

# Official Report (Hansard)

Tuesday 20 January 2015  
Volume 101, No 2

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Maskey, Alex (West Belfast)  
Milne, Ian (Mid Ulster)  
Morrow, The Lord (Fermanagh and South Tyrone)  
Moutray, Stephen (Upper Bann)  
Nesbitt, Mike (Strangford)  
Newton, Robin (East Belfast)  
Ní Chuilín, Ms Carál (North Belfast)  
Ó hOisín, Cathal (East Londonderry)  
Ó Muilleoir, Máirtín (South Belfast)  
O'Dowd, John (Upper Bann)  
O'Neill, Mrs Michelle (Mid Ulster)  
Overend, Mrs Sandra (Mid Ulster)  
Poots, Edwin (Lagan Valley)  
Ramsey, Pat (Foyle)  
Robinson, George (East Londonderry)  
Robinson, Peter (East Belfast)  
Rogers, Seán (South Down)  
Ross, Alastair (East Antrim)  
Ruane, Ms Caitriona (South Down)  
Sheehan, Pat (West Belfast)  
Spratt, Jimmy (South Belfast)  
Storey, Mervyn (North Antrim)  
Sugden, Ms Claire (East Londonderry)  
Swann, Robin (North Antrim)  
Weir, Peter (North Down)  
Wells, Jim (South Down)  
Wilson, Sammy (East Antrim)

# Northern Ireland Assembly

Tuesday 20 January 2015

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

*Members observed two minutes' silence.*

## Assembly Business

### Standing Order 20(1): Suspension

*Resolved:*

*That Standing Order 20(1) be suspended for Tuesday 20 January 2015. — [Mr Weir.]*

### Election of Deputy Speaker

**Mr Speaker:** The next item of business is the election to fill the vacant position of Deputy Speaker. Before we commence, I would like to remind Members that the election of the Deputy Speaker will be conducted using the procedure set out in Standing Order 4.

I will begin by asking for nominations. Any Member may rise to propose that another Member is elected Deputy Speaker. I will then ask for the proposal to be seconded by another Member, as required by Standing Order 14. If this occurs, I will then verify that the Member so nominated is willing to accept the nomination. There will not be an opportunity for speeches at that stage.

I will then ask for further proposals and follow the same procedure for each. When it appears that there are no further proposals, I will make it clear that the time for proposals has passed. If Members indicate that they wish to speak for a debate relevant to the election, the debate may then take place in which no Member may speak more than once.

At the conclusion of the debate, or of the nominations if there are no requests to speak, I will put the Question that the Member first proposed shall be a Deputy Speaker of this Assembly. The vote can only be carried on a cross-community basis. If the proposal is not carried, I will put the Question in relation to the next nominee, and so on, until all nominations are exhausted. Once a Deputy Speaker is elected, all other nominations will fall automatically. If that is clear, we will proceed.

Do I have any proposals for the office of Deputy Speaker of this Assembly?

**Mr P Robinson:** I propose Mr Robin Newton as a Deputy Speaker.

**Mr Speaker:** Is there a Member to second the nomination?

**Mr Weir:** I second the nomination.

**Mr Speaker:** Will the Member accept the nomination to be a Deputy Speaker?

**Mr Newton:** I will, Mr Speaker.

**Mr Speaker:** Is there any further proposal?

The time for proposals has expired. A number of Members have indicated that they wish to speak. I remind Members that they may speak only once in the course of the debate and that the Business Committee has agreed to allow each Member wishing to speak up to three minutes. I call Mr Peter Robinson.

**Mr P Robinson:** Thank you, Mr Speaker. I have known Robin Newton for many decades. He has been a close friend and colleague and, of course, one of my colleagues in east Belfast. He was, I think, first elected to Stormont in 2003, so he has many years' experience of working under the procedures of the Assembly. Even before that, of course, he was a member of Belfast City Council, with long experience there. That is a training ground for many politicians. He certainly learnt the ropes in the city council. This will be a clincher for the nationalist Benches: he was recognised by Her Majesty The Queen and honoured with an MBE. Of course, in the House, he has been a junior Minister in OFMDFM, and, at one stage, he led our team on the Policing Board. He has a lifelong experience of parliamentary procedures. How shall I put it? He is not a divisive character; he is the kind of person who wants to resolve disputes. Most of all, he will bring integrity to the position. He will show

fairness in the way he carries out those duties, and, importantly, because there is a Speaker's panel — a team of Deputy Speakers under the Speaker — he is a team player. He will not in any way shirk his responsibilities in doing his duties.

