try to find out what the motion was about and find relevant documents, but I was unable to identify them prior to the debate.

Consenting to pass this over to Westminster is a clear admission of a lack of political maturity. Any reasonable person could have worked out that we would end up here at some point; that we had to implement the 2012 Welfare Reform Bill and make adjustments that were affordable. Sadly, some chose to ignore that, and they have now, finally, agreed to pass it over to Westminster. Maybe they do not want any fingerprints on it, but, in passing it over, they are passing that responsibility elsewhere: they have the responsibility for having taken that decision.

I was listening earlier and may have missed this, but it would be helpful if the Minister could confirm whether all the amendments agreed by the House in the passage of the 2015 Welfare Reform Bill will be implemented or whether it will go back to the original Bill as introduced in 2012. Can he confirm that all the amendments approved by the Assembly up until the Final Stage are included; is that what we are talking about? I want clarity on that issue.

Mr Dickson mentioned the enhanced welfare packages earlier. It is important that we look very carefully at them. When you look at what was proposed originally, and I am looking at what was proposed for the year 2016-17, you see the numbers are around the same. For the year 2017-18, the numbers are roughly the

same. Originally, £96.7 million of mitigation was to be built in for welfare; the new proposal is for £90 million. In 2018-19, there was originally £134 million-worth of mitigation built in for welfare; the new proposal is for £90 million. That is £44 million less. I acknowledge that mitigation has been built in for tax credit, but it is strange that those who turned down £134 million in mitigation for 2018-19 a few months ago are now content to approve mitigation of £90 million. That is what is happening. Nobody knew what was coming, but, nevertheless, a higher level of mitigation was turned down.

Why did we, as an Assembly, not have the political maturity to take decisions to deal with the difficult issues, the real political issues, ourselves and deal with them in a timely fashion? That would have been much better.

I will now turn to another aspect of the motion. It references the welfare clauses of the Welfare Reform and Work Bill, as initially introduced in Westminster. I want an explanation of why this has been introduced in this way and why it has to be expedited even before it becomes law in Westminster, bearing in mind, of course, that I would have thought that there is the likelihood of some amendment occurring to that legislation? Why are we approving legislation that has not yet been finalised?

One particular aspect of that Bill is the effect that it has on tax credits. I and many others, and indeed many politicians in the rest of the United Kingdom, have expressed concerns about it. The key issue is the proposal to cut tax credits significantly for those on low incomes. The explanation from the Chancellor was that there were increasing tax thresholds and that individuals would be paying less tax.

The minimum wage would increase, so it would all balance out. It very soon became apparent, however, that the tax credit changes were moving much too fast and that those on a low income would be significantly worse off and, as a result, would not benefit from the increase in the tax threshold and the minimum wage enough to balance out the cuts. That is a live discussion that is still going on at Westminster and even among some key members of the Conservative Party who have concerns about it. If that is a live discussion — we all await a Chancellor's statement — why is it proposed to give consent for the Assembly to pass this over to Westminster to take the final decisions on it? I find it very strange. Why give consent for further changes that have not yet happened and — who knows? — may not even happen?

1.30 pm

I turn to the proposals in the published document. The mitigation for tax credits is flat at £60 million. Why is it flat at £60 million? From following up concerns about the current proposals, my understanding is that the earlier years, before the minimum wage increases and another tax threshold increase, is the time when those who work on low incomes would be most significantly adversely affected. Why are we not at least trying to deal with that issue by providing a higher level of protection at the earlier stage rather than this flat £60 million?

As I said, I have concerns about the delays; the speed — not even in the last 24 hours but the last 18 hours — with which this has moved; the lack of information available to Assembly Members to allow them to come to a reasoned position; and the fact that the motion approves draft legislation that may not end up being the final legislation. For all those reasons, I have great concerns about what Sinn Féin and the DUP are trying to rush through the Assembly today.

Mr Dickson: Thank you, Mr Principal Deputy Speaker, for the opportunity to speak on the motion. The last time that I spoke on the matter, it was with a feeling of utter exasperation and déjà vu. I can report that those feelings have not gone away or changed. Nothing much has changed in the intervening five months. I do not feel any more optimistic today about welfare reform than I did five months ago.

This comprehensive agreement, plus the welfare reform proposals, are described as "a fresh start". They are about as fresh as a student's bag of rugby gear after a game. What we have is a sticking plaster and another crutch for us to limp down the road to the next existential crisis that will leave Northern Ireland, our citizens and our businesses in limbo for months on end as we wait for two parties to show some sort of leadership or to tire of the current round of grandstanding. They certainly seem to have tired yesterday.

As others have said, we have not truly been given the chance to look at the agreement or, particularly for this debate, the elements of the welfare Bill. We are told that we know all its content because it has been debated in the House: that is true, but, in transposing the Bill to another place, the House has given up control of that debate. For me, that is a fundamental issue. Earlier today, we debated the merits of delaying for a week, and, like others, we supported that in the interests of good governance and of what my party colleagues on the Executive said yesterday. That would have

allowed us, at least, to have the opportunity to properly scrutinise the document, which many have found difficult to find. I have it in front of me in electronic form, and it is long and detailed. One of the questions I have for the Minister is whether he will bring the detail of the Bill to the Committee so that we can have an opportunity to discuss it. Will he bring the regulations that will flow from the Bill to the Committee for discussion? Even though we were prepared to support the Bill and supported it in its final form, we look forward to the opportunity to re-examine many of the issues. Perhaps the Minister will tell us that all has been denied to us.

We would have greatly appreciated the opportunity to respond to each aspect of the deal, particularly on welfare reform. Today, we have been issued with a document and have been told to sign it off virtually before we have even read it. There is a reason for that which others have alluded to: this all has to be concluded before a particular party's conference this weekend.

I turn now to what might be described as the Sinn Féin/DUP new Christmas parlour game. It is called "pass-the-parcel legislation". Five months after the fall of the original Welfare Reform Bill, we have an acceptance of that Bill by Sinn Féin, just as it did in December 2014. In the interim period, our Budget and, ultimately, the integrity of this institution were worn down to ridicule through a reluctance to move on matters that could destroy power sharing. Sinn Féin has sought to distance itself from any responsibility at all through the bizarre use of a legislative consent motion, despite the primacy of the Assembly in this area of competence and that party's outrage at the use of that mechanism to, for example, permit the National Crime Agency (NCA) to operate in Northern Ireland.

Martin McGuinness told us that it would be a mistake for Westminster to directly legislate on this matter: will he tell us what has changed? Essentially, a decision that can and should have been taken by the House is being outsourced to Westminster to reduce the collateral damage that Sinn Féin could incur from taking difficult decisions. I am sure that the smoke and mirrors that that party is well used to living through and behind will be well seen through by their probably now former anti-austerity friends north and south on this island. What a ridiculous precedent to set. MLAs of the second largest party in the Assembly have shirked their responsibilities to take serious and perhaps unpopular decisions for the overall good of their constituents.

I really despair at this juncture. The road to a prosperous and united community in Northern Ireland is fraught with difficult decisions — difficult decisions that my party is prepared to take but, clearly, others in the House are not. Just like Sinn Féin's refusal to sit in Westminster, its MLAs appear to be placeholders rather than public representatives. They are afraid to take difficult decisions and are walking away from those decisions. They are working hand in hand with the DUP, which has what might be described as a devil-may-care attitude to devolution — in one day and out the other.

We see no meaningful decisions being taken on spending, taxation and the legacy of the Troubles. There is a clear lack of leadership and, of course, we have seen that across other parties as well, with the opportunistic departure of the UUP and the DUP's crazy ministerial in-and-out strategy, which pandered to the extremes of unionism rather than doing what is best for Northern Ireland.

This country needs sound public finances and a well-resourced and fit-for-purpose public service. Two parties are certainly not serving that to us today.

Mr Storey: I thank the Member for giving way. I have listened to the Member through all the hours in which we in the House debated welfare ad infinitum, hours upon hours, and that was only the contribution from West Belfast Member Mr Attwood. However, Mr Dickson was always supportive. Can he tell the House what he actually disagrees with? It has been agreed to mitigate the more severe elements of welfare reform, to help families with working tax credits, to ensure that we end the penalties and fines, and to pass legislation that should have been passed in 2012, and we are now in 2015. We are going to do all of that through this process; we are going to have all the amendments that were agreed in all the debates in the House. So what is he actually saying that he disagrees with?

Mr Dickson: In a sense, that is very simple. My party colleague Stephen Farry said earlier that we will support the legislative consent motion to allow through what has been debated in the House. However, I am trying to castigate the failure of the process that has taken us to this point. We should have made that decision when the Bill was in the House. I make no apology for saying that. The mitigation had been achieved. The bulk of my words here are to say that no one can understand what Sinn

Féin Members were actually about in respect of those matters. They —

Mr Storey: I thank the Member for giving way. Let us not allow the SDLP to get out of the mist that I noticed it said, in one programme last night, was over this Building. Let us always remember that when I brought the Final Stage of the Welfare Reform Bill to the House, two parties brought it to its knees, not just one party. Now that party, the SDLP, from which we will no doubt hear later, will try to wash its hands clean of what it did in the past to stall the process. That brought us to the point where we are today.

Mr Dickson: I agree with the Minister, but it is not my job to speak for other parties or, indeed, their ability to change their mind or, perhaps to put it more strongly, renege on agreements that were clearly made.

The Alliance Party believes that we must urgently fix the shambles that is our Budget, and some steps have certainly been taken to do that. However, doing so requires a great deal more than the mess that we have been in for the last number of months. We need clear financial management and a real strategy for growth, stability, skills and education. If we are truly to save on our welfare budget, we need to be able to implement those items in this community. These are the things that we need to do: strengthen this community for growth, provide for stability and deliver skills and education. That allows us to foot the resource for welfare and to direct that resource where it should be: to support the most vulnerable in this community.

I have said that we will support the motion, as it represents the Bill that fell in May. We understand other parties' concerns, particularly in regard to the constitutional and institutional implications. I genuinely understand how other parties feel about that matter. However, it would be unrealistic of us, having stated in the past that we supported the Bill, not to support what is going on today. This is not an endorsement of a deal but a demonstration that the Alliance Party is committed to solving the welfare reform crisis, as it has been for many years, and to placing Northern Ireland's future on a sound economic base.

I have questions for the Minister, and I will repeat some of them. Can the Minister assure us that the new computer system will be operational with regard to the Bill and that those items that the Evason group brings forward will have to operate consistently with it with no additional cost to the computer system? In the

previous discussions, one of the fears that we had with the Bill was the cost of transfer from one computer system to the other and the assertion by the Department for Work and Pensions that the new computer system would require us, with very little wriggle room, to operate the welfare regulations as they are in the rest of the United Kingdom. I am looking for assurance that, when the Evason group brings forward recommendations, they will be implementable and financially consistent with the new system.

1.45 pm

Will the Minister also outline for us today exactly what will happen with regard to —

Mr McKinney: Will the Member give way?

Mr Dickson: Yes.

Mr McKinney: Will the Member perhaps reflect on what assurances he has had or understands that that will be the case?

Mr Dickson: That is what I am trying to ascertain from the Minister now: whether the Evason group will bring forward recommendations — many of which were already in the Bill with regard to mitigation, although I accept that some of those will be with regard to tax credits — relating to welfare reform that will be implementable through the new computer system and that that will be at no additional cost. At the time, the cost that was quoted to the Committee was excessive.

Mr McKinney: Thank you for giving way again. I appreciate your giving me the time. Given that you raise such a fundamental issue, how can you say that you have already decided that you are going to vote this through?

Mr Dickson: The reality is that, unless we move forward with this today, we move back into the financial crisis that we have been in for some considerable time. Earlier today, we heard the Finance Minister tell us, with some exasperation, that she was at least able to rebalance her Budget today, and that is based on the figures that have been given in respect of the Bill.

I am incredibly concerned about the way in which the Bill is being handled and the fact that it has been passed to another place for scrutiny. I am looking to the Minister for assurances that appropriate scrutiny time will be given to the Committee, particularly in

respect of the regulations, because, to use that well-known phrase, the devil is in the detail. We should remember that it was the detail of the regulations that came to the Committee that finally persuaded Sinn Féin to renege on the agreement that everybody else thought that they had earlier this year. Therefore, it is important that we have a clear understanding of what the relationship is between the House and the Westminster Parliament that will now deal with the Bill and the legislation, and how the detailed regulations that flow from that will be determined locally in Northern Ireland.

I see that the Minister wishes me to give way.

Mr Storey: In my concluding remarks, I will come back to some of the specifics that the Member raises. However, I just want to say something about how the process has been guided. The First Minister and I have repeatedly said this, and those who were privy to the ongoing talks prior to and during Stormont House and Stormont Castle and, subsequently, since: any arrangement or any deal had to be within the financial envelope; it had to be legally competent; and it had to be practicably deliverable. In relation to this agreement, we have endeavoured to stay within that parameter, and I think that that extends to the work that Professor Evason is going to undertake in relation to the panel. I will give some more detail in my concluding remarks, because the Member raised a number of other points. However, it is important that we set that as a context, because what is this all about? It is to achieve those three objectives in very difficult and challenging financial circumstances and in the political realm of the challenges that we have had over the last number of months.

Mr Dickson: I am coming to a conclusion, Mr Principal Deputy Speaker.

Given those three very important constraints — important constraints, it seems to me, that Sinn Féin was not prepared to be restricted by some five months ago — I challenge Sinn Féin to understand what it is that has changed to allow it to do a volte-face — to turn around today. That is the interesting question for it.

Mr Beggs: Will the Member give way?

Mr Dickson: Yes.

Mr Beggs: The Member rightly highlighted the difficulty that arose when the regulations came before the Committee. Does the Member agree that it would be useful to know whether, when the legislative consent motion goes through,

which I understand will delegate powers over social security and welfare, probably for the remainder of this year, all the regulations will be put through at Westminster? Does that mean that the Committee will not be able to see, adjust or make a choice on them? Would it not be helpful to have clarity on that issue so that we do not find ourselves back here again when someone finds a difficulty with some of the regulations?

Mr Dickson: I share Mr Beggs's concern about that. As he has heard, that is a question that I have raised with the Minister today, and it is one that I trust he will be able to answer when he responds to the debate.

Ultimately, I have to express my despair at the fact that it has taken us five months to get here and that this institution is to abandon its responsibility to legislate in this area. I find that incredibly disappointing, as, I am sure, will those who are listening to the debate. The Assembly, with the Bill that we had in the Chamber, did its very best to protect —

Mr Humphrey: I am grateful to the Member for giving way. He talked about the last five months, but does he not agree with me and other Members that we have been debating this for three years? As Assembly Private Secretary to two Ministers, I have listened intently to the speeches and the contributions — mostly positive — that the Member has made during that time. The Member made the point that he is voting for this, despite his reservations, to stop sliding back. Considering the cost of the financial penalties that we face paying in Northern Ireland and the protections and mitigations that have been negotiated to protect the people out there — some of the most vulnerable people in this kingdom — surely that is the right thing to do, despite the reservations.

Alliance and my party are the only parties that have been consistent on the issue. Alliance is voting for this because it realises that, if we do not have this agreement and do not vote it through, the realpolitik is that we will not have the protections in place and will have unmitigated Tory cuts imposed here over the heads of the Assembly, the people of Northern Ireland and the people they elected to this House. That is the reality we face. Finally, does the Alliance Party support the package and the protections of benefits in it?

Mr Dickson: I sat on a number of occasions with the Secretary of State during the discussions that took place at Stormont House,

as did other Members. I heard her very clearly issuing the threat that, if the discussions did not resolve welfare reform, she would, indeed, legislate. She was not prepared to give a clear answer on whether that would mean pure rest-of-the-United-Kingdom welfare reform, but it was clear to me that that was what she was hinting at. Sinn Féin has come perilously close to allowing that to happen through the way in which it has abdicated its responsibility for dealing with the Bill and their failure to negotiate a Bill in this House rather than allow what many of it sees as the unacceptable face of the United Kingdom in the form of the Tory party.

We have to act consistently, and the Alliance Party and I intend to do so with this. We have negotiated our way through welfare reform for a great length of time. It goes back to the time when our Member of Parliament was involved in the debate in the House of Commons and proposed a great number of amendments to the legislation. Ultimately, much of that was defeated in the House of Commons by democratic decision. A Bill was presented here, and a great deal of time and effort was put into negotiating on it and negotiating mitigating figures. I have questioned the mitigating figures as they stand today, and I honestly do not believe we are much better off or any better off than we were when the Bill was on the Floor. Some things have changed, but they have changed because of tax credits.

When Professor Evason and others start to crunch the numbers in that respect, they will find two things: the mitigation that Sinn Féin has vaunted as a success is probably little different from what we had when the Bill came, and, when it comes to the Budget, the reality is that the DUP has given away more of departmental budgets to provide a small amount of additional cover. It is important that we spend money on welfare, but it has to be borne in mind that every penny extra that goes into welfare comes out of education, health and every other budget in Northern Ireland. The debate about how we balance those issues should be in this Chamber; it should not have been handed away to another jurisdiction.

Mr Principal Deputy Speaker: This seems like an appropriate time to break for a lunchtime suspension. I propose, by leave of the Assembly, to suspend the sitting until 2.25 pm. The first Member to speak when we return will be Mr Alex Attwood. The sitting is, by leave, suspended.

The debate stood suspended.

The sitting was suspended at 1.56 pm.

On resuming —

2.25 pm

Mr Attwood: In starting, I want to acknowledge some people and some things. First, as everybody has said so far in this debate on the LCM, arguably, and very probably, the single best servant of those on welfare in Northern Ireland is Professor Eileen Evason. The responsibility that she is now to be given is an immense one. Given the frenzy around welfare and tax credit reform, its impact on an area like this, the proposed mitigation fund and how that will be dispersed among growing numbers of people in need, it is a responsibility that, arguably, no one else could undertake, save Professor Eileen Evason. It is clearly the wish of the House to wish her well in that undertaking, because the judgement calls and the responsibility will be immense, but there is no better person to live up to it. In my short time in the post that the Minister now holds, we contracted Eileen Evason to come in to the Department, I think, two days a month back in 2010. That was done for the simple reason that we needed her guidance and authority as we anticipated what may or may not happen with the Tory welfare agenda. It is timely and welcome that she will play a more central role in that regard.

Whilst the Minister and the SDLP will differ on the LCM today, I want to acknowledge again that the level of qualitative engagement with the Minister on this issue is different from what had been the case heretofore. I have a sense — I am treading very gently now — that he might not have been free to do all that he wanted to do in the quantity and quality of that engagement, and I am not putting words into the Minister's mouth. Nonetheless, I acknowledge that, when we submitted papers, there was a full response on many issues, albeit silence on others. The Minister knows what I am referring to. Nonetheless, increasingly at an official level, and certainly at a ministerial level, there was better engagement on this issue than on some others during the process of the talks that have now concluded, and I want to acknowledge that. That is something to build upon, because wherever this goes over the next while, our job in the Assembly and, certainly the SDLP's responsibility, will be to apply our best minds, if we retain any, and judgement to ensure that the best outcomes are secured in the circumstances that we now face.

I am sure that all parties made submissions in the recent talks process, although I am not sure what those submissions were. I know what our submissions were, and I know with which parties and which Governments we shared papers and documents. However, there was a lack of return of papers in that regard. I presume that everybody was arguing that there needed to be bespoke enhancements to support those on welfare and tax credits. As far as it goes, we acknowledge what is in the proposals. We would like to have seen more bespoke interventions, more money and more done, but we are not going to naysay what is there, even though you can interrogate the figures and try to make sense of them.

To some degree, it is hard to make full sense of the figures, including the core issues of what more is coming into the Northern Ireland Budget, what more is now being spent from the Northern Ireland Budget, and what the net gain is in that regard. Some assessments suggest that there is a net deficit, as well as the other deficits in the proposals that emanated from the DUP and Sinn Féin yesterday, such as those in investment in skills and infrastructure, taking forward the needs of the western and southern counties, disadvantaged areas, the north-west, the city of Derry, city deals and all of that.

It may come as a bit of a surprise to some people in the Chamber that, as somebody said earlier, the election of a Tory Government changed the game for all of us. If you look at Hansard, you will see that, time after time, a number of Members, including the SDLP, in welfare debates in the earlier part of this year, put down very full markers about what the intentions would be on the far side of the election if there were a Tory, or Tory-led, Government. The game may have changed for some in here with the election of the Cameron Government for a second time, but we warned, if it came, what the consequences would be in that regard.

I want to reassure you, Mr Deputy Speaker, that all my comments today will be embedded in the content of the motion before the House. I will try to address the following: the principle of an LCM; the Northern Ireland (Welfare Reform) Bill 2015, referred to in the LCM; the Welfare Reform and Work Bill, referred to in the LCM; the draft Welfare Reform (Northern Ireland) Order, referred to in the LCM; as well as the issue of payments. I want to reassure you that all my comments will revolve around, and address, all that.

I will make this really marginal remark, but it tells you something in general. If you look at

pages 34 and 35 of the agreement that emerged yesterday, you will see that it moves from paragraphs 18, 19 and 20 and has no reference to paragraphs 21 to 55, because they were all lost in the issue of the past not being addressed. The fact that the document is so silent in relation to that matter — that the issue of the past is reduced to eight lines/four paragraphs — is a very sobering commentary about how the talks ended and how so many people outside, if not inside, the Chamber are disappointed that paragraphs 21 to 55, which were meant to be in the draft document, are now redacted for many reasons, although the primary reason may be because of those who have responsibilities in state organisations and, in our view, illegal organisations, continuing to deny responsibility, truth and accountability in respect of the past. In that regard, it is a matter of regret that so little is in the document — as opposed to what should have been in the document — about dealing with the past in a comprehensive and ethical way.

I echo the remarks made by other people this morning that we should not be in this place today and rushing through an LCM. In the document released by the DUP and Sinn Féin yesterday, they refer to the fact, and the narrative in the document states explicitly, that an LCM would be required "no later than next week" and no later than 23 November, which is next Monday, and the fact that the Assembly has been put in the invidious place of having to address this matter today. By the DUP and Sinn Féin's own hands, in a document issued around this time yesterday, they declared that the matter needed to be addressed by the Assembly next week or next Monday.

I do not understand how, on one hand, two parties can declare that next week is, in their terms, sufficient and good time to address this matter yet we were reduced to the Assembly and its Members waiting until whatever time last night to get a copy of the motion that is before the Chamber today. Even that motion, in some parts, is hard to make sense of, for reasons that I will touch upon. That is why Alliance and the SDLP were quite right yesterday to reserve judgement on all this.

This Chamber is a consequence of democratic struggle to secure democratic institutions in a democratic Ireland, and this Chamber has been reduced today to being a messenger on behalf of the DUP and Sinn Féin for those Tory elites in London who have ambitions on welfare and work that we have not seen the half of yet. The Chancellor is preparing himself and anticipates becoming Prime Minister by 2019, and we will then see the full measure of his dogma and

ambition. How dare anybody reduce this Chamber to a postbox after the years of democratic struggle and the pain and grief suffered by our people and allow this now to be the statement of democratic mandate? There are people who claim a democratic mandate, and rightly so. How dare they take away from all the rest of us the democratic mandate that we earned over many decades when there were people not far from this place who chose to put all of that in jeopardy? It is a sorry state of affairs that we have reduced our democracy to the shallow folly that we see before us today.

I do not know what it is in full that we are voting on, because, as we know, in the last number of hours, a draft Bill and a draft Order in Council have been produced. It is utterly bizarre that, as this debate began, the NIO posted on its website a draft Order in Council running to all these pages.

Mr Allister: It is 126 pages.

Mr Attwood: Sorry, it is 126 pages. What respect does the British Government have for our democracy when, as this debate began, they chose to publish a Bill of that scale? That Bill is explicitly referred to in the legislative consent motion. How dare they do that. In the course of the negotiations —

Mr Beggs: Will the Member give way?

Mr Attwood: I will.

Mr Beggs: Does the Member accept that the British Government have done nothing wrong in publishing the document but that what has been done wrong is including in this legislative consent motion reference to a document that we are not aware of? It is those who have tabled the motion today before the document is published who have done wrong.

Mr Attwood: Yes, they have done wrong, but in doing that wrong, they have partners in the crime, namely the British Government and, in particular, the Secretary of State. During the negotiations, on one opportunity, I had to say to the Secretary of State — this was in plenary format — how dare she compromise the hard-won democratic gains of policing in Northern Ireland. That is what was being proposed in some of the clauses in the legacy Bill. I say this to the Secretary of State again today: how dare she show disrespect to our democratic mandate and to these democratic institutions by being a partner in responsibility for this LCM. The LCM would not go anywhere if, on the far side of it, the Secretary of State did not have that draft

Order. It says a lot about those who brought this situation into effect.

In any case, we are being asked to vote on a legislative consent motion and have only now begun to get sight of its core content. There has been no checking of its content, and the Committee for Social Development has not been consulted on its content. Save what happened at the Executive meeting yesterday, there is no Executive view on its content.

Would anybody in the Chamber permit that to happen for any other policy proposal or legislative intervention? Would Sinn Féin allow a legislative consent motion in these terms for legacy mechanisms? Would any other party do anything like that if the British Government or parties in here decided overnight that a legislative consent motion would come before the House to push on with some policy intervention, not least on legacy legislation?

What is the scale of what we are proposing? The legislative consent motion is not just for those matters in the legislative consent motion. It is not just to do with the Welfare Reform Act 2012, the Welfare Reform and Work Bill and the interactions, whatever they are, for the additional support.

It also covers any secondary legislation. Paragraph 3.2 in the proposals yesterday states:

"The Assembly will approve a consent motion no later than next week"

— even though it is this week —

"to enable primary and secondary legislation to make changes to the welfare system to proceed at Westminster."

We are not only handing over our responsibility for primary legislation but, according to that paragraph, handing over our responsibility for secondary legislation. I say this to the Minister: in the event of a difference of opinion on secondary legislation and the regulations, whose will prevails?

It may be that we will have some knowledge of what the primary legislation is going to be, because of the various publications that have come forward in the last few hours, but what is the situation with the regulations? Therefore, we have handed over, even if only to the end of 2016, lock, stock and barrel, our responsibilities in the 2012 Act and the 2015 Bill. That is what we have done: handed over lock, stock and barrel our particular statutory responsibilities. Is

that how some in the Chamber value our democracy?

I think that there has been form on this. When the people of Ireland endorsed the Good Friday Agreement and put in place mechanisms to secure power-sharing, in particular the d'Hondt mechanism to allocate Ministries, all of that at St Andrews was unpicked. Those who unpicked the democratic will of the people of Ireland and put in place mechanisms that served their interests have today gone further. They have unpicked the Good Friday Agreement and the Northern Ireland Act and are putting in place mechanisms, for reasons that I will explain, that serve their interests, in order to wash their hands of something that should be very much the work of Members of the Assembly.

I do not understand how any party can so casually and out of the blue surrender our democratic legitimacy to a Westminster Government when people are arguing that we should have the devolution of more powers.

We are going in the opposite direction to Scotland. As Scotland goes for devolution plus, we go for devolution minus, sending the message to London that, when the going gets hard and London faces us down, rather than face our people with the decisions that we should make in a democratic way in this Chamber — even if we do not like some of the decisions — we send the message to London that it is game on for the further erosion of our democratic institutions and that which was so carefully and with craft embedded in the Good Friday Agreement.

2.45 pm

We were the only part of the devolution arrangements that had devolution of welfare, in order to demonstrate that we were going to be of a significant character when it came to our legislative and policy authority. On a whim, overnight, on the basis of what two parties decide, that will be surrendered. Let me put it mildly: that is an act of the gravest political abdication of responsibility that we have seen in these places when it comes to our statutory function in many a long day. Then, as if to cover some sense of embarrassment, what do the DUP and Sinn Féin put into the proposals? I say this with a straight face, Minister:

"The UK Government legislation will not diminish the legislative competence of the devolved institutions."

Will someone reconcile for me how London legislating for the 2012 Act and the 2015 Bill — I will come back to that in a minute — accord with not diminishing:

"the legislative competence of the devolved institutions"?

Had I drafted that document, for what it is worth — it is probably not worth very much — I would not have put in paragraph 3.4; it is just an advertisement of what is folly and what is false. It would have been better not said at all than said in such a crass way.

What we are witnessing with the LCM — this is really an irony — is a variation of the DUP's failed policy of being in and out of government. We now have a situation where the DUP/Sinn Féin variation on being in and out of government is being up for a bit of government and not for the rest. That is political leadership in the year 2015. Once again, where the DUP went, in my view, falsely — I think it might recognise that itself — with being in and out of government, Sinn Féin has followed with, "Let us be in on some of our law but outside in many other aspects of it". This is a calculated dereliction of political responsibility and, if it is not that, it is just downright evasion.

We are told that the reason why the LCM has to come forward today is that there is not enough time to get it through in the mandate. That is the assertion. It is an argument that we have to face up to, because we do not have much time left. The Business Office and the Bill Office will be overwhelmed with legislation and so on and so forth. However, let us remind ourselves of a previous time when there was immense turbulence and difficulty in and around the Chamber and in the Northern Ireland Government, when there was no devolution of justice and policing and when we were told that that was about to bring the institutions to collapse. People were grandstanding in relation to all of that, and others were trying to craft a good outcome in respect of it. How quickly was the legislation passed for the devolution of justice and the creation of the Justice Department? The First Reading of the Bill was on 14 September 2009, followed by the Second Reading on 22 September, Consideration Stage on 10 November, Further Consideration Stage on 23 November and Final Stage on 1 December. Between First Stage and Final Stage of this enormously complex and difficult-to-manage legislation, which had all sorts of political consequences and connotations, there were 12 weeks, if my maths is right. Between Second Stage and Further Consideration Stage, there were 10 weeks. As

far as I am aware, we have at least 10 weeks until the dissolution of the Assembly in advance of an election, so the argument that we do not have enough time is a false one.

When the DUP and Sinn Féin wanted to make enough time for the devolution of justice through the creation of the new Department — they were right to do so — we found the time and got the Bill through in good time. Indeed, we had a lot of good debates in the Chamber; I remember proposing a lot of SDLP amendments. The issue of time is a smokescreen. We have a good example of when we can get these things done. There are procedures in the Assembly to bring back legislation, which demonstrates that you can do it and do it in good time.

Mr Storey: I thank the Member for giving way. I have listened carefully to him, and I will come back to some of his comments when I sum up. Do he and his party — I tried to make the point earlier — wash their hands of the crisis that they created by signing a petition of concern? When I stood in the Chamber to move the legislation that would have brought welfare reform to Northern Ireland, the SDLP signed the petition of concern that led to the delay and the difficulties and compounded the situation, as opposed to what the Member is trying to tell the House today, which is that somehow the problem is with everybody else.

Mr Attwood: We do not wash our hands of political responsibility for how we have addressed and tried to manage the issue of welfare reform arising from the 2012 legislation. No, we do not wash our hands of responsibility for what we did. The record proves that we were consistent in our arguments and in advocating petitions of concern at critical junctures. We were consistent: you may want to ask others why they were not consistent before and why they are not consistent today. Maybe we will get an answer in the next short while. The issue is not that we washed our hands of the crisis; we applied our hands to the issue. That is what the record demonstrates.

I ask the Minister to apply his hands and his mind to the legislative consent memorandum tabled this morning in respect of the LCM. I ask him to answer a number of questions. The memorandum says in the summary and policy objectives that:

"In addition, agreement in principle has been reached to implement welfare aspects of the GB Welfare Reform and Work Bill as introduced in GB."

They have not been introduced in GB; they are in Westminster as we speak. What are the welfare aspects of the Welfare Reform and Work Bill that have been agreed in principle? It is hard in the time that we have had this morning to assess the various pieces of legislation to answer that question. That refers to the document yesterday, which also speaks about:

"a Bill in Parliament to allow for changes to the welfare regime in Northern Ireland, including... the welfare provisions only of the Welfare Reform and Work Bill as currently drafted."

What does that refer to? If you look at the legislation that is before Westminster — I will get a copy of it in a second — you will see a group of clauses headed "Welfare changes". Those welfare changes stretch not just across welfare, but across tax credit issues. We need to know, and I think we need to know today, what is the agreement in principle. What welfare aspects of the Bill currently in Westminster are we agreeing to? We need to know what that means; otherwise, we are all jumping into the unknown. I ask the Minister to be very precise in that regard because, in my later comments, I will touch upon what I am sure some of that means.

I also ask the Minister to reconcile paragraph 7 of the memorandum of understanding with the LCM. That paragraph states:

"The Welfare Reform and Work Bill 2015 is currently progressing through Westminster. NI will give due consideration to the need for local consultation on social security matters in this regard."

I do not know how Northern Ireland gives due consideration to anything; I presume it means the Northern Ireland Executive or Government. Will the Minister explain what consultation there will be with Northern Ireland when, today, an LCM based on agreement in principle to implement welfare aspects of the Bill before Westminster will be passed? That consultation sounds very like, "We will tell you what you are going to get" as opposed to, "What do you think about what is being proposed?"

I also ask the Minister to explain paragraph 9 of the memorandum. You will not believe this, but this is what it says:

"An equality screening exercise has been carried out and the Department for Work

and Pensions is satisfied that the proposed amendments have no significant equality implications."

That deserves to be read out again:

"An equality screening exercise has been carried out and the Department for Work and Pensions is satisfied that the proposed amendments have no significant equality implications."

Does that mean that DWP is masquerading as DSD? The Minister knows where I am going with this. Is DWP masquerading as DSD? It has always been my concern that, at times, DSD has gone in that sort of direction. Or is that actually true? Has DWP conducted an exercise on equality implications? If it is true, let us see it, because you have produced that in writing, Minister.

Let us see what it has said in its equality screening exercise. Let us see whether it was measured against the higher equality responsibilities further to the Northern Ireland Act 1998 in respect of section 75 and other sections. If DWP has somehow or other conducted an equality screening exercise in relation to London legislation when it should have been the case that that legislation came to this Chamber, who gave it the right to do that? If it assumed the right to do that, what was the exercise that it undertook? When was it undertaken? What does it say? Was it undertaken against the right standards; the standards of the statutory equality framework in Northern Ireland? How did it end up concluding that there were "no significant equality implications"?

We struggled over the summer — the Minister will be aware of this because, to be fair to him and his officials, they produced information in the autumn, during the early part of the talks — with how some of the welfare changes in the current Bill would impact on Northern Ireland by way of tax credits and so on. That is how we know that, when it comes to tax credits, the loss of spending power will be £800 million over the lives of the people who will lose working tax credit and child tax credit.

3.00 pm

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

How did it conclude that there are "no significant equality implications" when DSD says that that is the scale of the implications? It is an indictment of this place or of those who

are responsible for this that they can serve up, in the heat of the moment, a statement like that, which says that DWP tells us the equality implications of its legislation, never mind the fact that we will not be given the chance to legislate for it. What a withering indictment of this place that we are reduced to DWP telling our people that there are no equality implications in its proposals.

My final point — I know that the Minister might not be able to answer all those questions, so they might be a little rhetorical, but I ask for answers — is to ask Sinn Féin a question, because its Members are the co-sponsors — political if not ministerial — of the LCM. This is what the memorandum says at paragraph 14:

"There are clear benefits to individuals, their families, employers, taxpayers and communities as well as society if the reforms are successful. The proposals will deliver a healthier and more prosperous society with improved support to families and children and a ready supply of skills and labour for employers."

That is what the Minister's memorandum says about the LCM that you are supporting. Unless the Minister corrects me, the LCM visits on Northern Ireland, without any proper legislative scrutiny — these are probably DWP rather than DSD words, but they are the words that Sinn Féin is signed up to:

"clear benefits to individuals, their families, employers, taxpayers and communities as well as society if the reforms are successful."

Those reforms might well include tax credit reforms. Is that Sinn Féin's position now? Is it that what London is proposing on tax credits will bring:

"clear benefits to individuals, their families, employers, taxpayers and communities as well as society if the reforms are successful"?

Let us look at what the reforms are about. There are 32 clauses in the Welfare Reform and Work Bill as drafted — 32 clauses. Subject to the caution that we do not know — subject to what the Minister might tell us later — precisely what the clauses are that have been agreed in principle but working on the basis that, as a minimum, the LCM captures the discrete welfare clauses in the Welfare Reform and Work Bill, let us look at what the LCM will mean for people in Northern Ireland in the welfare-

specific clauses, of which there are a number, potentially clauses 7, 8, 9, 10, 11, 12, 13, 14 and 15.