For all those reasons, I believe that my colleague is a suitable candidate for this job. I believe that he will carry it out in a fashion that will be recognised by the whole House as independent and fair. I urge colleagues to support him.

**Mr Speaker:** We will move straight to the Question.

*Question put and agreed to.*

*Resolved (with cross-community support):*

*That Mr Robin Newton, as the only candidate proposed, shall be a Deputy Speaker of this Assembly.*

**Mr Speaker:** I formally declare that Robin Newton has been elected as a Deputy Speaker. I take this opportunity to congratulate you, Mr Deputy Speaker.

As the requirements under Standing Order 5(1) have been fulfilled, it is now appropriate to move on to the election of the Principal Deputy Speaker.

## **Election of Principal Deputy Speaker**

**Mr Speaker:** The next item of business is the nomination of one of our Deputy Speakers to act as Principal Deputy Speaker; the process will be conducted in accordance with Standing Order 5A.

I will begin by asking for a nomination. Any Member may rise to nominate one of the Deputy Speakers to act as Principal Deputy Speaker. I will then confirm that the person nominated is willing to act as Principal Deputy Speaker, and then a debate relevant to that nomination will take place. The Business Committee has agreed that only one Member should speak on behalf of each party in the debate. At the end of the debate, I will put the Question on the nomination and the vote will be on a cross-community basis. If the proposal is not carried, I shall ask for a further nomination, and the process will be repeated.

Do I have a proposal for a Deputy Speaker to be nominated to act as Principal Deputy Speaker? Members should rise in their place.

**Mrs Foster:** It is with great pleasure that I put forward the name of Robin Newton MBE MLA.

**Mr Speaker:** Mr Deputy Speaker, Mr Newton, do you agree to act as Principal Deputy Speaker?

**Mr Newton:** I do, Mr Speaker.

**Mr Speaker:** Thank you. Standing Orders provide for a debate to take place on the nomination. Members may speak only once in the debate. Standing Order 5A(7) requires the debate to be relevant to the nomination. I will not therefore allow Members to stray into any other area. Members will have up to three minutes in which to speak.

**Mrs Foster:** I endorse everything that the First Minister said in his proposing of Mr Newton as Deputy Speaker. Robin was a Belfast city councillor for 29 years, representing the Victoria district electoral area (DEA), so he has a long history of working in local government and in the so-called dome of delight, which is Belfast City Council.

He was first elected to this place in 2003 and then re-elected in 2007 and 2011. As has been said, he has served as a junior Minister and on the Policing Board. It was my pleasure as Minister of Enterprise, Trade and Investment to work with Robin in his capacity as a member of the Enterprise, Trade and Investment Committee. As a member of the Committee, he was always very fair and attentive to detail, and he dealt with issues in a very impartial way. I have no doubt that, if Robin succeeds in becoming Principal Deputy Speaker, he will show that fairness, attention to detail and knowledge of the areas that he is dealing with.

He is a very well-respected Member, not just within the ranks of this party but for his work in the local community in east Belfast and beyond. He has, of course, served on other Committees as well. My knowledge of him is particularly through the Enterprise, Trade and Investment Committee, but he has served on the Employment and Learning Committee, on which I know that he took a particular interest in the promotion of skills in working-class communities. He has also served on the Education Committee for a number of years. It is with great pleasure that I ask the House to endorse my proposal that Robin Newton be elected as Principal Deputy Speaker.

**Ms Ruane:** Go raibh maith agat, a Cheann Comhairle. I support the nomination of Mr Robin Newton. Martin McGuinness would be

doing this, but he is out of the country on party business.

Sinn Féin supports the nomination of Mr Robin Newton. Tá Sinn Féin ag tacú leis an Uasal Robin Newton mar Phríomh-LeasCheann Comhairle. It is good, and this will send out a very important signal to wider society today about the importance of power-sharing in the posts of Speaker and Principal Deputy Speaker. This is part of the working out of that agreement on power-sharing. It is a step forward and progress is being made.