I will start with clauses 7 and 8, which we have not looked at in the Chamber. It looks like we will not have much of a chance to look at them either, so we have to rely on good authority in Britain about what is being proposed. Clauses 7 and 8 refer to the benefit cap; I will get the Bill in a second and then I will be able to refer to it. This is what the Child Poverty Action Group says about those clauses, and, if I am right, this is what the legislative consent motion will do in approving those clauses in principle.

This is the consequence. It stated:

"The benefit cap policy severs the historic link between what families need to live on – as assessed by Parliament in its setting of benefit levels – and entitlement. Lowering the cap would mean families could be left with less than enough for their basic needs, such as food and warmth. Evidence on the current cap suggests that fiscal savings have been small (under 4 per cent of the total savings to the social security budget) and the effect on movement into work weak. A lower cap would compromise the wellbeing of more children, as housing security is compromised, school life is disrupted and community links are broken."

That is what the Child Poverty Action Group stated is the consequence of clauses 7 and 8 of the Bill that is before Westminster, a Bill that, it appears, the LCM says we are agreeing to in principle.

What is our message to the child poverty groups in Northern Ireland or to the 3,000 families who will now have a benefit cap of £20,000? What is our message to them when, on a whim and casually, the Assembly says, it seems to me, that we are agreeing to that, without any assessment or scrutiny by any part of these Assembly structures?

The group stated:

"A lower cap would compromise the wellbeing of more children, as housing security is compromised, school life is disrupted and community links are broken."

Of course, it is worse than that, and it is worse than that for the following reasons. Recently, Mr Agnew successfully passed a Bill in the Chamber in respect of children's services. I want to quote from what the Supreme Court

found in relation to that stuff. It was actually a former judge from here, Lord Justice Kerr, who was speaking as a member of the Supreme Court. The Child Poverty Action Group reported what the Supreme Court considered the fairness of the cap to be in relation to the rights of the child. It stated:

"In arguments, it became clear that the government's intention in introducing a cap was not to create parity between in- and out-of-work families but instead, to ensure that the income of out-of-work households was always lower to reinforce work incentives. The judgment called into question the fairness of the cap, with three of the five judges finding that, in introducing the cap, the government had failed to comply with the UN Convention on the Rights of the Child".

That was something that is in and around Mr Agnew's Bill. It continued that two — two of the judges of the Supreme Court — found that the cap:

"breached Article 14 of the European Convention on Human Rights."

That is how close the Supreme Court was to striking down that provision in law. The Child Poverty Action reported:

"Lord Kerr said that 'it cannot be in the best interests of the children affected by the cap to deprive them of the means of having adequate food, clothing warmth and housing' and Lady Hale said the cap deprived children of 'the basic necessities of life' and made them 'suffer from a situation which is not of their making and which they themselves can do nothing about.'"

Yet, Minister, we are being asked to support an LCM that, it seems to me, subject to correction, signs off on the benefit cap. That is what we are signing off on without any scrutiny, assessment, interrogation or having spoken to any of the relevant groups, never mind any of the relevant families.

I want to correct Mr Maskey, who referred to my having made some comments about the benefit cap. I want to read from paragraph 10 of our submission on welfare that was made during the course of the talks. Of course, it was curious that Mr Maskey was relying on what I was meant to have said when, during the course of those negotiations, Sinn Féin did not hand over any documents on anything until yesterday: not a document on the past, we did;

not a document on welfare, we did; not a document on paramilitarism, we did; not a document on criminality, we did; and not a document on finance, we did.

We handed over a lot of documents. There were some that we handed only to the British and Irish Governments. This is what our submission said, in case Mr Maskey is in difficulty:

"The benefit cap for Northern Ireland should be £23,000. The multiple differentials between Northern Ireland and Britain make a case for Northern Ireland, such as the case for the higher London cap due to housing costs."

We did not make an argument for no cap. We did not make an argument for a cap of £20,000. We made an argument for a £23,000 cap. Let the record correct any assertion to the contrary.

I move on from the benefit cap with this point, to quote what we are signing up to. This is clause 8 of the Bill currently before Westminster, unless I am completely wrong. As far as I am aware, the Minister has not corrected my assertions so far, so I will work on that basis and take a chance that they are right. This is what clause 8 of the Westminster Bill states about the review of the benefit cap. Maybe some people are getting weary, but he will be weary again before I am finished. This is what it says about the benefit cap review:

"The Secretary of State must at least once in each Parliament review the sums specified in section 96(5A)"

— which is the benefit cap section —

"to determine whether it is appropriate to increase or decrease any one or more of those sums".

The keyword there is of course "decrease". Do you think that this Chancellor, especially if he is under Budget pressure as he prepares to campaign to become Prime Minister, is not going to take another slash at the benefit cap? Does anyone think that "decrease" is the keyword there?

Anyhow, this is how the Secretary of State for Work and Pensions then carries out that review:

"In carrying out a review, the Secretary of State must take into account ... the national economic situation".

Now, who but the Chancellor wrote, "the national economic situation"? Should the economic situation go down, it may well be that the benefit cap follows it down. The Bill then states:

"any other matters that the Secretary of State considers relevant".

That is code for whatever the Chancellor Exchequer is telling you. That is in the legislation.

And then:

"After carrying out a review, the Secretary of State may ... by regulations amend",

the benefit cap:

"so as to increase or decrease any one or more of the sums specified",

in the section.

There is a quite awesome report from the Work and Pensions Committee at Westminster. I rely on it heavily. I have discussed it with officials in DSD. I know that they are considering its content at the moment, which is good because there is a lot of learning in respect of the Work and Pensions Committee's assessment of how universal credit and all of that has rolled out. The Committee is not consulted. Under law, it is not consulted about a regulation. The Secretary of State and DWP just have to take into account the national economic situation and any other matters that the Secretary of State considers relevant. Is there any reference there to child poverty? Is there any reference there to people's incomes? Is there any reference there to any of the empirical evidence that you need to have in order to make an assessment about whether a benefit cap should go up or down? Yet it seems to me that that is what this LCM does. Unless I am wrong, it gives a Minister in London the ability to assess the economic circumstances over there, decide whether £20,000 becomes £19,000 or £18,000 and impose that here. That is what this LCM does. It does not just raise questions about the benefit cap policy, it gives a British Minister the ability to say unilaterally, subject to regulation, "This is the new cap and live with it".

Have we not learnt anything from the past six months? The Tories said that the benefit cap would be £23,000 and £26,000, and then they came back in after the election and said that it would be £20,000 and £23,000.

3.15 pm

Mr McKinney: I thank the Member for giving way. In that context, will the Member reflect on what the group or committee that will look after mitigation here will do when it looks at that in the context of an envelope imposed from Westminster?

Mr Attwood: It makes the challenge to Eileen Evason and whoever works with her even more challenging. While they will have a huge responsibility for the allocation of moneys based on whatever criteria, at the same time, DWP — not in Belfast but over in London — will be at its work. The lesson of the past six months is that, when needs must, the British Government will renege on what they say will be the situation in order to find more money to give it to those whom they want to give it to. You must draw the conclusion that, on the basis that the benefit cap in London has been reduced to £23,000 and elsewhere, including here, to £20,000, there is risk, and that risk is magnified because the drafting of the clause, which, it seems to me, the LCM now wants us to sign up to, is such that Iain Duncan Smith does not even have to discuss this with our Minister. He can ignore the economic circumstances in Northern Ireland if he so chooses, and we know that he will so choose.

It gets worse. This is what the Child Poverty Action Group said about clauses 9 and 10, which, it seems to me, the legislative consent motion obliges us to accept:

"The Bill proposes to extend the freeze on working-age benefits from two years to four years, ending in April 2020."

I ask the Minister to confirm whether, with the LCM, that is the principle that we are subscribing to. It continues:

"This would end the link with both prices and earnings".

Remember, that is a freeze on working-age benefits from two years to four years, until April 2020. Noting the sums of money for welfare and tax credit mitigation, at the same time there is a freeze extended from two to four years, virtually for the lifetime of this Parliament and for most of the lifetime of the next mandate of the Assembly. It will be frozen solid. That ends the link with prices and earnings and,

"effectively cuts benefit support loose from the cost of living and the living standards of the mainstream of society. It would ensure"

— said the Child Poverty Action Group, and who are we to second-guess it? —

"the lowest income households will continue to get poorer and follows a series of below-inflation uprating decisions. Between 2010 and 2020, for example, child benefit is projected to lose 28 per cent of its value."

Is that what we are signing up to today? With the 2015 Bill, is that the principle that the Assembly is being asked to concede to London? If people in the Chamber have not read clauses 7 and 8 and clauses 9 and 10 of the Bill that is referred to in the Chamber, I urge them to read them before they put their hand up to support the LCM. Unless I am completely in error — no one seems to want to correct any error — this is what the LCM means: unilateral change to the benefit cap; reductions in the benefit cap that have immense implications, especially in our region; and the freezing of working-age benefits from two to four years.

The Child Poverty Action Group goes further:

"The Bill proposes to extend the freeze on working-age benefits from two years to four years, ending in April 2020. It excludes benefits relating to the additional costs of a disability and statutory payments. This is projected to save over £4 billion per year by 2020/21 ... We are concerned that this cuts the link with both prices and earnings, and effectively it cuts support for people receiving these benefits loose from the cost of living and the living standards of the mainstream of society. It ensures the lowest income households will continue to get poorer. Analysis by the Institute of Fiscal Studies (IFS) shows that below-inflation increases in benefits would cause relative poverty to rise, as earnings would increase faster than benefits — meaning that households at the median will see their incomes rise faster than those of lower income households, who receive a larger share of their income from benefits and a smaller share from earnings."

That latter category is us. The people of Northern Ireland, in assessment after assessment, receive a larger share of their income from benefits and a smaller share from earnings. That is what we are washing our hands of in this Bill.

As I said, I am not sure what in the Bill is being signed off on in principle. I ask the Minister whether work-related requirements for parents and the changes in respect of the assessment of child poverty are or are not being signed off in the LCM. Whilst those two matters are definitively welfare related, are we, through this Bill, moving onto the ground of work-related requirements for parents and the Child Poverty Act? This Bill goes after the Child Poverty Act 2010. That Act had four measures of income-based child poverty. That is in a context in which OFMDFM-published data states that relative and absolute child poverty in Northern Ireland will be above 30% on both standards by 2020. That is happening in an environment in which, in July, the High Court in Northern Ireland granted a judicial review to the Committee on the Administration of Justice. Why? Because FM and DFM had not produced an anti-poverty strategy. That case was defended. It had to be defended on the instruction of FM and DFM, otherwise there is only one person running that Department. It must have been signed off in order to give instructions to barristers and solicitors to fight the case. The courts found in favour of the CAJ that there had not been an anti-poverty strategy.

The four measures of income-based child poverty in the 2010 Act are relative income poverty, absolute income poverty, the combined low income and material deprivation measure and a measure of persistent poverty. What does this Bill, which is part of the LCM and may or may not be part of what has been signed up to in principle by the DUP and Sinn Féin, do? It will retrospectively rename the Child Poverty Act as the "Life Chances Act". What a statement of Tory dogma and what a statement by parties in the Chamber. Rather than name the issue as child poverty, we end up naming it "life chances". Why in the name of God are we adopting Tory elite language to interpret and explain to people the scale of child poverty in this part of Ireland, if that is what the legislative consent motion means? I look to the Minister for confirmation.

It goes further. Can you imagine any Parliament retrospectively changing the name of a Bill? Can you imagine the ridicule that any of our Ministers would face if they came wandering into the Chamber and said that they wanted to retitle legislation from 2010 because they found it upsetting? They would be taken apart not just by 'The Stephen Nolan Show' but by anybody with an ounce of wit. It seems — I am subject to correction — that that is what we are signing up to today. Why would we collude with a Tory elite that does not like the words "child poverty"

and replaces them with "life chances" retrospectively?

It then goes further by removing the income-based child poverty measures and targets and replacing them with measures that assess worklessness, educational attainment at 16, family breakdown, debt and addiction, and duties on national and local government to reduce child poverty. The London School of Economics (LSE), following a consultation around this in 2012-13, concluded:

"There is very strong support for the existing measures, and near universal support for keeping income poverty and material deprivation at the heart of poverty measurement."

It seems that this LCM drives a coach and horses through that narrative and the child poverty strategy, and yet we seem to be casually and idly going along with it.

I will not detain the House in respect of work-related requirements for parents, save to say that, if we sign up to the work-related requirements for parents, which is clause 16 of the 2015 Bill, how that can that be reconciled with the issue of affordable, accessible childcare in Northern Ireland? Essentially, it is proposed that all parents will be expected to be available for and actively seeking work from the time their youngest child turns three in order to claim universal credit.

We have some very useful interventions in terms of welfare management for lone parents. Ministers, including the current one, have been very attentive to making sure that there are specific discrete measures to protect lone parents. If, today, we sign up in principle — I do not know whether we will — to the work-related requirements for parents in clause 15 of that Bill, are we pulling the rug from under the discrete interventions that we have developed over a number of years in respect of lone parents and availability for work?

Clause 16 means that all parents, lone and otherwise, will be expected to be available for and actively seeking work from the time their youngest child turns three in order to claim universal credit. If that is what we are signing up to, it is in open conflict with years of legislation and guidance in respect of how DSD and the Social Security Agency should manage that category of claimant. Irrespective of that fact, what are those parents meant to do when there is a lack of affordable, accessible childcare? If we do not have that protection, we sign up to that principle, which is in open

conflict with so much of what our society requires.

I ask the Minister about the bedroom tax. Mr Hazzard asked, "Where is the bedroom tax?". There is a reference to the bedroom tax in paragraph 1.4 of section C of yesterday's proposals; it states:

"Within the welfare funding set out above, it has been agreed that the social sector size criteria — the so called bedroom tax — will not apply, as agreed by the Executive."

Is it not going to apply at all, or is it going to apply only in the terms "as agreed by the Executive"? Mr Hazzard asserts that it is not there at all, yet it is there, but we do not really know what it means. The Minister knows — Mr Maskey will know this because we gave him our paper on welfare, noting that no papers were given to us — that:

"the SDLP oppose the bedroom tax in law and in practice. It should not be applied. Given the segregated nature of housing, the under-provision of smaller units and the purported scale of under-occupation, the bedroom tax would apply to very small numbers. To punish people for purported under-occupation in a long-occupied and possibly family home, with the benefits of a settled life and community environment, is at once punitive and tokenistic. An assessment of the under-provision of smaller units and the under-occupation of existing units should be undertaken in order to produce potential remedies with full regard to the factors above."

There should be no bedroom tax in practice or law. We have lost the argument in law, but can we win the argument in practice? I quote:

"Within the welfare funding set out above, it has been agreed that the social sector size criteria — the so called bedroom tax — will not apply, as agreed by the Executive."

What does that mean? Is it gone, or is it not?

3.30 pm

Given that, as I understand it, the Minister has not signed off on, and may never sign off on, any scheme for how the bedroom tax may or may not operate, can I seek an assurance today that it is not going to apply in practice and that, if there is any issue about underoccupation, that will be looked at and assessed in the round, given the nature of the

housing environment in Northern Ireland? Otherwise, Mr Hazzard's assertion that it is not there sounds a bit hollow, because it is there, but we do not know what "there" means. What categories are going to be vulnerable to the bedroom tax, Minister? Will it only, for example, be people who get into work and therefore, in our view, should have an assessment in principle outside the domain of the bedroom tax in law, or will it be other people? What has been agreed by the Executive? Has anything been agreed by the Executive in that regard?

Ms Bradley made the very good point, and this is where there is unanimity, that it is all our constituents who are affected by all of this. To emphasise that, I want to quote what some people have said. This was a question to Mr Gauke, who, I understand, is the Chief Secretary to the Treasury, and the decisions mentioned are those on welfare and tax credits:

"does he recognise that such decisions will have a bigger impact on some parts of the United Kingdom, such as Northern Ireland, which have a high number of people who are low paid, and they are the very parts that he wants to see growing?"

Here is another quotation:

"The Bill makes it clear that the Secretary of State can review the caps at any time. All he or she has to consider is 'the national economic situation' and

'any other matters that the Secretary of State considers relevant'.

Then the Government can introduce changes by regulation."

And another:

"the change in universal credit, the freezing of benefits and the change in tax credits are, as the right hon. Member for Birkenhead (Frank Field) pointed out, an attack on aspiration. It is an attack on people who are in work."

And another:

"I do not believe there is fairness in this policy, because it does affect those people at the lower wage end of the economy."

Those are not even the words of SDLP Members of the House of Commons but those of Sammy Wilson MP. That is his withering

indictment of much of what is in the Welfare Reform and Work Bill. In fact, I could not see much difference between us on the freezing of benefits, the further reduction in the benefit cap and working tax credits. I wish that he were here. Well, I do not actually wish that he were here, but you know what I mean. I wish that he were here to stand up and concur or not.

To be fair to the DUP, on a number of occasions at Westminster, it voted against the Government and for amendments that would mean interventions of a positive nature. Why, today, go contrary to what your MPs have done on those matters? At the Bill's Second Reading, on 20 July, seven of your MPs voted against what London was proposing. At the Third Reading, on 27 October, eight of your MPs voted against some of the proposals. Remember that that Bill is not through Westminster yet. We will see the full scale of what is next going to be served up on 25 November.

I want to conclude now with this quotation:

"We cannot stand aside and passively accept the swingeing cuts being pursued by a Conservative government wedded to an austerity agenda."

We cannot stand aside and passively accept: this LCM is passive acceptance of what London is doing. Whatever about legislating historically for the 2012 legislation, it hands over to London our authority for whatever has been agreed in principle on welfare and those elements of the 2015 Bill.

We cannot stand aside and passively accept the swingeing cuts: the LCM is the passive acceptance of precisely that. Mr McGuinness needs to be careful about the words he chooses in future:

"This arrogance must be confronted and challenged at every opportunity"

— but not today. Today is the one day when we do not confront and challenge the arrogance of what London is proposing. In that regard, I refer to Mr McKinney's comments this morning. He exposed very eloquently the scale of what has happened over the last 24 hours. Even at this late moment, I put it to the Minister that he not move the LCM. That is what I am asking the Minister to do: not to move the LCM, for all the reasons that I outlined. It may be that the Minister will have powerful answers to all those points, shallow though many of them might have been. He may have powerful

points, but if there is any element of authority in anything that I said, and if that is only part of what we are doing today in signing up to the LCM — abandoning our democratic authority; abandoning proper scrutiny in the Chamber; allowing the DWP to decide what is or is not an equality impact for our people; saying that DWP can change the benefit cap when it thinks that its national economic circumstances need it and can change the cap even though it has disproportionate and enormous impacts on our people in Northern Ireland — I say to the Minister, "Don't move the LCM".

Mr Deputy Speaker (Mr Dallat): Perhaps I should point out that the motion has already been proposed by the Minister and can be withdrawn only with the consent of the House.

Mr Maskey: Go raibh maith agat, a LeasCheann Comhairle. We are well into the afternoon and are, quite rightly, having a lengthy debate, if not necessarily an entirely useful one. I will put some context on the issue. I will not refer to any other elements of the agreement announced yesterday, but I make the point that Martin McGuinness and Peter Robinson publicly announced the agreement that had been reached, which is a fairly comprehensive agreement across a wide range of issues, notwithstanding the very serious difficulties that we have all faced in the last while. Let us remind ourselves that — Mr Humphrey made this point — this debate and discussion have been going on for almost three years.

Other issues have also been going on in the last two to three years. We have had the Haass talks, and, even before them, we had the all-party group, the Executive meetings and failure to reach agreement across a range of issues, to the point at which we all know — every Member knows — that the standing of the Assembly and these institutions has been pretty low in the minds of many of the people whom we collectively represent. I think that we all acknowledge that that is a very unfortunate position to be in. We owe it to the people whom we represent to do the best we can on their behalf. We know that people out there are struggling to get a good education, a proper health service, a job, good opportunities and support when they are in need of support, whether that is through welfare or any governmental intervention. That is the context in which we have to see this.

The agreement that we reached, which has brought us to supporting an LCM today, is part of a wider agreement. Let us not forget that we cannot deal with the issue in isolation. Only if it

were possible to deal with the issue in isolation would we all be in a better position than we actually are. I hope, and expect and believe fervently, that, when the people outside whom we represent come to terms with what is in the agreement and what is across the range of issues, we will see that they are, generally speaking — I mean this in the round — better off as a result of an agreement than not having an agreement.

No one has dealt with the elephant in the room: if we did not have an agreement, and if we did not have an agreement now, we would have no political institutions. Nobody, in my view, would realistically and sensibly argue that having no political institutions here and having none of the political representatives exercising their mandates and trying to do their best for the people whom we represent would be a sensible outcome. I hope that it never comes to that. I make it very clear that whilst the parties here have to deal with issues, whether welfare, health, education, employment or any of the other matters that are pressing down on people, no one would suggest that the parties here do not have a responsibility to be seen to working together in the Executive.

In the last few days, in this agreement, we have approved an official opposition. Personally speaking, if I had my way, there would not be an official opposition because I think that everybody should work together and shoulder the responsibility around the Executive table to help this society move from the period that we have come from: decades of conflict, discrimination, direct rule and misgovernment. I believe that the problems that we all face deserve — and we should, rightly, expect — that the parties that have a mandate work together, not pretend that they are in opposition and certainly not when they have not put forward a single proposition as an alternative to what has been agreed. I have heard a lot this morning and afternoon, but I have not heard a single proposition from any party or Member here. Not one person has come up with an alternative.

Earlier, someone said that we do not know what the pot of money is, where it will come from or whether it is enough. That was the deputy leader of a party that has come to the House to say that it does not support this initiative, but he does not seem to know where the money is coming from — £585 million of mitigations — for people on benefit and, at the moment, for the people receiving welfare or tax credits whom we are trying to help. The deputy leader of a political party can come to the Chamber

and say, "We do not know where the money is coming from", and ask, "Is it enough?".

Let me explain this: the money is coming from the block grant; it is coming from every person we represent. The choices are made because the British Government that we are dealing with ideologically and dogmatically intend to slash and burn welfare, public services and obviously, even more recently, tax credits, even though they promised their own people during the recent election campaign that they would not touch tax credits. You know what? They did. Whatever little bit of a setback they got in their House of Lords, nobody in this Chamber knows what they will come back with. What we do know is that they will come back with further cuts to our grant and to the people who depend on welfare or tax credits. They will come back with those measures.

Therefore, we have to recognise that we cannot say — no one in the Chamber can say — that we will defend all those people to the last penny that they will lose. In fact, I am glad to hear that nobody has suggested it even today. Let us just scotch that and deal with it. People say, "Well, what has changed since when we made those commitments?". By the way, it was not just Sinn Féin that made those commitments; other parties made them, too. What has changed is that the people of Britain elected an unfettered Tory Government. That is what has changed. That is the same Government that, no later than Friday in the negotiations, said that if there were no agreement on this or the legacy issues, there would be no agreement whatsoever. I would like anybody who wants to spend the day decrying this initiative or the agreement to spend a little bit of time telling us how they got on in their own negotiations with the British Government. Did they get any additional money out of them? Did they get any promise from them that they would not slash and burn welfare? Did they get any promise from them that they would not attack public services continually?

Conor Murphy and I, with other members of our party, met a whole lot of other Members round the Chamber in the bilateral talks. We asked parties directly how they got on when they were talking to the British Government, "Did you get any money out of them?". No. "Did you get any commitment from them that they would stop cutting welfare?". No. Do not come into the Chamber and decry the rest of us for trying to do the best we can. I do not stand here and say that British Government policies on welfare, or many others for that matter, are good policies. Of course, they are not. They are not my Government and I do not want them to be

my Government. I am quite glad that they are not my Government, but I am stuck with them.

They are holding this place over a barrel.

3.45 pm

For me, whatever came out of the range of issues in the negotiations and the agreement, all the parties here, bar one or two, were involved in the negotiations, that is fair enough, and I accept that. I can understand that a party that was not part of the negotiations can criticise the outcome. I might not agree with them, but they may have the integrity to say that they had a particular view. However, I cannot accept that parties that were involved in the same negotiations that we were involved in can come to the Chamber and talk for as long as they want to but do not have a single alternative to put on the table. That is what is missing in this debate; there is no reality check.

We heard from parties that said that they had a route map. Party leaders — I am talking about Mike Nesbitt — went down to the talks saying that they had a route map to get us out of the mess that we are in. Where is the route map? I have not seen it yet. We had parties saying that they had a prosperity plan. When I asked Alasdair McDonnell, the previous leader of the SDLP, for his prosperity plan, he told me that Fearghal McKinney was just putting the finishing touches to it. We still have not seen or heard about this great prosperity plan. I am still waiting anxiously to get it, because if somebody can show us how we bring greater prosperity, then I'm your man. I might even consider voting for you. Mind you, it will be a tough call to make.

Let me be very clear and very honest about this. I want all the parties around the table to contribute to the solution. We have come out of a situation in this city, so let us bring ourselves back to reality. We can talk all we want about welfare and a range of other issues, but we were confronted in the last few months with the murder of Jock Davison in the Markets, followed by the murder of Kevin McGuigan in the Short Strand. There are some politicians in this Chamber who, shamefully —

Mr McKinney: Will the Member give way?

Mr Maskey: — I am not taking any interventions, sorry — shamefully exploited those killings for narrow, party political interest. They did that to their shame, but, lo and behold, implacable opponents around the table and in this Chamber were able to get together to work

with the two Governments and other parties to try to resolve those issues.

Some people may think that they are not all approved, and people talk about the legacy issues. An SDLP contributor said earlier that there was no deal on the legacy issues. There was a lot of agreement, as he knows, on the legacy issues, but that part of the agreement fell down on one point, which was that the British Government said that they would not compromise what they called their national security. There is not one victim or survivor of our conflict, particularly one who has lost a loved one, who is going to thank anybody around the table who would support legislation at Westminster that will allow the British Government to continue the cover-ups that they have been involved in for decades. I am not making any apology on behalf of Sinn Féin for not agreeing to the legacy aspects of the talks.

We agreed all the structures, and it was very good that there was agreement across all that. However, you cannot then say that we are going to set up these institutions, but, by the way, we are going to underpin it with our own get-out clause, which was what the British Government wanted to do. They told us last week that, if we did not agree to that, there would be no agreement. We said, "Well then, so be it, there is no agreement". That is why we are here today. The legacy issues are not included in the agreement, and I deeply regret that. Let me remind some Members that I was a victim of the conflict, so I know what it is like personally and directly —

Mr Deputy Speaker (Mr Dallat): Order. I encourage the Member to return to the motion before the House.

Mr Maskey: Go raibh maith agat, a LeasCheann Comhairle. I will do that; I just wanted to provide a little bit of context and a reality check to some Members who have contributed to the debate today.

I just want to make it very clear that Sinn Féin and the DUP — more accurately, the First Minister and the deputy First Minister — have reached a deal between their respective parties, and the two Governments have signed off the agreement. Today is not about us abdicating our responsibility on welfare or anything else; far from it. This is about us taking our responsibility seriously. We are not coming here with empty rhetoric, telling everyone what the problems are. I know what the problems are; I could write the script for what the problems are. I could go to any one of our offices' advice workers who will tell you

exactly what the problems are, problems that people are facing day in and day out. That is not only people from the nationalist community that we are told that we represent. I am talking about people from the unionist community and the loyalist community who come to our offices to seek our support on welfare and issues of that nature, and who want to get help, whether they are on welfare, whether they are on sickness benefit or whether they are trying to get a job. We help those people as well, and I am privileged to say that we have the opportunity to do that and do so.

We will not for one second abdicate our responsibility to those people. We are endeavouring to do our best to give them as much support as we can so that, despite the worst efforts of the British Government to have a slash-and-burn policy on welfare and to attack public services, the Executive, even though they are not getting the support from other parties that have members on the Executive and the party that has walked out of the Executive, are doing their level best to support people. Whether it is on the regional rate or supporting the manufacturing industry, or whether it is the Minister of Agriculture and Rural Development trying to help people in rural communities and all of the rest of that, John O'Dowd as Minister of Education or Mervyn Storey as Minister for Social Development, the Executive are trying to make sure that we are supporting disadvantaged communities, because that is what they are there to do.

We have a job of work to do, which is to stabilise the political institutions. One way of doing that is to keep the political institutions, and we would not have been able to keep them if we had had no agreement reached in the past number of days. To the parties that were, in my opinion, never intending to reach an agreement, I say this: shame on them. At the end of the day, the people will make their choice on those parties in the election in the next number of months.

Let us be very honest about this: we all know that the Ulster Unionist Party never had any intention of reaching an agreement. It never intended to have an agreement. In fact, one minute, the leader of the party was in the talks and, the next minute, he was out of the talks. The next minute, he was saying, "We have agreed a pot of money for welfare, but we are not agreeing anything else", or, "We are not putting in a paper because you never gave us any papers back", or, "You did not take any notice of our last paper". That is the stuff of five-year-olds, but, at the end of the day, the rest of us got on with the work.

I have to say the same thing about the SDLP. I do not know whether it supports the package on welfare. It has not actually said that. I can take the SDLP's point about it not wanting an LCM to go through and wanting one day for a debate in the Assembly. In October, Mr Attwood asked for a one-day Consideration Stage, so I am not really sure what the SDLP's position is on the package. Let us remind ourselves that the package that we are talking about today and that is going through as the result of an LCM is under section D of the agreement. It is very precise. I presume that the Minister will answer formally and directly himself a number of the questions raised when he is on his feet later. At the end of the day, what we are supporting here is the series of measures that were agreed earlier on in the year among the parties. They all said that they wanted split payments so that people would not have to get payments every month but would instead have the choice. We are talking about lone parents who are trying to go for interviews and so on having latitude to do so because they do not have the childcare that may be available elsewhere. We are talking about a figure of £585 million over four years, and that will be spread across people who currently will lose out as a result of welfare reform or the changes to tax credits. We have all agreed, I believe, that the panel led by the eminent professor, Eileen Evason, will have a very tough job of looking at how to mitigate the situation using the envelope of money that has been agreed.

I heard interviews on the radio yesterday, including those with commentators. One commentator on the BBC said that Sinn Féin has not done enough, yet the person on after said that Sinn Féin has done too much. You can either put too much money into welfare support or you can put too little. It is a judgement call. At the end of the day, we are, broadly speaking, satisfied. Even though we would want 100% support for everybody, that was not doable, and that is the bottom line. What has changed? What has changed is that there is an unfettered Tory Government in Westminster. The bottom line is that, unfortunately for me, the people of Britain returned the Government that they have. That was their democratic choice, but, unfortunately, it impacts very negatively on us. Our job has been to try to do our best to support the people we represent.

The final part of my remarks concerns the fact that Members have talked about the people in Scotland or Wales or England. There is nobody in Scotland or Wales or England who is getting access to this level of support, and I add that

nobody in the Twenty-six Counties is getting it either.

We have managed to get a pot of money of almost £600 million to be spread over four years. It is regrettable that we have to do that because that money will come out of our block grant. People have argued that that money would have been better spent on hospitals, schools, the arts or disadvantaged communities. Of course it would, but a lot of other measures in the overall agreement seek to address all those issues. We need to make businesses successful, give our young people, in particular, hope, and to support people, so we are making choices against the austerity programme and the dogmatic and ideologically driven austerity measures coming from the British Government in London. The same measures are coming out of the Oireachtas in Dublin, I have to say.

We have been doing our level best to support people out there who need it. That means that it does cost the health service and the education system, but we are prepared to make those choices because everybody in this room wants the same things: we want to maintain no prescription charges, lower tuition fees, no water charges, and the list goes on. I mentioned some of the other aspects earlier. It is not until we get the financial levers that are currently held by Westminster that we can seriously and fundamentally seek to restructure our economy. This is not a sovereign state. People need to remind themselves of that.

I hear people talk about a dysfunctional Assembly. People out there do see this place as dysfunctional, and I regret that, because, for the first time in my many years as an elected representative, in the last couple of years, I have actually felt that I really do not want to be in this Assembly. I am not interested in working in an Assembly that is not delivering for the people whose vote I am privileged to have. I do not to be party to an institution that will not deliver for the people, or at least try its best. That is what we are here to do, and I think that all the parties need to work together to deliver for the people we represent, even though we may disagree on some aspects of the issues.

However, not one Member who spoke today has said that the £585 million should not be put in a pot to give to people. Not one Member who spoke today has said that Eileen Evason should not be given a panel, that money and the role to try to determine how best to use that money to support the most vulnerable. I look forward to Professor Evason's panel report in

January so that we know exactly what that means.

I will you what else has happened. The First Minister and deputy First Minister yesterday committed to accepting the proposals from that independent panel. So when Members here say, "I want to know what it is. I want to scrutinise it", fair enough; that is grand. But this package of support will not be subject to party political dispute. This will not be subject to any one party saying, "Oh, there's my favourite", or, "There's what we want to support." These are the eminent experts in the field who will look at the situation facing them, and they will determine how best to spend the money. I repeat for the record that £585 million will be put at the disposal of that panel to distribute through the system here in the best way possible to support people in need.

On that remark, I will conclude. As I have said, I hope that what we have in the overall agreement is a fresh start. People can ridicule a title and call it whatever they want. I just hope that, when we get beyond today, people out there see that at least the Assembly is starting to work again. I would rather they were hearing that with universal unanimity from all the parties. If that is not the case, so be it. But I know one thing: I accept the integrity of Peter Robinson and Martin McGuinness when they both spoke yesterday and said that they were determined that this, indeed, will be a fresh start, and I look forward to seeing that happen.

Mr Allister: I am not sure the last Member who spoke was so much addressing the House as seeking to address and mend fences with his electorate, who, of course, were so grossly misled by Sinn Féin as to the die-in-the-ditch response that they would forever make to welfare reform. Of course, the truth is that, today, we are debating the most colossal climbdown by Sinn Féin on the welfare issue. Indeed, this agreement, which brings us here today, is typical of the trade-offs whereby the Government operate for what passes as working in this Province, in that there is again in this agreement a massive trade-off; a trade-off of climbdowns. Sinn Féin spectacularly climbed down on welfare reform, and the DUP even more spectacularly climbed down on paramilitarism, and so we get the product which is this agreement.

4.00 pm

The nature of that climbdown on welfare is illustrated in a number of ways, not least by the diminished pot of money that, last March, we were told was not anywhere near enough, but now it is diminished from £564 million for

welfare to £345 million — the other £240 million being for the yet uncoded, undefined tax credit consequences. So, what was unacceptable in March — £564 million — is now, when it is reduced to £345 million, a good deal, according to Sinn Féin.

The £564 million was to be spread over six years, and that was giving something like £94 million a year. The £345 million is now to be split over four years, giving something like £83 million a year. So, the pot for meeting the shortfalls in benefits, far from being increased — and we were once told that it would take another £300 million, I think it was — has been radically diminished. Yet, we are told through contributions like that from Mr Maskey that this is a great deal for those he represents. Patently, it is a less good deal than what was available at the start of this year.

A question that has not really been addressed in this debate is this: where is that £585 million for welfare and tax credits coming from? One thing is clear: there is not a penny of it coming from Westminster; oh no. It is coming off our constituents who rely for many basic services on the block grant, and the largesse of the two dominant parties is that, in order to placate and keep the benefit level artificially high, they are going to cut the cutters. They are going to cut the block grant in key areas, be it education, environment, agriculture, whatever. It is secondary to sustaining and obtaining the £585 million for benefits and tax credits. So, the loser in much of this will be the non-benefit claiming constituent who will find that services that he already thinks he pays richly for will be diminished to the tune of £585 million. According to those who claim to know, or think they know, that is a good deal.

The other question that immediately arises is this: what happens at the end of the four years? We are going to have GB benefits flatlining or worse. We are going to have Northern Ireland benefits artificially sustained at a higher and widening level, and then we reach the end of the precipice when the money runs out, and what happens then? We are creating and storing up a huge crisis — far bigger than the one that is said to face us in recent times — because there are only four years of purchase on this subsidy.

What happens then? Is it back to — who knows what crisis number it will be then? — another round of crisis talks? That seems to be the limitation of the thinking of those who brought us here.