I have no doubt that Robin Newton will act impartially or that he will understand the important role of the office. I have worked with him on a number of Committees and organisations, including the Policing Board. Sinn Féin welcomed the nomination. The Sinn Féin team very much looks forward to working with Mr Robin Newton and, indeed, the full Speaker team, under the leadership of our Speaker, Mitchel McLaughlin.

Go n-éirí an t-ádh leat. Our doors are open to work in any way with you to fulfil your duties.

**Mrs D Kelly:** I begin by congratulating Robin Newton on his appointment as a Deputy Speaker. I have worked alongside Robin for some time now on the Policing Board and, indeed, have seen his skill in trying to resolve difficult situations in practice on the board. I hope that he will carry those skills through as he seeks to determine many a contentious issue as well as the matters that will inevitably be referred to your office, Mr Speaker.

Once again, nonetheless, I have to place on record the SDLP's opposition to the appointment of a Principal Deputy Speaker. There is no such post in any other jurisdiction. No case was presented to the House or the public as to why there should be such a position. Rather, it is symbolic of the continued carve-up between Sinn Féin and the DUP.

#### 10.45 am

I am not too sure whether Caitríona Ruane spoke with tongue in cheek or with absolute sincerity when she said that it was an example of power-sharing. I nearly collapsed with laughter at that one, Mr Speaker, because it really is more symbolic of the continued carve-up and the hierarchy of Speakers in this House.

It would also do members of Sinn Féin well to reflect on the words of the deputy First Minister over the weekend about equality and parity of

esteem. I really do not know where Sinn Féin get off, I really don't. Saying that today and over the weekend, yet we have them endorsing the position of Principal Deputy Speaker — a clear hierarchy of positioning and power within this House.

Unfortunately, and without any slur or slight on Mr Newton's appointment as Deputy Speaker, we in the SDLP do not support this position. We do not believe that the House is better managed as a result or that it adds anything to the good temper or business of the House. Instead, it creates wider consternation among Assembly Members and, indeed, the wider public at the continued lack of inclusivity, collective decision-making and real power-sharing that ought to exist as a result of the Good Friday Agreement and the endorsement of the people of Ireland.

**Mr Ford:** Thank you very much, Mr Speaker. Can I start by congratulating you on your election as Speaker, since this is the first time I have spoken in the Chamber since your election?

I congratulate Robin Newton on his election as Deputy Speaker. I do not need to add to the tributes that were paid by those who proposed him for both the offices for which he is being proposed. Certainly, we will be very happy to work with him in his role as Deputy Speaker, alongside others.

I do, however, share many of the reservations that were just expressed by Dolores Kelly about the concept of Principal Deputy Speaker. When you, Mr Speaker, were appointed Principal Deputy Speaker, it was clear that you were there as an understudy as part of an agreement that the post of Speaker was to be shared in this Assembly term. You perhaps had a rather longer apprenticeship than might have been expected initially, but it was an understanding that the position was changing and an understanding of full buying-in to the institutions by members of Sinn Féin. That does not mean that we need to continue forever with the presumption that the two largest parties will have a carve-up of what should be a post and a series of posts — the Speaker and the Deputy Speakers — to represent all of the House, to stand for the House as opposed to the Executive, and to stand in a different position. On that basis, the concept that, because there is now a Sinn Féin Speaker, there must be a DUP Principal Deputy Speaker, with no specific role, is not something that appeals to me.

I shared the views that Dolores Kelly expressed when I heard power-sharing being mentioned by Caitriona Ruane. When the two largest parties take everything, down even to nominating a Principal Deputy Speaker, which is of no more significance than a Deputy Speaker, it does rather look as though it is not just a matter of an understudy coming into place a few years ago, but it is now an intention to hold on to the top office between the two of them.

That raises real questions about the way that the Assembly functions and the attitude of the two largest parties to it. So, like Mrs Kelly, I cannot support the concept of a DUP Principal Deputy Speaker now being an automatic expectation because there is a Sinn Féin Speaker.

Mr Newton is very welcome as Deputy Speaker, but if we are to have a Principal Deputy Speaker, it should be a post that is shared and not carved up.

**Some Members:** Hear, hear.

**Mr Allister:** I do not quibble at all on the appointment of Robin Newton as Deputy Speaker. He is well experienced and skilled in the performance of those duties, I have no doubt, and I congratulate him as Deputy Speaker.