What about the great benefit warriors who were going to deliver and die in the ditch over benefits? Yesterday, they crashed, conceded and climbed down in the spectacular manner that they did. We heard why. We heard it from Mr McGuinness, when he told us rather plaintively, "If we had not done this, I would not have a job. There would be no deputy First Minister because there would be no institutions". There it is: saving the institutions is much more important than benefits and those dependent on them. We heard it from Mr Maskey again today. The great benefit warriors turned turtle and ran pretty fast when the threat was made that there might be no Assembly. Their jobs mattered much more than anything else.

Today, we have the inappropriately named legislative consent motion. I spoke this morning about the fact that three of the four issues in it were not adequately before the House. It seems that, after the House met, there appeared on the NIO website — on prompting or not, I do not know — a copy of the Northern Ireland (Welfare Reform) Bill. Fair enough, I can cope with it; it is three pages. Even I can assimilate that in the time available. However, there also appeared the draft Welfare Reform (Northern Ireland) Order 2015, which runs to 126 pages. How many people who will dutifully troop through the "Yes" Lobby tonight will have read even six of the 126 pages of that draft Order? Not very many, I suggest. That will not trouble the fodder that populates many of these Benches — they will do what they are told — but I, for one, will certainly not lend my assent.

Let me make it plain: I have no issue in principle with legislative consent motions or with inviting the Mother of Parliaments in the United Kingdom to legislate. I have no difficulty whatever with that, just as some others, from rather surprising sources, now seem to have no difficulty with that, but I do have difficulty with signing blank cheques. I am not prepared to consent to that which I have not been able to read, study and reach a view on. That is why we should not have even been asked to do it today.

The one document that we had adequate notice of was the Welfare Reform and Work Bill and its welfare clauses. Those welfare clauses, as Mr Attwood articulated, encompass some very strategic issues. They encompass the £20,000 benefit cap. The amazing thing is that some of the people who will vote tonight, in the words of the motion, to approve those welfare clauses come from parties that, in Westminster, went through the Lobbies against those clauses. Take the Democratic Unionist Party. At Second

Reading and Third Reading, its MPs voted against the Welfare Reform and Work Bill. Some of them, like Mr Wilson, spoke against it, but tonight their MLAs will vote to approve the very clauses that their MPs voted against. There was expediency somewhere, whether in Westminster or Stormont. The expediency was there, in one place or the other, and that is how they will vote tonight.

We then have the approval of the motion and:

"the Executive's proposals to enhance payments flowing from the agreement announced on 17 November 2015".

No doubt the Minister will correct me if I am wrong — indeed, he might even correct me if I am right — but those have to be the proposals that will emanate from Professor Eileen Evason. They are certainly not in the agreement. The agreement manages in a page and a third to deal with welfare and tax credit top-ups. It does not tell us what the Executive's proposals are to enhance payments flowing from the agreement, so it can be only what the professor tells us are her proposals.

It is a matter for every Member, but I, for one, will not vote for something that I have not seen, for something of which I have no idea what the content will be or for something that I have no idea how it will affect my constituents. We are being invited to rubber stamp blindly in advance whatever it turns out to be or whatever is adopted as the Executive's proposals, even though those proposals will affect every one of our constituents. How could anyone say that they are representing their constituents in the House and engage in the absurd exercise of voting blind for something of which you have no idea what the contents will be? Although I am not at all ideologically opposed to legislative consent motions, I will certainly not vote for one that asks me to vote blindly for something that I have not seen and, I imagine, no one will see for weeks if not months.

The proposition really takes us to a level that is so surreal that it is unbelievable. In my book, these are obviously politically convenient for some because the overriding desperation was to have a deal — any deal, as it turns out. That seems to have been the motivation of both parties: any deal will do, and this is it. To protect their blushes, they came up with a wheeze: "We will get Westminster to do it. That will keep our fingerprints off it. When public memory fades a little, we will be able to say that the British Government did it; we did not vote that through". Today, not only will you vote that through but you will vote it through in ignorance

of what it is that you are being asked to vote on. You will then go back to your constituencies and say, "Elect us again. Don't we do well representing your interests?". I am glad that, in six months' time, we will all face the verdict of our electorate, and I will be quite happy when some are asked about the climbdown on welfare and some are asked about the climbdown that involved sweeping murder under the carpet.

4.15 pm

Mr Agnew: I welcome the fact that we are back here, debating business, albeit in this extra sitting. I welcome that an agreement has been made. I might not agree with much of the content of it, but I welcome, nonetheless, that we can get back to doing business as usual in the House. Many outside the House have lamented the time wasted with in-out Ministers, the lack of legislation and the lack of Executive meetings in the intervening period. I briefly make the point that, whilst the Executive have been away, no less than three pieces of legislation have come forward from this Bench alone. So, while the Executive have been away, the Assembly has been at work. The new deal does not enhance the powers of these opposition Benches. We have the unique situation whereby, to be in opposition, you have to qualify to be in the Government. That seems somewhat unusual, at best. However, we on these Benches do not wait to be empowered; we empower ourselves.

My party proudly stood against the welfare cuts that came from the Tory Government. We did so from the Second Stage, when there was no top-up fund; and we did so at the Final Stage, when we believed that the top-up fund was insufficient, and we asked that more money be allocated to such a fund to ensure that as many people as possible in Northern Ireland could be protected. I cautiously welcome what appears to be an increase in that top-up fund.

I stand vindicated in the action that I took to block the previous Bill, as it proposed to cut the incomes of some of the poorest in our society. I stand vindicated in the continual challenge that we put to Sinn Féin in its assertion that the previous deal would have left no one in Northern Ireland worse off in benefits under the control of the Assembly. That was never achievable. Even had the demands that came forward from the Green Party been met, we would never have claimed that it was achievable. It was a disservice, particularly to those with disabilities, who would have lost out under that deal had it been passed. I welcome that Sinn Féin, in the end, voted against that

deal, but it did not take an ard-fheis for the Green Party to see that the figures simply did not add up. We highlighted those figures and, in my view, there was no dupe from the DUP in that case. The figures were on the surface of the Bill and on the face of the Stormont House Agreement. They never added up, and they never could, to no one being worse off.

The deal we are presented with today is, I believe, a better one. There will be hurt. We cannot say that no one will be worse off, but it has been pointed out that we are in the context of an unfettered Tory Government, which, on top of its previous £12 billion worth of cuts to welfare, are making huge cuts to tax credits that are estimated to affect over 100,000 families in Northern Ireland.

As I said, I give a cautious welcome to what I see as an improved deal, because the devil is always in the detail. Indeed, it was the scrutiny of that detail that led me to reject the previous agreement. I wish to pose a number of questions to the Minister and hope to get answers today.

The agreement states that the sum allocated to the top-up fund incorporates the present discretionary fund. I would like to ask the Minister, in each of the past three years — or from whatever figures are available — how much that discretionary fund amounted to and whether it was a part of the original Stormont House Agreement. My understanding was that the top-up fund in the original Stormont House Agreement was on top of the discretionary fund. I liked Mr Allister's line:

"No doubt the Minister will correct me if I am wrong — indeed, he might even correct me if I am right."

So I seek the Minister's input on that. Is this a change? Is there a concealment to massage the figures of this element of the discretionary fund being added in, and, if so, to what value, because that may make a significant difference to what, on the surface, looks like an improved deal.

My next question is one I asked through all the stages of the last Bill. When we are told that there is no bedroom tax, is the Minister giving a commitment today that there will be no bedroom tax whatsoever? In a debate on the previous Welfare Reform Bill, despite assurances in the Stormont House Agreement that there would be no bedroom tax, the Minister stated:

"the Executive have agreed to create a separate fund of £17 million per annum that will mitigate the impact of this measure by protecting existing and future tenants from any reduction in their housing benefit unless there is a significant change in their personal circumstances or they are offered suitable alternative accommodation." — [Official Report, Vol 101, No 9, page 24, col 2].

I would like to ask the Minister this: are there any circumstances in which the bedroom tax will apply? Specifically, if someone does have a change in circumstances — for example, a child leaves the home, vacating a bedroom, and there is suitable alternative accommodation available — will that family be expected to move or face a cut in housing support? Or will that be at the discretion of Professor Evason? Can the Minister say definitively that there will be absolutely no application of the bedroom tax?

Another issue that vexed my party is sanctions. We sought to amend the previous Bill to make sanctions less punitive, and we still stand opposed to a maximum sanction of 18 months — 18 months' cessation of benefits that may be for the individual concerned their only source of income. As I argued then, no one makes a choice that leads to their only source of income being cut. Having worked in the homeless sector, I have sat with people who have been on the receiving end of benefit sanctions and have known the circumstances, whether mental ill health, learning disability, court appearances or whatever, that may lead an individual to miss an appointment.

Knowing those circumstances, I cannot support or comprehend a system that would cease someone's benefits for up to 18 months. Can the Minister guarantee that, as is likely to be the case, the legislative consent motion is passed today and Westminster legislates for the sanctions, they will be the choice and action of last resort? I have asked him before, and I make no apologies for raising the issue again. Will he guarantee that, in Northern Ireland, we will never set a target for the amount of money to be saved through sanctions? To be fair to the Minister, his Department and its agencies, I have never had raised with me any suspicion that a target was being applied in Northern Ireland, but I am asking for that commitment, because we have seen the evidence from Great Britain that targets were set for sanctions to reduce welfare spend. In my view, that is immoral. I ask for his guarantee that that will never be the case in Northern Ireland.

What happens after four years? I am very concerned about the timing. I know that no Assembly can budget ad infinitum, but I worry about the timeline. In the agreement that proposes a top-up fund over four years, there is an agreement to cut corporation tax to 12.5%. My concern is that, when that point comes, the cost of corporation tax of up to £300 million a year, which is the latest figure from the Treasury, would mean that a future Executive would make the decision that that top-up for welfare would no longer be affordable. As evidence of my fears, I will quote David Ford speaking at his party conference earlier this year:

"We can't protect vulnerable people if we have to take another £200 million or more out of public services to fund further adjustments to benefits ... And we can't make the step change in job creation if we can't afford to reduce corporation tax."

It is clear from that statement that, when it comes to a choice between protecting the vulnerable and giving a tax break to big corporations, there are those in the Assembly who would put the tax break first, over the needs of the most vulnerable in our society. They would cut welfare rather than maintain our level of corporation tax.

The document that we were presented with yesterday speaks of a review after four years. If the Minister can give any detail of the nature of that review and of what power the Assembly will have in influencing and giving power to any conclusions that come from it, I would appreciate that information. Whilst this may give us a better deal on welfare reform than we had before and a better deal than the rest of the UK, I would still not say that it is a good deal. As I said, many of the poorest in our society will suffer as a result of the proposals. However, my fear is that, while we may have a better deal than GB, in four years' or six years' time, we will just have full-scale Tory cuts to our benefits system in Northern Ireland. That is why I cannot support the LCM. I cannot cede further power on this issue to the British Government. It is why, throughout our previous debates on the Welfare Bill, I asked why the concessions that we claim to have got on how we do benefits in Northern Ireland and the deal that we got for our people could not be enshrined in legislation.

I note that the reduction in the duration of sanctions will be in the Westminster legislation, but I also note that the bedroom tax will still be legislated for there. We will have the very strange situation that, if there is deemed to be underoccupancy, we will cut someone's

benefits and then top them up again. If we had the power in our own hands, legislated ourselves and ensured that our legislation did not include the bedroom tax, we would simply not apply that cut to people's benefits and would not have the ludicrous situation that we take with one hand and give back with the other. That is inefficient, and, my fear is that it will only pertain in the relatively short term and we will see the bedroom tax introduced in Northern Ireland in the future.

4.30 pm

I am not compelled by the argument that there was not enough time to pass legislation through the Assembly. I have to question the motivation for presenting us with an LCM today rather than another welfare reform Bill. The DUP and Sinn Féin, who have agreed the provisions outlined in the document released yesterday, have the numbers to push the legislation through. Legislation can pass through the House within three months, which is the time available to us, so I ask whether it is a lack of trust that both sides — the DUP and Sinn Féin — will stick to the agreement. Is it an unwillingness to allow the level of scrutiny that it would receive should it come through the House? Is it simply, as Mr Allister suggested, that parties want to pass the LCM today and then blame the Conservative Government for passing the legislation in Westminster? It seems that that ties in with the narrative of the establishment of the working group under the leadership of Professor Eileen Evason to make the difficult decisions on who gets and who loses out so that, again, the parties of our Executive — in particular, the DUP and Sinn Féin — can wash their hands and, indeed, wring their hands when unpopular decisions are made. They can say, "Well, that wasn't us, and, in fact, we're opposed to that decision". My comments are no reflection on Professor Evason but a reflection of how I believe good governance should take place. It should be open and transparent, and decisions should be taken in an accountable manner.

While I give my cautious welcome to the increased top-up budget and wait to hear a reply to my questions from the Minister, I cannot support the LCM today, as it gives further power to a Government who have done nothing but attack the poor, the vulnerable and the low-paid.

Mrs O'Neill: Go raibh maith agat, a LeasCheann Comhairle, at this stage of the day, when plenty has been said and we have been debating the LCM for hours — that is fine; it is good to have debate — and without rehashing a lot of what has been said today, I

think that one of the key things that my colleague Alex said was that we could not look at the LCM in isolation. We are debating the LCM today because we have a political agreement on the way forward. In debating the LCM, it is important that we continually put that in context when we consider the discussions that we have today.

Throughout today — I have listened to most contributors — we have to remind ourselves of why we are elected: we are elected to make change. I am here to defend the people who elect me and all the people across the North.

We have a job — a collective job — as Assembly Members and as an Executive to stand up for the most vulnerable, the working poor and public services. That is certainly what I am about and what my party is about.

You have to remember why we are having this discussion and why we are in a financial crisis. We are in a financial crisis because the Tories were elected. We are in a financial crisis because they have continually stripped the block grant and our public services and they have continued their attack on the working poor and the most vulnerable in society. I am not apologetic for defending and mitigating, where I can, all those attacks.

When we are out and about, we can all probably reflect upon the fact that, when we engage with people, they want the institutions to work. If the institutions are to work, we have to negotiate, we have to come to political compromise and we have to work together. In this instance, we and the DUP have shown leadership in the political agreement set out before you.

I have listened to a lot of contributors today who said that they have not had the chance to read the Bill and this, that and the other, and that they do not know what is in the Order in Council or what the LCM is referring to. You do. If you do not, you are not doing your job properly. All those things are published and are there for people to read and reflect on.

The bigger picture is that no deal meant these institutions coming down. No deal meant the Tories continuing their onslaught across all the areas that I previously referred to. No deal meant these institutions closing down, with us leaving the public, the population of the North of Ireland, subject to a continual onslaught of Tory cuts in whatever form they decide to take them over the next number of years.

Mr Dickson: Will the Member give way?

Mrs O'Neill: Let me go through what I want to say. If I have the opportunity later, I will let you in if I think that it is appropriate.

We cannot get away from the financial crisis that we are dealing with: the fact that the Tories will continue to raid our block grant.

The best deal that we could have got at this moment in time is the deal that has been presented, and the route that we have set out to deal with the legislative consent motion is the right approach, as it allowed us to protect the most vulnerable and secure these additional moneys. I note that a lot of the parties objecting to the LCM approach are those that, in the past, said that we could not get more money. We got more money; we got a pot of £585 million over four years to protect the most vulnerable. It is only right and proper — I believe that all parties in the House agreed it at some stage over the last number of months — that we also need to protect the working poor; those who are trying to make a living and are dependent on their tax credits to shore them up. All parties agreed to that in the past, yet and all today they want to reject that part of the deal. That is what everybody does: they cherry-pick the parts of the deal that they like; they cherry-pick the parts that they do not like.

Without the deal and the LCM going forward, the whole thing would have fallen. In my opinion, and that of my party, the fact that we have a deal is because we believe in showing leadership and standing up for the most vulnerable in society. I certainly believe that that is what we have done.

I listened to a lot of the contributions today about the legislative route. Let us be very clear and let us also be very matter of fact about the process that will happen: the agreement sets out a time-limited process; it also sets out a sunset clause. It is a process that allows the money that was originally earmarked for fines to go back into the system. It is a process that is clearly defined. It does not dilute the powers of the Assembly, in that we are giving permission for the action to be taken. It is a bespoke process that allows the whole deal as agreed to go forward with the envelope for welfare and tax credits. I believe that the panel will use that envelope to the best effect in how we support those who are being attacked by the Tories. Will it do everything that we want it to do? Absolutely not, but the Tories moved the goalposts when they made their July statement and started to attack the working poor as well. It is right and proper that we look towards how

we can mitigate the worst effects of that to the best effect with the envelope that we have.

As I said, I could have written the script for many of the contributions made in the Chamber. There are those in the Chamber who, no matter what we agreed yesterday and no matter what was put in the agreement, would always have said no. There are people in the Chamber who continually say no to absolutely everything. I refer to the SDLP in particular and pick up on some of the points that Alex Attwood made earlier. The SDLP has not said yes to anything since 2007. The SDLP said no to budgets. The SDLP said no to the Programme for Government. The SDLP said no to the Stormont House Agreement, yet and all it has been part of a process over the last number of weeks and months and has been part of implementing the Stormont House Agreement. There are all those contradictions, but they are not for me to answer; they are for the SDLP to answer.

We must not lose our sense of what we are about. We are about representing the needs of the people of the Six Counties. We are about working towards protecting those people to the best effect that we can. We are anti-austerity. These institutions are the only vanguard against the Tory austerity agenda. If we were not here, I certainly would not want to explain to people at their door why certain people and political parties in this institution want it to fall and for the Tories to come in and do their dirty work. I am certainly not going to be about that. I am going to work with those political parties that are progressive. I will be about working with political parties that want to stand up for the most vulnerable. We can make a difference. Our Executive can make a difference. I believe that the public want the institutions to work to their best effect. As I said, the institutions are the only way we can protect our people from the worst excesses of Tory austerity. I believe that they are the best way of delivering public services for our people, including the most vulnerable, and for creating economic growth.

The agreement that is set out clearly looks towards how we can have a prosperous economy that we can grow in the future, how we can protect the most vulnerable and how we can target resources towards those in most need, as well as the public services. There are those who will want to continually cherry-pick the deal and electioneer on all aspects of it. That is all right; you can do that, but I am confident in what we have done, which is to be the only vanguard against the Tory austerity agenda, and I will continue to do that over the months ahead.

Mr Deputy Speaker (Mr Dallat): I call Dr Stephen Farry, and could I please encourage the Member to refer to the Welfare Bill.

Dr Farry: Thank you very much, Mr Deputy Speaker. I do not think that we are at all in the situation of giving ourselves a pat on the back. Those who claim that they are exercising leadership on this issue need to reflect on the fact that we have been put through the mill on welfare reform over the past two years at least. Severe damage has been done to our budgets — self-inflicted, made-in-Northern Ireland damage — never mind that made by the Conservative Government. That damage has impacted on our public services, not least because we have been handing money back to Westminster that could otherwise have been put to good use locally. So, the fact that we now have a limited deal around how we take forward welfare reform cannot be a cause for celebration. Indeed, it is barely even a cause for relief.

We find ourselves in the extremely strange and very uncomfortable situation that we are now relying on an LCM for Westminster to legislate over our heads because, in essence, we have run out of road and options to ensure that our finances are sustainable. Sinn Féin in particular finds itself in the bizarre situation of being happy to ask the Westminster Parliament to legislate on these matters when, in turn, it does not recognise the legitimacy of that Parliament in the sense that its Members do not take their seats. That is a massive contradiction that is sort of hanging out there and has not really been fully explained to us all. Hopefully, at some stage, someone from Sinn Féin will explain how it can reconcile those two points.

I want to comment on how my party can support the LCM in the context of the deal that was announced yesterday and the deadlock that we have seen around welfare reform. At this stage, Alliance is not in a position to endorse the deal as a whole. We have said that we will look at individual aspects and assess what is in the best interests of Northern Ireland as a whole, and not the interests of our party or narrow party advantage. I want to make things very clear. There is a narrative here where the DUP and Sinn Féin are claiming that they are the ones prepared to take difficult decisions and other parties in the Chamber are not prepared to take their part in those. We are somehow getting the view that the DUP and Sinn Féin are the only grown-ups in the room and everyone else is acting like children and toddlers. People are raising quite legitimate

issues today, not least about the timescale within which this debate is occurring. It is important to reference, in that regard, that even yesterday's agreement by the DUP and Sinn Féin, along with the Governments, makes provision for this LCM to be discussed on the week of the 23 November; it does not necessarily have to happen this week.

4.45 pm

We are concerned about gaps in the deal and a lack of clarity around public finances. Above all, Alliance is prepared to stand up for good governance and sound financial management. Often, when we have opposed or criticised Budgets or expressed reservations around particular agreements etc, we have been accused of trying to duck out of our responsibilities. We have often criticised the so-called agreements, or have sometimes criticised or opposed Budgets, not because we are trying to avoid difficult decisions but because we do not recognise that they are sufficiently strategic or comprehensive or that they have lived up to the billing that people set out when they started on processes. We often find that the other parties are ducking the difficult decisions. Our criticism is not based on the fact that difficult decisions have to be taken and that we are, somehow, opting out; it is because the parties that are driving the process have ducked the difficult decisions, with all of the knock-on consequences that flow from that.

I will give one clear example. My party is more than happy to stick its head above the parapet and recognise that, as is the case in virtually every other mature democracy around the world, we have to engage in a degree of revenue raising when we are looking to balance our Budgets, particularly when our Budgets are under huge pressure. We are prepared to show leadership in that regard. That is clearly a risky position, given the attitudes and reluctance of the public in some respects. Nonetheless, it is important to show leadership, and that is what we have been seeking to do.

When we look at the issue of the LCM, we come to the conclusion that it is the only responsible thing to do at this time or, maybe, to turn it on its head, it is the least irresponsible thing to do at this time. Perhaps the latter way is the best way to frame it. Make no mistake about it: the fact that we are potentially voting on an LCM today is a reflection of the failure of our political institutions. It is not a cause for celebration. This is a recognition of failure and about getting ourselves out of that failure as cleanly and as efficiently as possible. Nonetheless, failure it is. These are matters

that are devolved to the Assembly. It may well be a technical devolution where we have the responsibility without the effective power, but, nonetheless, we have that responsibility, and that responsibility has been with us since well before the current round of devolution in 1998.

Obviously, we have to work within the parity principle, and that has been accepted by successive Administrations, whether post-1998 or under the previous forms of administration in Northern Ireland. That is the context in which we are operating, but it is our duty to follow through and ensure that we are balancing our Budgets and working within the context of the parity principle, albeit with the scope that we have for local modifications and flexibilities. Quite clearly, we should have addressed this ourselves through legislation and the follow-through in all of the regulations that have to follow.

We are in a mess. We have wasted time, and we have messed around. We have been on a twisted, convoluted journey, and some parties are on a more convoluted journey than others. We are in-year, we are bleeding money in welfare adjustments, commonly known as welfare fines or welfare penalties, going back to Treasury. That has to stop. We are in an unsustainable situation with our Budget. The Finance Minister has balanced the Budget for the remainder of this year, but that is balanced on the premise that we follow through on what we have to do around welfare reform.

There are massive issues with our Budget, which we will come to during a different debate, as it probably stretches beyond the scope of this occasion. We find ourselves in the situation where we have conflicting problems, in that we should, ideally, be fulfilling our duty and taking legislation through all the different stages. Like my colleague, I recognise that a range of constitutional and institutional implications arise from the fact that we are doing an LCM. This is a different type of LCM, where legislation is happening on a UK-wide basis, and, for the sake of convenience, we perhaps buy in to that legislation rather than replicate the legislation here in Northern Ireland. This is a situation where we are asking Westminster to dig us out of a hole because we have left things too late in the cycle to efficiently address the Budget gaps that have emerged. This is an entirely different context for LCMs than has previously been understood.

Mr Beggs: Will the Member give way?

Dr Farry: Yes.

Mr Beggs: Is the Member not rather uncomfortable that, in agreeing to this LCM, he is authorising approval for new draft legislation that has not yet been approved by Westminster and is still subject to amendment? What is the logic of doing that?

Dr Farry: I am massively uncomfortable with the entire situation, whether we are talking about the 2012 legislation or the 2015 legislation. Of course, an LCM can apply in a situation where legislation is still moving through Westminster, so that is not an uncommon situation for us to find ourselves in. Obviously, given the sensitivity around this legislation, people will naturally be very concerned in that regard. Far be it from me to seek to defend the deal that was passed yesterday, but the LCM applies to the status of the Bill as it stands, so we will need to return to it if that Bill changes in any significant way. That is the last you will hear of me defending the deal from yesterday. We are fair and balanced in the Alliance Party, and we reflect the facts as we find them.

We find ourselves with conflicting objectives. We want to protect the integrity of these institutions, but, above all, they are only a means to an end. That end is the good of the people of Northern Ireland, and it is important that we stop the bleeding in our public finances. We have a duty to ensure good governance, but good governance is there to ensure that we have properly funded public services and that we are investing in the key drivers of change in our economy.

Quite frankly, through the problems around welfare and other issues with financial management, or lack thereof, by the Executive over the past number of years, we are not doing our best in that regard by any stretch of the imagination. We need to turn that situation around. If we are to look ahead to lower levels of corporation tax, we need to be investing much more in skills and we need to have a proper economic plan.

I draw attention to the point that Mr Agnew was making about there somehow being a polarised choice between a lower level of corporation tax and pumping more money into the welfare system. We have to acknowledge that the purpose of having a lower level of corporation is not to give breaks to companies; it is about creating jobs and employment in Northern Ireland, and creating greater prosperity. There may well be genuine issues with ensuring that that prosperity is evenly distributed across society, and I am more than happy to have that

debate and look at how we can ensure that that takes place.

However, it is important that we reflect on the fact that we have to ensure that we not only support people who are on welfare but invest in them and see how we can move them into a situation where they have fresh opportunities. That means looking in a more general sense around areas like early years education and public health, which are reflective of intergenerational poverty and lack of opportunity. Then there are the very specific interventions that will allow people to move up and off the skills ladder into employment, such as investment in our schools, colleges and universities; investment in employability programmes that the employment service can offer; and building new apprenticeships and new systems of youth training. All of that is very important in giving people, particularly those who come from marginalised and disadvantaged backgrounds, the opportunity to be stakeholders within our economy.

Mr Agnew: Will the Member give way?

Dr Farry: Just one second.

In doing that, not only do we address those who are on welfare but we invest in growing our economy.

Mr Agnew: I thank the Member for giving way. He outlined a number of things, including investment in skills and investment in early years. How does he envisage us making an increased investment in those areas while, at the same time, voluntarily cutting our income by £300 million a year?

Dr Farry: First, we need to have a sense of balance and proportion about how much money we are setting aside for further welfare support above and beyond the default GB position. I am happy that we are doing some things in that regard.

We need to reflect on the fact that we have massive inefficiencies in the way that we are spending money in our society. We are squandering hundreds of millions of pounds, for example, on managing a divided society. We have a very segregated education system, which is hugely costly. We also have a health service that, left to its own devices, is set to have a financial pressure in the region of 5% to 6% per annum due to costs as a result of our population getting older, demographics changing and drug treatments getting more expensive.

That is not sustainable, so we need to see a realistic plan for how we reconfigure our health service.

Those are all big-ticket issues that go way beyond the efficiencies that have been listed to date in the deal that was announced yesterday. We need to address the issue of progressive forms of revenue-raising as a means of bringing in additional resource. We can do all those things. We can be smart around how we use incentives to encourage businesses to invest in Northern Ireland and grow. At the same time —

Mr Deputy Speaker (Mr Dallat): Order, please. I politely encourage the Member to return to the motion before us.

Dr Farry: That is grand. I will take your guidance, Mr Deputy Speaker, and bring it very quickly back to the issue of welfare.

Clearly, there are two sides to the coin: supporting people on welfare and ensuring that we create opportunities. There are plenty of ways, through our public finances, in which we can do that.

It is with great sadness that we find ourselves with little option but to support the legislative consent motion. It is too late in the day for us to take through legislation in the Assembly from first principles. Sadly, we lost that with the petition of concern back in the springtime. We have to get on with the issue; it has been debated ad nauseam for several years. We all know the issues, and we know what it is our duty to do. Ultimately, we recognise that it is about good governance and that, most importantly, we have sound public finances and as much money available to invest in our public services as possible. For us not to proceed with the LCM today — or next week, if we had that option — would mean that we had an ever deeper black hole in our public finances, and that is not in our interests. It is not in the interests of our constituents or of Northern Ireland, so it is important that we do our duty, difficult as it is this evening, by backing the LCM.

Mr McNarry: In the Assembly, UKIP is the only national party committed to devolved regional autonomy. That is just to emphasise the fact that there are no Tory, Labour or Liberal Democrat Members about this place. As a long-time supporter of the moving-on stakes — longer than some seemingly recent converts — I seem, for the first time, to be at odds with the twist that devolution is taking as a

result of yesterday's agreement that carries the day in navigating it between now and next May. I see nothing wrong in the motion before us, which covers the long-overdue consent to welfare reform. However, in truth, the Assembly is not consenting to the introduction of welfare reform. The two-party coalition is clearly not agreed on that; rather, it is asking for consent to strip the Assembly of its powers by taking the decision out of our hands and into the hands of London.

(Mr Speaker in the Chair)

When people call the encapsulation of welfare reform passing out of our hands a "Fresh Start", let me commend them for their imagination. Let me also condemn the temerity of those using such a falsehood as some kind of progress in the House. When things, in order to reach agreement, hang by such a tenuous strand, they will inevitably be broken when more tension is applied to the weakness so obvious in the presentation of the motion, which, at the moment, seems to be holding strands together. Let no one be fooled that the tensions are resolved in the motion: in reality, is there an undertone in the motion of a final warning from Downing Street?

5.00 pm

The people out there are, yet again, bewildered by how easy it is to turn a crisis into a victory, to go from bust to boom in a matter of hours and to move from disaster to survival and rescue. It seems now that the people outside are being asked to believe and buy into all things bright and beautiful flowing from this agreement. It is not true; in fact, far from it. I will resist saying that it is like Christmas presents for the poor, because that would belittle the poor and the needy and disrespect their unfortunate circumstances. However, people, no matter who they are, are really not switched on to the nuances in this place when they can see the darkness.

Let me put it this way: it was not welfare reform, cuts to tax credits or Tory cuts that put the Executive into a spin. They did that themselves through the poor and ineffective management of funding that they did not know how best to use or prioritise. It was they who made this country debt-ridden, not yesterday, last month or last year but more than four years ago. They have allowed the management of our money to backslide. I heard it today: they say, "We have done a deal with no further borrowing". Well, jolly good on you. It is a deal quite clearly that has no further borrowing but makes no case to

reduce the borrowing that burdens us from expanding our spending needs and developing the economy.

In effect, the motion, attached to the spin of success in meeting our welfare reform obligations, clouds the fact of a devolved Government voting to transfer power. Who ever heard the like of it? The motion does that. It concedes that Stormont has, in effect, lost its financial independence in the sense that it will become primarily an administrative Assembly judged by its paymasters in London on how effectively we manage the money allocated to us. Without doubt, if the move is to transfer the powers by consent, there must also be a pathway to consenting to have the powers returned. I ask whether a date has been thought of or even set between the two-party coalition by which to bring back the powers that we are tossing away.

The motion has to be discussed in the round of the debate, and consideration must be given to ancillary issues regarding this agreement that are of legitimate concern to people. There are consequences of transferring power, as in the motion. It is stipulated in section D 4.2 of the agreement that the United Kingdom Government — the Tories — will only:

"legislate, with Assembly consent, to ensure that the Assembly cannot consider spending plans which exceed the Block Grant allocated by the Treasury or the NIE's borrowing limits, where planned spending relies on those funding sources."

In other words, Ministers, you have been caught out; you have been caught on; and you are not to be trusted. The motion is not built on trust; it is built on a bailout. Mistrust is highlighted for us all to see in the formation of a fiscal council that, in effect, is Westminster's watchdog on Stormont, making sure that Ministers and Departments behave themselves in the future.

It is actually a move I welcome, because I called for it over a year ago. I called for more fiscal responsibility and a professional watchdog. Of course, the Executive were under no pressure from me. Why would they be? They did not take it under their notice. But Dave Boy came on the scene and, my, how times changed.

It is all financial and linked to our financial responsibilities. I fear that devolution is contemplating taking a backward step not only in resorting to handing power back but, in truth, in finding the Executive wanting in their ability to

hold on to power and their refusal to recognise that the sovereign Government and Parliament's right and role in determining welfare proposals are what we have. That is what Sinn Féin rejected a year ago but has to swallow today. It seems so clear that, on the issue of reforms, the consultative process involving an armed army council could not broker or stand over that Stormont House Christmas agreement, so we have a motion that is worked out to be a massive defeat and a retreat from the bogus stance that no one will lose a penny of their benefits, ever and for all generations. I have heard people saying that that lesson has been learnt, but it was stubbornness and foolhardiness that resulted in that stance, with millions of pounds squandered unnecessarily in payback to London — millions lost that could and would have been of help in alleviating the pain and the suffering of thousands on hospital waiting lists, today and for months, seeking relief. It is appalling that Sinn Féin has been so prescriptive and one-dimensional in this debate and this argument over welfare reform in defining the identity of the vulnerable. It is obvious that, on the Sinn Féin radar of people in pain, people waiting three or six or nine months for an appointment, let alone relief, are not, in Sinn Féin's eyes, vulnerable. They are not in that category.

The motion is the result of where two cannot agree. That is why we have it. It is a cop-out: "Let's send the matter across the water". I actually have no problem with the two combining from here as the only coalition in government in Northern Ireland. As the talks have proved, the other two or three, when it was three, were powder-puff Ministers, holding on to office for kudos. One party even walked out in a huff because it did not trust Sinn Féin. It took eight years to find that out, did it? By the time they recover their ideals and principles, they will have been rewritten by themselves —

Mr Kennedy: Hear, hear.

Mr McNarry: — into the joker's Christmas stocking, Danny.

Mr Kennedy: Everybody is wrong but you, David.

Mr Speaker: Order.

Mr McNarry: Thank you, Mr Speaker; I welcome that. These rowdies over here — what are we going to do with them?

What I am getting at is this: the transfer of power is a dangerous precedent. It does not

resolve things one iota — in this case, overturning Tory policies. In fact, it has done the opposite by reinforcing them. I have always, I trust, been swayed by practical politics, despite the fact that I am usually right. *[Laughter.]* I am swayed by the practicality of the motion, but of course I am not impressed or best pleased, as you might have gathered, with, first, the prevarication, followed by the stand-off, which was all to be rendered impotent by Sinn Féin's feeble rolling over in capitulation last night and endorsing the motion today. Of course it is a motion supporting Tory cuts, and it will be wonderful to read in Hansard tomorrow that Sinn Féin's fingerprints are all over it.

I will support the motion because of the practicalities. It is what I wanted to do a year ago, last Christmas, and what we should have done. I caution that people out there are fed up with the lot of us. They cannot believe that what could not have been done last Christmas is actually being done today. I realise that I am very restricted in this debate from going into my "No guns, no government" argument — where did I hear that so long ago, and where are those people today? — and the shame of an armed army council in control of Sinn Féin in that Government, but it is out there. The motion, in its context and content, is not being given a thought. It is what I said: out there, people do not think that we care any longer, so they do not care about us. Church bells will not ring all over the country to celebrate the transferring of welfare reform to London. As Mr Farry said, the actual doing of the motion in itself represents a monumental failure. Nevertheless, there are vulnerable people who must be taken care of in our country and, perhaps, once we do this, those people will be taken care of.

Mr B McCrea: At this time of the evening, one wonders whether there is anything worth saying. *[Laughter.]* I have been asked three times on the way to the Benches how long I will be. Obviously there is no concern about what I will actually say, just how long I will be.

As I have sat listening to previous Members, I have been in the Minister's direct line of sight. I wonder — no doubt he will tell us in his memoirs — what he thought about during this long period. You get quite an interesting read of the body language. I can tell you, Mr Speaker — I mean no disrespect to my colleague Mr McNarry — that also in my line of sight is the page upon page upon page that he has so eloquently delivered to us just now. That is a bit of a challenge.