I do most certainly quibble over the appointment of a non-post Principal Deputy Speaker. It is a pointless and purposeless position. It is a position that the Assembly found it did not need for many years, and then, suddenly, through a deal between the DUP and Sinn Féin, this bauble was created. It was created to keep Mr Hay as Speaker for another couple of years. The buy-off for that was the creation of a title for those who used to eschew titles but are now stewards of this and all sorts of things. For those who used to eschew such baubles, this non-post of Principal Deputy Speaker was created. Now that the DUP has enthroned a Sinn Féin Member as Speaker of this House, it is its turn to don the bauble and title of Principal Deputy Speaker. It is a vanity post; nothing more.

Of course, because Sinn Féin has the Speaker, the DUP must have the Principal Deputy Speaker. This has got to the very point of ridiculousness that the Principal Deputy Speaker is going to be someone who has never even sat on the Speaker's Chair. We have Deputy Speakers who have been performing the role for years, but they are not worthy. They are not worthy, it seems — *[Interruption.]*

— to be called "Principal Deputy Speaker", and so we must have this madness and carve-up of elevating because a post that was specially created for Sinn Féin is being maintained for its counterpart.

**Mr P Robinson:** Is that it?

**Mr Speaker:** That is it.

I remind the House that cross-community support is required.

*Question put.*

*The Assembly divided:*

*Ayes 63; Noes 32.*

**AYES**

**NATIONALIST:**

*Mr Boylan, Ms Boyle, Mr Brady, Ms Fearon, Mr Hazzard, Mr G Kelly, Mr Lynch, Mr McAleer, Mr F McCann, Ms J McCann, Mr McCartney, Ms McCorley, Mr McElduff, Ms McGahan, Ms Maeve McLaughlin, Mr McMullan, Mr Maskey, Mr Milne, Ms Ní Chuilín, Mr Ó hOisín, Mr Ó Muilleoir, Mr O'Dowd, Mrs O'Neill, Ms Ruane, Mr Sheehan.*

**UNIONIST:**

*Mr Anderson, Mr Bell, Ms P Bradley, Mr Buchanan, Mrs Cameron, Mr Campbell, Mr Clarke, Mr Craig, Mr Devenney, Mr Douglas, Mr Dunne, Mr Easton, Mrs Foster, Mr Frew, Mr Girvan, Mr Givan, Mrs Hale, Mr Hamilton, Mr Hilditch, Mr Humphrey, Mr Irwin, Mr McCausland, Mr I McCrea, Mr D McIlveen, Miss M McIlveen, Mr McQuillan, Lord Morrow, Mr Moutray, Mr Newton, Mr Poots, Mr G Robinson, Mr P Robinson, Mr Ross, Mr Spratt, Mr Storey, Mr Weir, Mr Wells, Mr Wilson.*

*Tellers for the Ayes: Mr McQuillan and Mr G Robinson.*

**NOES**

**NATIONALIST:**

*Mr D Bradley, Mr Byrne, Mr Dallat, Mr Durkan, Mr Eastwood, Mrs D Kelly, Mr McGlone, Mrs McKeivitt, Mr McKinney, Mr A Maginness, Mr Ramsey, Mr Rogers.*

**UNIONIST:**

*Mr Allister, Mr Beggs, Mr Cree, Mrs Dobson, Mr Elliott, Mr Gardiner, Mr Kennedy, Mr McCallister, Mr Nesbitt, Mrs Overend, Ms Sugden, Mr Swann.*

**OTHER:**

*Mr Agnew, Mrs Cochrane, Mr Dickson, Dr Farry, Mr Ford, Ms Lo, Mr Lunn, Mr Lyttle.*

*Tellers for the Noes: Mr Dickson and Mrs McKeivitt.*

<i>Total Votes</i>	<i>95</i>	<i>Total Ayes</i>	<i>63</i>	<i>[66.3%]</i>
<i>Nationalist Votes</i>	<i>37</i>	<i>Nationalist Ayes</i>	<i>25</i>	<i>[67.6%]</i>
<i>Unionist Votes</i>	<i>50</i>	<i>Unionist Ayes</i>	<i>38</i>	<i>[76.0%]</i>
<i>Other Votes</i>	<i>8</i>	<i>Other Ayes</i>	<i>0</i>	<i>[0.0%]</i>