Mr Kennedy: How many pages have you?

Mr B McCrea: I actually have but one page of notes that I have taken, having listened diligently.

Mr McNarry: Excuse me; I need a comfort break.

Mr B McCrea: Mr McNarry needs some comfort, and he is away to get that.

I have but one page of notes. I tried to take some wisdom from the contributions here today. Paula Bradley started off. I got to hear her say that she had looked over the contributions that people had made in the previous debates and found that nobody really had clean hands on this, or something like that. I checked to see what position I had taken in previous debates on the issue, and I was relieved to discover that I have been remarkably consistent and that I have indicated that I will support the motion.

That leads me to something that is worth saying, though: it is all terribly confusing. Some of the people who were against it in principle are now voting for it because they think it needs to be done.

Other Members are against it because we were not given enough information, but they think that it should be done nevertheless. Even Members who argued strongly that it is a good idea took up most of their time saying why they think that there are bad bits about it. All of that gives a terribly confusing image to the public.

5.15 pm

I have said in previous speeches that I wish, such are the difficulties of dealing with the important subject of welfare reform, that it was a five-party coalition. In fact, I wish that other parties had been involved in the debate that led to an agreed way forward. These issues are so difficult that they cannot be resolved against a background of political opportunism, because that destroys the public's belief in the body politic. Mr McNarry, who is not yet back from his comfort break — I hope that it is going well for him — said that this was how people look at us. They look here, and they do not see this great debate.

There were some good contributions that I was impressed by. I did not catch everybody's contribution, but I caught Mr Maskey's. I thought that he spoke very strongly and very eloquently. I say that because, nearly every time that I talk to Mr Maskey, he, at best, tells

me off and, at worst, tells me that I am talking rubbish. I am a bigger man than that, and I can say that his was a good contribution. I expect people to come out strongly, fight and say that this is the best deal that we can get, so I will not be one of those chiding Sinn Féin for the deal that it got. Sinn Féin negotiated and negotiated hard. I do not know what is in the deal because I have not read the 126 pages, but Sinn Féin believes in what it got and is fighting for it.

In a similar vein, I was aware of the challenges that the DUP had. At the time, the Minister of Finance went to great lengths to explain to the Assembly that we had to pass the so-called phantom Budget — otherwise, we would not have the authority to spend. Yet we passed a Budget that we did not have the resources to meet. Part of the problem was that we could not get agreement on welfare reform. For what it is worth, I understand the difficulties that the DUP and Sinn Féin have tried to address.

Other parties now take some issue with the deal that has been put forward. I am someone who has long advocated opposition. I think that there should be an opposition in any democratic forum, but it should not be opposition simply for opposition's sake, taking an opportunistic stance and saying that we might get a few electoral votes out of it. It has to say that there is an alternative. What this place really needs, in my opinion, is not just an opposition but an effective alternative, and those of us who disagree with the current system need to come forward with one.

A few issues probably need to be changed. People say, "I would like you to show leadership", but they mean by that, "You are absolutely wrong. I do not agree with you". The truth of the matter is that very few people get thanked for showing leadership in this place. Absolutely the last thing that you want to be doing is showing leadership. It is the ministerial equivalent of, "Yes, Minister, a very courageous decision". Who wants to make a very courageous decision with an election looming? That is why politics in this place do not work.

The issue of tax credits is associated with welfare. Michelle O'Neill made what I thought was a particularly telling comment in her contribution, but maybe not in the context that she meant it. Nevertheless, it was valid. She said that you cannot look at the motion in isolation because it is not just about welfare reform; it is part of a political settlement. I say to her that isolation does not stop there. The harsh reality for this place is that we represent 2.4% of the United Kingdom, so the other 98%

of people will take a view about what they do. We do not dictate to people. Hopefully, we go together to explain our difficulties and hope that our arguments will see favour with the people who have the resources.

We spend approximately £20 billion in Northern Ireland and raise £10 billion in taxes. If it were the other way round, we could do whatever we liked and wanted with welfare reform, but that is not the case. We have to go and ask people, "Will you please invest in us? Will you please do something?"

There are certain issues that we may not yet have grasped. A few days ago, the 'Annual Survey of Hours and Earnings, 2015' was published. Would you believe that Northern Ireland topped the league in earnings growth? That, of course, comes from a pretty poor past, considering the impact that the crisis has had on us. However, the issue facing those who attack the Conservatives — I am not arguing for the Conservatives; I am only saying that you must understand the environment that we are working in — is that they think that their policies are working. They think that they have taken action on debt and the deficit, the economy is growing, wages are growing, and the economy will be on a sounder footing.

In dealing with welfare reform, the key issue is that a life on benefits should not be a long-term ambition. That is not what we want to see; we want people to have aspirations and the ability to do better and to get a job or skills. When I look at this negotiation in its totality, what I would like to see — I am not sure that I see it yet — is vision. I would like to see that, OK, we are going to deal with welfare because it is essential in the short term; nobody wants to see anybody disadvantaged, and I think that many people in Northern Ireland will benefit from this deal. However, it is not the long-term solution. We have to find a way of growing an economy, and the only way to do that is by having some form of political stability.

I will conclude my comments by saying that the aspirations of the people of Northern Ireland are that we find a way of working together, accepting that it is difficult and that there are many, many issues that we disagree on. Those who agree on a way forward should form an Executive and work together, but the bigger parties in that Executive should treat the smaller parties with respect. You should not just treat them as some sort of inconvenience to be dealt with, by the by. Agendas for the Executive come in late. Frankly, even today, when Mr Allister raised his motion asking why we are rushing this so far and so fast, we

should have been given the courtesy of being allowed to see the documents. We should have been brought into the conversation. Your electoral mandate is still respected, and you will still have the say, but, if we really want to make the changes in Northern Ireland that we want to see, it is better that we get more rather than fewer people involved.

You have all very kindly listened to me. I hope that I have not gone on too long. I am sorry if I bored anybody. Mr Attwood is not here; I had a joke for him but —

Mr McNarry: Go on. Tell us it.

Mr B McCrea: Since Mr McNarry has asked, I will. I caught the start of Mr Attwood's speech, but, as some of you will know, I have to go for a daily walk for health reasons. I am proud to say that, having taken an hour's walk around the premises, I came back and, fortunately, he was still on his feet, so I did not miss that much of it. It is great to have such a contribution in a democratic forum.

Ms Sugden: From the outset, I have stated that I do not support the Westminster Welfare Reform and Work Bill. In fact, I do not think that any MLA supports it, because, disappointingly, the Westminster legislation focused on chiding the proportionately few who take advantage of the welfare system rather than supporting those who need it most.

I refer to Mrs Bradley's earlier contribution, when she acknowledged a reluctance to use the word "benefit": I agree. For those who need it, welfare is not beneficial. It is a struggle, a last resort, and it is not as far-reaching as it needs to be. I hope that she does not mind me saying that I also agree with her when she says that no party has a monopoly on protecting the rights of the most vulnerable. Social issues should be at the heart of each MLA's mandate. Social issues are not unionist, nationalist, anything in-between or outside of; social issues are people, and, as representatives of people, we all need to put people first. I say again: any MLA who understands the aim of the Westminster Welfare Reform and Work Bill should not support it as legislation on its own.

The Welfare Reform and Work Bill, however, is not without context. Indeed, this context led me and others to vote in favour of the Northern Ireland Welfare Reform Bill earlier this year. Welfare reform is, in my opinion, ultimately not the decision of the Northern Ireland Assembly; the UK Government maintain that power. It was clear in May that the UK Government were

not going to concede any more than what was fought for for Northern Ireland, particularly at the beginning of a five-year term and in light of other issues that they felt took precedence over Northern Ireland. I reiterate what I said then: we need to be realistic about what is available to us. Six months ago, welfare reform as presented to the House by Minister Storey was all that was available to us. I am not comfortable saying that, because, regrettably, it was the best of the worst. Although it was doomed, I voted reluctantly in favour.

On rereading 'A Fresh Start' in the wee hours of the morning, Mr Speaker, I did not think that anything had changed in the six months since the parties to your left condemned Northern Ireland's Welfare Reform Bill. I am deeply disappointed and angry about the last six months, because I fail to see what that time achieved other than to fail the people of Northern Ireland. The UK Government have upheld their position. The agreement yesterday almost reads quite smugly about how they have maintained their line. Even the title suggests that the document is a continuation of the Stormont House Agreement, a second phase of its implementation, if you will.

I have heard much from the parties on this side of the House about why they petitioned the Final Stage of the Welfare Reform Bill in May, but I am lost in coming to any of their conclusions. I suggest that their reasons were not about welfare but were a vain attempt to satisfy a very despondent electorate at that time. Shame on them, because their posturing has served only towards the suffering of the people of Northern Ireland. I do not mean to reiterate what I said earlier this year. However, I will say that serving the most vulnerable goes beyond welfare. The past six months have taken service away from people. I am thankful that we have maintained devolution, but the arguments for devolved power here are weakening. If we are not serving them, what are we doing?

I come back to the legislative consent motion: I will not support it on principle. Frankly, my vote is not required to get it through, although, to be fair, it will finally get welfare reform moving and will subsequently, hopefully, get Northern Ireland moving. However, other than the votes of the DUP and Sinn Féin, no one else is actually required for the motion to go through. That is disappointing, and it weakens the notion of power-sharing that we have fought so hard for. I do not believe that yesterday's agreement goes any way to addressing the failure of our structures here; I actually believe that it affirms it. I will, therefore, take the opportunity — as, I

hope, will others outside Sinn Féin and the DUP — to vote against the motion on the principle that the people of Northern Ireland deserve to be represented by all MLAs in the House — all five of the main parties, the smaller parties and the independents — because the people of Northern Ireland gave them that right.

Yesterday's agreement underpins today's legislative consent motion, and that is why I will walk in the "No" Lobby. I note the First Minister and deputy First Minister's foreword in 'A Fresh Start: the Stormont Agreement and Implementation Plan':

"At the heart of this Agreement is our common commitment to a better way of doing business together."

"Together". Further, they say:

"the leadership challenge is to build hope and confidence throughout our community".

Our community — the people of Northern Ireland — does not have confidence in us. Let us face it: why should they? Many will not even get past the title of the agreement because they have heard it all before. Before they can click on the link to the Northern Ireland Office website, they hear that some MLAs will not support it because they have not been given the opportunity. Therefore, I feel that the authors of the agreement have destabilised it before it has had a chance to be considered.

5.30 pm

Ironically, I do not disagree with the document; it has so many incredible goals. It could have more, but it is a start. However, on principle, I will not vote for the legislative consent motion this evening. Moving forward, I will commit to the agreement, if the authors respect me and my mandate. Currently, that respect is not there, so some work needs to be done.

I thought that I knew respect, but, earlier in the week, I let myself down by letting emotion get the better of me. On taking this seat, I vowed that this would never be about me but only about the people I represent and the people of Northern Ireland. As a leader, I am sorry for not maintaining that position, and I do not mind admitting it, because that is the right thing to do. In moving forward, I hope that others in the House will also consider their leadership, being most mindful of the people who, they hope, will follow them.

Mr McCallister: We have been debating welfare reform not only throughout this year but over the past number of years, ever since the coalition Government introduced it. The Minister will not be surprised to hear me say — he has heard me say it before — that I agree with the broad principle of welfare reform, namely that work should pay. We need to look at how we build the aspiration of families. We do not want people to be trapped by welfare dependency, so we need to look at how we break that cycle. I believe passionately that we need to achieve all those things.

The Welfare Reform Bill was defeated on 26 May. If I am correct, you would be allowed to bring the Bill back to the Assembly six months later — on 26 November — so why was that option not explored? I even think that bringing it back, though I am very uncomfortable with accelerated passage, would have been preferable to a legislative consent motion.

Let us look at the context of what we are asked to approve this evening: a Bill, just published, that we have not seen. As Mr Beggs pointed out in an intervention, it is a Bill that could well be amended in a way that is not to our liking or in accordance with our wishes. Of course, we do not know what proposals might come from a panel yet to be fully established. We are being asked to sign what is not quite a blank cheque — it is for £585 million — when we are unsure what we will do or how we will do it. That is a big ask for a legislative Assembly.

It is worth using the phrase "legislative Assembly". Why are we here, if not to legislate? Why are we giving this to Westminster — arguably, a significantly busier legislative body — if not to keep our fingerprints off the Bill and away from the entirety of welfare reform? It seems a bit like the issue of dealing with the past. Legislation could have been brought to the House, but we do not want to touch it and will let Westminster do something. It seems so typical of this place that, when something gets difficult, we come up with the old favourites, such as "Why not appoint a commissioner to look after that?". Recently, there has been talk that we should appoint a chief executive of the health service to keep health out of political control, almost to keep it away from democratic political control. Why not let Westminster deal with the issues, so that we can keep our hands clean?

That is a complete dereliction of our duties as legislators and representatives in a representative democracy. We should not be acting in this manner. It is not the way that we should proceed, because it leaves many

questions unanswered — things like the issues that Mr Agnew raised about the bedroom tax. Are we doing any of the bedroom tax? Is Westminster going to legislate, then we will penalise people, then give them the money back, or are we going to continue to use our £585 million to breach welfare benefits?

I said in a previous welfare debate that the fact that we have 6,600 families in Northern Ireland on over £30,000 of welfare benefits, which is equivalent to a £40,000 salary, needs to be addressed. I do not think that is sustainable when hard-working families are going to be hit with tax credits and are not on that level of support. It is a worry as to what we are going to use the £585 million for. As for the bedroom tax, are we going to change our housing stock? If we are never doing the bedroom tax, is that now something that the Minister is going to put on hold? Were any changes ever going to happen? Will families be moved, as Mr Agnew asked?

We have moved from a mitigation system of £564 million over six years to £585 million over four years. What happens at the end of those four years? Will we create a bigger cliff for people on welfare to fall off, if that just stops and we move completely to the Great Britain system? What happens at that point in time? Of course, we do not know at this stage what that money will be used for.

As I have said in previous welfare debates, if we were serious about changing the way that this society operates, we would invest some of that £585 million in early intervention programmes to tackle literacy and numeracy — all of the things that build up a skills base and educate the population and all the stuff that we need to do to break the cycle for people trapped on welfare dependency. That is what we need to be doing, but we actually seem to be moving the other way and cutting early intervention to pay for some of those payments. That seems to be dramatically counter-strategic to what we want to achieve, so why are we doing that in health, education and across the board? Where is this money coming from, and what are the downstream consequences of it? If you want to skill a population, you have to start in the early years to make sure people have the skills.

It is surprising, but Sinn Féin is almost the party of trickle-down economics. We are cutting corporation tax, but that has a long way to trickle down to people trapped on welfare who do not have the skill set to get jobs or the access to affordable childcare. All those issues are linked, and we do not seem to be

addressing them in any holistic shape or form. I regret that very much.

I support some of the changes that the Minister achieved on welfare earlier on, and I would have liked to be in a position to support him and vote on the legislation. However, I cannot vote on a legislative consent motion far too much of which is in blank-cheque territory.

I listened to some of the other contributions. Members of Sinn Féin talked about being elected to make a change and said that these institutions had to work. We would have been coming up to the third Christmas in a row of political crisis talks: Haass, Stormont 1 and Stormont 2. It is the third year in a row that we were approaching Christmas on a deal. We had a deal last year on welfare. That was going along very nicely until all the members of Sinn Féin went up to Derry for the ard-fheis. Suddenly, a petition of concern was threatened, and the Minister pulled the Bill. You could argue that that was maybe all very well. That was in March. There was great hope that Labour was going to win the election and that we would have a different Government — the evil coalition Government would be gone. However, that did not happen. As Minister Foster put it, if only we had some way of testing public opinion — oh aye, such as a general election. And the Tories won that.

I, as have many Members, have said repeatedly to Sinn Féin that the Tories are the elected Government of the United Kingdom. I may not like it, Sinn Féin may not like it and people in the DUP may not like it, but they are the elected Government of the United Kingdom. The Tories won the election, but still, at the end of May, Sinn Féin was going to do all manner of things: take on the Tories and battle with them. They were a wee bit like their heroes in Greece, who were going to take on the EU and the German Chancellor and do all manner of things. They were going to sort things out, tackle austerity and be anti-austerity. It was all good stuff that made great headlines. What has Sinn Féin come back with? A deal that ends two years earlier than was intended originally. Yes, there is a bit more money to it, but we have no idea what we are to do at the end of the four years. Are we creating a bigger cliff for people to fall off? Are we creating something that this Executive or a future one cannot sustain? Is that what we are doing? When our health service next hits crisis after crisis, what will happen?

Of course, I, like any Member here, want to see the institutions work. I want to see good governance and the Government acting and

looking like they are a Government and not being at sixes and sevens on every issue, with part of the Government for something and another part of it against. However, when Sinn Féin lectures us about the importance of the institutions working, I point out that, on 26 May, one of the lead parties in Government signed a petition of concern effectively to torpedo their own Government's policy. Once you added the welfare bit and the mitigation measures, it became Northern Ireland Executive policy. Sinn Féin torpedoed its own Administration's policy, yet we are lectured on making the institutions work.

I want to see the institutions work, and that is why I have to say that I am absolutely amazed at an all-Ireland, Irish republican party giving power back. The devolved regional Assembly that is the Northern Ireland Assembly is giving powers back to Westminster to fix our mess because we have not been able to get our act together. We have kicked the can so far down the road that we have run out of road. What message does that send out about the functionality and fitness for government of some parties here? That, to me, seems a surprising climbdown and change of direction. Sinn Féin has moved from a position of wanting more powers for the Assembly. Alex Maskey talked about getting our hands on more fiscal levers. That is an outcome that I would agree with. I would love to see the Assembly have more fiscal levers, but you would seek those only when you had reformed the Assembly and the Executive and the way in which they work. You would do it only when you could prove that you can manage what you have.

5.45 pm

The fact that we now have to set up a fiscal responsibility watchdog or unit and maybe go through a few years' probation to see whether we can get our house in order and our Budget back into line to the approval of Treasury is not exactly setting us up for getting our hands on more of the levers of fiscal power.

I am amazed at people making the argument that they want to take on the Tory Government. When you read the document, it sounds like the Tories did not move that far on many issues: "You can mitigate welfare cuts, but you have to take it out of your block grant. You can devolve corporation tax, but you will take it out of your block grant". Those are choices that the Executive and Assembly have and should make.