*Question accordingly agreed to*

*Resolved (with cross-community support):*

*That the nomination of Deputy Speaker Robin Newton to act as Principal Deputy Speaker be approved.*

**Mr Speaker:** I offer my congratulations to the Principal Deputy Speaker, Mr Robin Newton.

## Ministerial Statements

### Tourism: Review of the Northern Ireland Tourist Board and Wider Tourism Structures

**Mrs Foster (The Minister of Enterprise, Trade and Investment):** With your permission, Mr Speaker, I wish to make a statement to update Members on the review of the Northern Ireland Tourist Board (NITB) and wider tourism structures. *[Interruption.]*

**Mr Speaker:** Members need to leave the room quietly. Sorry, Minister. *[Interruption.]* Quiet.

**Mrs Foster:** We have seen unprecedented success across the tourism sector over the last few years. What I am announcing will consolidate that success and prepare us to take the tourism industry forward to even greater achievements and to meet our goal of growing it to a £1 billion industry by 2020. Over the next few months, the outworkings of the review will take a strong organisation, NITB, and make it stronger, with a new name, new leadership, new partnerships and a future new strategy.

The review has been undertaken against the backdrop of rapid change in global tourism, with increasing competition between destinations to attract visitors and a growing number of new emerging trends in what tourists want to see and do. Northern Ireland has seen significant growth in visitor numbers and, more importantly, in tourism revenue over the last five years. Our challenge is to maintain the momentum that has been generated and continue to increase the economic benefits that are derived from tourism.

That challenge will be made all the more difficult given the very tight budgetary climate in which we have to operate. The implementation of the review recommendations will be delivered during a period of severe financial pressure on budgets, and it is clear that those recommendations that are designed to increase efficiency through improved integration and collaboration have become even more of a priority. Opportunities to contribute to the reform agenda must be maximised, and all options for the sharing of services must be given full consideration. Given the importance of tourism to the local economy, my priority is to ensure that we have the right structures in place to maximise the benefits that that crucial sector can bring across Northern Ireland.

I am pleased to say that the Hunter review has been welcomed by stakeholders in their responses to the consultation, and there is widespread support for the implementation of the report's recommendations. I am, therefore, content to accept the review recommendations, which fall broadly into the three themes of setting the strategic direction for tourism; building relationships in the tourism sector; and closer alignment with Invest Northern Ireland.

I will work with the tourism industry to bring forward a new strategic plan for tourism that will coordinate the work of key partners in the industry and in central and local government. That will be crucial in achieving my long-term goal and that of the industry to make tourism in Northern Ireland a £1 billion industry by 2020.

A number of John Hunter's recommendations are concerned with building strong relationships within the sector. That includes developing a more client-facing tourism body for the tourism industry and improving relationships within the tourism sector. The Hunter review also recommends changes to the name, structure and culture of the Northern Ireland Tourist Board.

This is a significant time of change for NITB. The competition for a new chair is under way,

and the chair will be appointed by April 2015. A competition for a new chief executive has just been advertised, and both posts will be crucial in taking forward the review's recommendations and implementing the organisational change programme that is envisaged in the Hunter review. To signal the start of that important change process, I have decided that the name of the organisation should be changed to Tourism Northern Ireland.

By implementing the review recommendations, Tourism Northern Ireland will have a much greater presence at a local level and will develop strong relationships and increase its knowledge of the needs of local tourism partners. That is particularly important given the imminent changes in local government, with increased powers for the new councils and their responsibility for community planning, including local economic development. Collaborative working with the new councils and the establishment of strong partnerships must be a priority for Tourism Northern Ireland to maximise the tourism potential of each of the nine key tourism destinations across Northern Ireland. The Hunter report recommends the development of a tourism growth fund jointly supported with the new councils. I will work to establish such a fund in the next Budget period.

Another focus of the review looks at the opportunities for greater alignment with Invest Northern Ireland. The review highlights that there is already good cooperation between the two organisations, but points to the need to deepen the existing relationship. This will be very important going forward, and I see the joint initiative to develop a Northern Ireland economic brand as an example of the benefits that can be achieved through joint working. I have tasked both organisations to deliver a new brand strategy, which, I believe, will strengthen the competitive position of Northern Ireland through inward investment and tourism. A new brand will support Tourism Northern Ireland, Invest Northern Ireland and Tourism Ireland in the development of complementary marketing strategies and targeted advertising in key markets.

There are also practical steps that will be taken to better align the two organisations. I agree with the Hunter review recommendation that the two organisations should look carefully at the opportunity to collocate when leases expire in 2016, and that they should maximise the opportunities for common back office services. These issues are particularly relevant in the current budgetary climate.

A number of the review recommendations are currently being implemented or refer to work that has already commenced. An example of that is the excellent work to date on improving air connectivity and visa arrangements. The British-Irish visa scheme was officially announced by the UK and Irish Governments in October last year, and, under the first phase of the scheme, Indian and Chinese nationals applying in their countries of origin will be able to visit the UK and Ireland using one visa. Improving air access to Northern Ireland is a key priority for the Department, and work continues on a number of different fronts to develop policy and work with the airlines to support air route development through the provision of cooperative marketing assistance for new routes and to support existing routes.

Further detail on the outcome of the Hunter review can be found on the DETI website. This includes information on the public consultation exercise and a summary of the outcome of each of the recommendations.

The Hunter review rightly highlights the impressive progress made recently in local tourism and the important role played by the Northern Ireland Tourist Board in the development of new policies and in securing the completion of new tourism product. The review also recognises the significant contribution made by the board in the recent substantial growth in tourism numbers and revenue.

I believe that the implementation of the report's recommendations will make Tourism Northern Ireland an even stronger and more dynamic organisation and will allow it to further develop its leadership role in tourism by concentrating on its core functions. It will be able to reap efficiency gains by collaborative working and sharing services with Invest NI, which will allow Tourism Northern Ireland to focus resources on key priority areas for tourism.

I now call upon NITB, as it was, to lead the way in the implementation of the recommendations from the Hunter review and create Tourism Northern Ireland, a dynamic, efficient and collaborative organisation to lead the development of tourism in Northern Ireland.

In concluding, I would like to reiterate my thanks to Mr Hunter for his work in carrying out the review. I have no doubt that the implementation of his recommendations will help to ensure that the organisational structures for tourism delivery, both within the DETI family and more generally within Northern Ireland, are improved. That will enable us to maximise the

benefits that tourism brings to the local economy in terms of increased visitor numbers, tourist revenue and employment opportunities.

I commend the statement to the Assembly.

**Mr McGlone (The Chairperson of the Committee for Enterprise, Trade and Investment):** Go raibh maith agat, a Cheann Comhairle. Gabhaim buíochas leis an Aire as a ráiteas. I thank the Minister for her statement. Obviously, we will drill down into more of the detail at the Committee.

The focus of the review looked for greater opportunities for alignment with Invest NI, and there is reference in the statement to the fact that practical steps will be taken to better align the two organisations. Will the Minister expand on what, in her mind, those practical measures might be and on any direction or ideas that she might have? Obviously, that has to follow through with the outworkings of both organisations, but it would be helpful if she could give us some indication of the Department's thinking on the practical measures that could be taken.

**11.15 am**

**Mrs Foster:** Work has already begun between what was NITB and Invest Northern Ireland. The management teams of both organisations now have quite regular meetings to see where the synergies are in how they can sell Northern Ireland. Since Invest Northern Ireland has been administering accommodation grants now for some time, there has had to be some interaction between the two organisations. However, there is more scope for extra integration between the two organisations because they often overlap. You could have a tourist organisation that is looking to expand and therefore needs help from Invest Northern Ireland for job creation, and which, at the same time, is looking to Tourism Northern Ireland for marketing support. It is my hope that the two will now integrate and work more closely together.

As well as that, as I indicated in the statement, leases expire in 2016, so there are opportunities for the collocation of the two organisations. That will allow them to have shared back office services, such as human resources, payroll and issues like that, so that they can create efficiencies in the two organisations as they work together in the longer term. So, there is a strategic need for the two of them to work together, particularly in the development of brand Northern Ireland.

There are also more efficient ways, certainly in administration, in which they could work better together.

**Mr Dunne:** I, too, welcome the statement today, and I thank the Minister for it. I think that we all recognise the important work of the Northern Ireland Tourist Board. We should rightly recognise the outgoing chair, Howard Hastings, who is about to finish his term. We put on record our thanks and appreciation for what he has done to bring tourists to Northern Ireland.