I would like to have been in the position to support the Minister today in the changes that

he needed to make to welfare. I was and still am very sceptical about offering up such a large sum of money — over £0.5 billion — for mitigation measures when we are not sure what exactly we will do. Are we going to use the money just to breach a welfare cap or to invest in social mobility, aspiration and skills to break the cycle? Is that where we are going with this? I would like to see much more detail on that, rather than giving all that money back to Westminster to decide. It is too much to give back. We should have been shaping this policy.

Mr O'Dowd: Will the Member give way?

Mr McCallister: Certainly.

Mr O'Dowd: There is no suggestion anywhere in the legislative consent motion or the document that we are giving back £585 million to Westminster to do anything with. It will be up to Eileen Evason's group to come back to the Executive and the First Minister and deputy First Minister to set out how best we use that money to mitigate the impact of the welfare cuts being imposed on the Assembly by the Westminster Government.

Mr McCallister: I am grateful for the intervention, Mr Speaker. The second half of the legislative consent motion proposes for the Assembly's approval:

"the draft Welfare Reform (Northern Ireland) Order 2015; and the Executive's proposals to enhance payments flowing from the agreement announced on 17 November 2015."

It is in the legislative consent motion. I am not suggesting that you are handing the money back, but the legislative mechanisms that you will use to spend the money are in the legislative consent motion. That is what you are being asked to sign up to. That is why I am so surprised that you and your colleagues are so supportive of this approach. The Minister could have brought his Welfare Reform Bill back on 26 November. He could have gone for accelerated passage or for a normal six-week Committee Stage given the fact that the Bill had been through all the scrutiny, and we would have had time to deal with the issues. We are now giving them to a much busier legislature to deal with, mainly, I have to say, because you do not want your hands anywhere near this. It is regrettable that we do not have the courage as legislators elected by people in Northern Ireland to make the legislative changes to their benefit

or, indeed, explain the changes that we have had to make. That is a retrograde step.

As I said, I would like to be in a position to support the Minister on welfare, because I am acutely aware of the impact that this has had on our Budget and, indeed, on Northern Ireland's image around the world. Effectively, we almost threw ourselves off the fiscal cliff. We nearly crashed our system by getting to the point of running it into the ground. A few months ago, questions were put to the Minister about whether he would even have the money to pay certain benefits by this time of the year and whether we would be fit to pay farmers single farm payments at this time of the year. All of those issues were being raised, such was the crisis — the self-made crisis; a crisis made in Stormont — that we imposed on ourselves. That these issues could not be sorted out is something that we should all be deeply ashamed of. Considering that we have been negotiating on welfare issues for three years or more —

Mr Dickson: Will the Member give way?

Mr McCallister: Yes.

Mr Dickson: I appreciate what the Member has been saying, but, to come back to the subject of the £585 million, there are those — I am not suggesting for a second that you are one of them — who suggest that this is money that the British Government have given to us as an extra. The reality is that this is money in the Northern Ireland block grant to be used for hospitals, roads and education. The decision that Sinn Féin and the DUP have made and others will support to a certain level is that that money will be taken out of the block grant and used to protect the most vulnerable — the recipients of welfare. This is not new money; this is our money being reallocated inside this Budget.

Mr McCallister: I am grateful to Mr Dickson for that, and I agree entirely. There is a perverse logic to the idea that you can take money out of hospitals and not affect the vulnerable and the sick. Once you take it out of health and social care, bearing in mind that our health and social care services are completely linked, you can hit very vulnerable people. In fact, I often suggest that, when you attack the health budget the things that tend to be dropped are what you might call the "softer services". That could mean a bigger waiting list for domiciliary care or somebody not getting their physiotherapy within an appropriate timescale. All those things are affected.

Our health service has been driven into crisis, with a huge waiting list. Now, £40 million more has been allocated, but that is the price that we have paid for this level of negotiation and the feeling that we are somehow going into battle with the Tories. The Tories do not seem to have blinked on this. It is up to others to decide who blinked, but I do not think that it was the Tories.

I regret that I will not vote with the Minister on the legislative consent motion this evening, as it is asking too much of me and my colleagues as Members. He has the numbers to get it through anyway, so I am sure that he is not too worried, but, on the principles of welfare, I would be more supportive of his approach and what he negotiated originally and some of the safeguards. However, this approach — the legislative consent motion — represents a complete dereliction of our duties as Members of a legislative Assembly.

Mr Storey: I will make some concluding remarks on the debate this afternoon. I find it bizarre that there are those in the House who claim to be unionists and see it as dangerous or even undesirable to have any working relationship with the sovereign Parliament at Westminster. I find that a strange position. There is no doubt that they will beat their chests and tell people that they are committed unionists. However, when it comes to a relationship and a working arrangement with the House of Commons or when it comes to the legislative arrangements at Westminster, that suddenly becomes undesirable; it suddenly becomes dangerous. I find that strange for those who claim to be unionists.

Mr McCallister: Will the Minister give way?

Mr Storey: No, I will make my way through this. I have listened to a lot in the House today, and there are a few other preliminary comments that I wish to make.

Here is the other problem: there are some in the House to whom it would not matter if we said it was black, because they would say that it was white; if we said it was right, they would say that it was wrong. It would not matter what arrangements we came up with: it is always easy to find fault.

Why do I say that? Because of our experience and because, in the past, as a party, we were very good at finding fault, difficulties, problems and issues.

That leads me to another statement. There comes a time when you have to face certain realities. You have to deal with things as they are, not as you would like them to be, especially when you do not have all the control and ability to do everything that you want to do. We were faced with certain realities, like the impasse that was created by what had happened at the beginning of the year and the outcome of the Westminster election in May. Those created a set of circumstances and a situation that we had to deal with.

We could have said that it is too difficult or challenging. We could have said that we would take the easy option, but we have made a decision to do what we have done. I hear a lot of people talking about the £585 million. Let me remind Members again, as I have done repeatedly in the House, that the spend on welfare in Northern Ireland is in excess of £4.6 billion. Let us remember that that is money that goes to our pensioners. It is money that goes to families who are in need and have particular issues that some Members in the House know nothing about. We sometimes have a very condescending attitude to the way in which we present and deliver our welfare system. Between now and 2020, on the projected spend on welfare, we will have a welfare budget in excess of £6 billion. It is easy to have throwaway lines. It is easy to have a political comment and use that as a cover for saying that you are taking a principled position.

Members made many comments, and I am not going to go through them all tonight. I will deal with one issue now and come back to some of the specifics that Mr Attwood mentioned. I appreciate the work that he and his colleagues have done in recent days. It is not work that was done and shabbily discarded. I appreciate his comments about the efforts that my officials and I have made. That work will continue. Today, we are not lowering the drawbridge on welfare, with my handing over all the power and responsibility to the Department for Work and Pensions, even though the Member still believes that I am in the payroll of that Westminster Department. We have much more work to do in the weeks and months that lie ahead. We will apply ourselves to that in the future, as, I trust, I ensured that we applied ourselves in the past.

I may not cover particular issues, but I will endeavour to come back to those Members in writing in the next number of days.

Mr Lyttle: Will the Minister give way?

Mr Storey: No, I am going to —

Mr Lyttle: Very briefly.

Mr Storey: For someone who has not been in the Chamber —

Mr Lyttle: I have been in the Chamber.

Mr Storey: — for a lot of the debate, I am not going to give way. I want to make progress.

Fearghal McKinney raised a valid point about child poverty targets. Let me deal with that. The Welfare Reform and Work Bill includes the abolition of the duty to report child poverty targets. However, the agreement refers only to the welfare aspects of that Bill, which do not include child poverty provisions. I will give the Member even more information about that, but it sets the context, and I think that it answers his query about child poverty targets.

6.00 pm

He also raised the issue, as did Mr Dickson and other Members, that we are being asked to diminish aspects of devolution and that we are somehow on a road to diminishing the devolved Administration. Let me make it very clear that social security remains a devolved matter and will remain within the competence of the Assembly. The arrangement does not diminish or dilute the legislative competence of the Assembly, nor does the creation of the panel to be chaired by Professor Evason. The period during which Her Majesty's Government will have a parallel power is limited — I think that this answers Mr McNarry's point — to the time it takes to ensure that welfare reform can be achieved in a way that reflects the needs of Northern Ireland, and also ends the imposition of financial penalties. Members, it is time that we realise that we could not go on in the way that we were. There had to be an arrangement and an agreement that addressed those issues.

Mr Beggs referred to the amendments and provisions agreed in previous consideration of the Bill. I reiterate what I said in my opening comments. I reassure Members that the Welfare Reform (Northern Ireland) Order 2015 will reflect the amendments and provisions that were agreed by the Assembly at Consideration Stage and Further Consideration Stage of the Welfare Reform Bill. I also reiterate this: what are we about? We are about endeavouring to create a fair, affordable and deliverable welfare system.

Mr Beggs also asked about the allocation of the £60 million for tax credits in each of the four

years. The Member will be aware that my Department published information some time ago in relation to the impact of the Chancellor's Budget announcement on tax credit customers in Northern Ireland. That information is available for Members on the Department's website. The information showed the impact that reducing tax credits would have. We have to have a system that, as I have said, is affordable. We have ensured that we establish the independent panel to bring forward recommendations on how best we can spend the allocated £60 million. Many of us have been spoken to by various organisations that have raised serious concerns about tax credits. Again, this information is available to Members. When you look at the breakdown across our constituencies, you see that very few, in fact none, are not impacted. This tries to go some way towards addressing that.

Mr Dickson raised concerns about the Assembly's scrutiny of the regulations. The regulations in relation to the draft Welfare Reform (Northern Ireland) Order will go through the Westminster process, except for any regulations that are necessary to implement the Evason group's recommendations for mitigation. Those regulations will be drafted affirmative and, therefore, must be subject to Assembly debate and approval before they can be made. There is no formal role for the Assembly or its Committees in scrutinising the regulations that flow from or follow the Westminster process. The Member will realise that is the case. However, regulations under the remit of the mitigation schemes will be brought to the Assembly.

Mr Dickson: Will the Minister give way?

Mr Storey: Yes.

Mr Dickson: I thank the Minister for the information. In a sense, I am not commenting on what he has said to us about a lack of scrutiny by the Committee in regard to the regulations as they pass through Westminster; it is rather more to comment, with total and utter amazement, that the Chair of the Social Development Committee, Sinn Féin Member Mr Alex Maskey, has agreed to a process that allows that to happen, given the intense scrutiny that he and his party colleagues have, in the past, attached to welfare benefits.

Mr Storey: I thank the Member for his question, although I think that it is better answered by the Chair of the Committee as opposed to me. You have posed the question, and I am sure that his colleagues will convey that question to him.

I have a few comments in relation to Mr Attwood. As I said at the beginning, I appreciate the work that he has done. I also endorse his comments regarding Professor Eileen Evason and the sterling work that she has done down through the years. I appreciate the fact that she has agreed to undertake this task. It will be challenging; no one is in any doubt about the difficulties. The professor brings a wealth of experience and understanding of the issues from a legislative point of view, and also from a very practical point of view about how to bring about an agreed position with regard to the amount of money that has been set aside.

Again, I thank him for his insight into many of the issues that he raised. They are practical and deal with the day-to-day modalities of how, when you have a piece of legislation, it comes into existence. One of those issues was about child poverty and the legislative consent motion before the Assembly. Let me give him some assurance on that issue. The legislative consent motion before the Assembly today has nothing to do with child poverty. The Member is correct in that there are provisions within the Welfare Reform and Work Bill that relate to the proposals on child poverty that is currently measured and reported on, as well as proposals going forward. However, the agreement or the consent that is being sought in principle — it deals with the issue that he raised with regard to "in principle" — relates to the social security aspects of the Welfare Reform and Work Bill only. That is the only sensible approach, as the measures in the Bill being considered by Westminster build on the reform measures introduced gradually across the UK since 2012.

Members, let us remind ourselves that this process of welfare reform commenced in 2012, and there have been many challenges and difficulties. Therefore, it is disappointing that, having started that journey in 2012, some Members are still seeking to hold principled positions of opposition to this and still cannot see the merit and the value in trying to find a solution to the problem.

Mr Agnew also —

Mr Attwood: I appreciate the Minister's giving way, and I appreciate his comments.

You have created certainty on the issue of child poverty in the Welfare Reform and Work Bill. Will you now create certainty on clauses 7, 8, 9, 12, 13, 14 and 15 of that Bill? Those clauses touch on the benefit cap; the review of the

benefit cap; the freeze of certain social security benefits; changes to the child element of universal credit; the employment and support allowance work-related activity component; the universal credit limited capacity for work element; and the universal credit work-related requirements. Is it the case that all seven of those matters in the current draft Bill are the ones that have been agreed in principle? If not, which ones have been agreed in principle?

Mr Storey: I thank the Member. Again, the Member demonstrates that he takes a keen interest in the issue and has a working knowledge of the matters that he raises. That is why I made the comment at the beginning that there are issues that I want to consider, and I will respond to the Member on those particular issues. The one relating to child poverty is clear on where it sits with regard to the issue, and I assure the Member that I will write to him on the issues that he raised.

I better be very careful about how I say this, and I do not say it tongue in cheek, but I want to put to bed the issue of the bedroom tax. How many times do we have to say that the Executive have agreed that it will not be implemented in Northern Ireland? That is the reason why we have set aside money for it.

As Members are keen to go through all these documents and refer to particular paragraphs and comments, I refer them to 1.4 of section C of the Fresh Start Agreement, which states that, within welfare funding, it has been agreed that the so-called bedroom tax will not apply.

Secondly, the Executive, as Mr Agnew referred to, have set out the way in which the matter will be dealt with. We are setting aside money in the welfare funding pot to pay the Treasury the cost of not applying the bedroom tax. We have made it very clear that it will not be implemented, and that is why we agreed what we did.

There is an issue to which I, as Minister for housing, have to give consideration. That brings us to a debate that is not for today, but it is one that we must have very soon, and it is on the structures and shape of housing provision in Northern Ireland. There are huge issues, and Members from all parties in the House regularly come to me about particular issues in their constituency. We have the social housing reform programme, and there are things that need to be moved on a lot more speedily to address our serious housing issues, but we have said that this element — the bedroom tax — will not be implemented.

Mr Agnew raised the issue of sanctions. I assure him that the Department has not, and will not, set targets for sanctions and benefits. We do not do it now and have no intention of doing it in the future.

I conclude by simply saying to the House that we have a choice tonight: approve what is set before the Assembly as a means of dealing with the impasse and the political realities; or allow the situation to continue to fester and, ultimately, have an agreement that would collapse and lead to the institutions coming to an end. What we have heard from the public in recent days is that, while they may have reservations about many individuals in the House and about the way in which we behave in the House, they still want us to make progress. They want us to do our job and our duty: to deliver for the people of Northern Ireland, with all the difficulties that that brings. Therefore, I ask the Assembly to approve the motion before it.

Question put.

Some Members: Aye.

Some Members: No.

Mr Speaker: The Ayes have it.

Some Members: No.

Mr Speaker: I require a simple majority.

Some Members: No.

Some Members: Aye.

Mr Speaker: I require a simple majority, and it is quite evident and clear to me that the Ayes have it.

Some Members: No.

Mr Attwood: On a point of order, Mr Speaker. Subject to your authority, if even one Member persists in saying no, my understanding is that, in those circumstances, there is an obligation to have a recorded vote.

6.15 pm

Mr Speaker: I dispute that that is the case should one Member say no. I recognise that a number of people said no, and I am prepared to concede that that can be recorded. In case we set a new standard, one no would not be

sufficient to record that opposition under any circumstances. However, because there were a number of them, we will divide. We will clear the Lobbies and collect the votes.

flowing from the agreement announced on 17 November 2015.

Adjourned at 6.28 pm.

The Assembly divided:

Ayes 70; Noes 22.

AYES

Mr Anderson, Mr Bell, Mr Boylan, Ms Boyle, Ms P Bradley, Mr Buchanan, Mrs Cameron, Mr Campbell, Mr Clarke, Mr Craig, Mr Dickson, Mr Douglas, Mr Dunne, Mr Easton, Dr Farry, Ms Fearon, Mr Flanagan, Mr Ford, Mrs Foster, Mr Frew, Mr Girvan, Mr Givan, Mrs Hale, Mr Hamilton, Mr Hazzard, Mr Hilditch, Mr Humphrey, Mr G Kelly, Ms Lo, Mr Lunn, Mr Lynch, Mr Lyons, Mr Lyttle, Mr McAleer, Mr F McCann, Ms J McCann, Mr McCarthy, Mr McCartney, Mr McCausland, Ms McCorley, Mr B McCrea, Mr I McCrea, Mr McElduff, Ms McGahan, Mr M McGuinness, Mr D McIlveen, Miss M McIlveen, Mr McKay, Ms Maeve McLaughlin, Mr McMullan, Mr McQuillan, Mr Maskey, Mr Middleton, Mr Milne, Lord Morrow, Mr Moutray, Mr Murphy, Ms Ní Chuilín, Mr Ó hOisín, Mr Ó Muilleoir, Mr O'Dowd, Mrs O'Neill, Mrs Pengelly, Mr P Robinson, Mr Ross, Ms Ruane, Mr Sheehan, Mr Storey, Mr Weir, Mr Wells.

Tellers for the Ayes: Mr McQuillan and Ms Ruane

NOES

Mr Agnew, Mr Allen, Mr Allister, Mr Attwood, Mr Beggs, Mr D Bradley, Mr Cochrane-Watson, Mr Cree, Mrs Dobson, Mr Eastwood, Mr Gardiner, Ms Hanna, Mr Kennedy, Mr McCallister, Mrs McKeivitt, Mr McKinney, Mr A Maginness, Mr Nesbitt, Mrs Overend, Mr Rogers, Ms Sugden, Mr Swann.

Tellers for the Noes: Mr McCallister and Mrs McKeivitt

Question accordingly agreed to.

Resolved:

That this Assembly consents to the Northern Ireland (Welfare Reform) Bill 2015 being taken forward by the Westminster Parliament; approves the welfare clauses of the Welfare Reform and Work Bill as initially introduced at Westminster; the draft Welfare Reform (Northern Ireland) Order 2015; and the Executive's proposals to enhance payments

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