Will the Minister give us some information as to how she sees the new Tourism Northern Ireland body working with the 11 new super-councils in what will be a very important role? Does she see measures being put in place to avoid duplication and to ensure the best use of resources to bring more tourists to Northern Ireland?

**Mrs Foster:** I join you in acknowledging the work of Dr Howard Hastings in his leadership of the Northern Ireland Tourist Board. Most chairs of organisations have the opportunity to work with a number of Ministers during their tenure. Unfortunately for Dr Hastings he has had me throughout his tenure as chair of the Northern Ireland Tourist Board. I know how much energy and dynamism he has brought to that role, and I put on record my thanks to him for his leadership. I also thank the staff of the Northern Ireland Tourist Board and their management; they have managed some tremendously exciting events over the recent period. Of course, ni2012: Our Time Our Place was an outstanding year for tourism in Northern Ireland, as was the Giro d'Italia last year.

Working with the 11 councils is very important. It is a new start for the new councils, but it is also a new start for Tourism Northern Ireland. Therefore, it is a good time for both of them to work collaboratively. The management of NITB has already been working with the new chief executives of the 11 councils to talk about their tourism plans and be part of their community-planning discussions. Memorandums of understanding will be put in place between Tourism NI and the new councils so that they will work in a very strategic way so that the new nine key destinations can be developed in a very meaningful way.

**Ms Fearon:** Go raibh maith agat, a Cheann Comhairle. I welcome the Minister's statement, and I hope that we can build on the success that we have seen over the past number of years. I particularly welcome the increased

collaboration of all concerned organisations. The decision to collocate is a good one. Has the Minister given any thought to that location being Newry? It is a strong border city right in between the two main airports, and it is in the middle of the North/South economic corridor. It would be a good location.

**Mrs Foster:** Thank you for the welcome for the collocation. Of course, that will be a matter for the boards of Tourism Northern Ireland and Invest Northern Ireland. We will work together with both organisations so that they make an impact right across Northern Ireland.

Tourism is one of those industries that happens right across Northern Ireland. There is not a constituency on which it does not have an impact. Through using the nine key destinations and working in collaboration with the 11 new councils, we want to move tourism on a step change, particularly given the new themes that we are looking at. Outdoor activities will be very important to the Member in Newry in particular. The bike trails that have been set up in her constituency have been a great success, and we want to see more people looking to Northern Ireland for outdoor activity holidays. We think that there is a good market there, and, again, that leads on to the need to have direct air access into Northern Ireland so that we can attract people here, particularly from Germany. I heard one of our colleagues on the radio — I think that it was yesterday — referencing the need to have connectivity to Germany because it is a huge market for outgoing tourists. That is absolutely right, and it is one of my key objectives to have a route into Germany in the very near future.

**Mrs Overend:** I thank the Minister for her statement detailing some significant changes to Northern Ireland's core tourism body. I, too, recognise the good work and dedication of the outgoing chairman, Howard Hastings, and former chief executive, Alan Clarke.

I want to ask the Minister for some detail on the new Tourism Northern Ireland's future links. Can the Minister tell us whether it will have a role in promoting Northern Ireland as a destination with overseas markets, or will it be solely a smaller brother or sister of Tourism Ireland?

**Mrs Foster:** I acknowledge the Member's words about Howard Hastings and Alan Clarke, because it is right to acknowledge what has brought us to this point in the development of tourism in Northern Ireland. The Northern

Ireland Tourist Board has certainly worked very well in that regard.

The Member will know that, under the Belfast Agreement, Tourism Ireland was set up to market Northern Ireland overseas and, therefore, the principal role of the Northern Ireland Tourist Board has been to work in the Northern Ireland market — the domestic market — and in the Republic of Ireland market. It is my hope that, in collaboration with Tourism Ireland and, indeed, with Invest Northern Ireland, we develop a Northern Ireland brand that is a standout brand for us here. I see that as a collaborative piece of work. Therefore, I very much hope that what has been envisaged in the Hunter review will move tourism forward and give us that standout brand right across the world so that we can bring more visitors to Northern Ireland.

**Mr Lyttle:** Thank you, Principal Deputy Speaker — Mr Speaker. Apologies. I thank the Minister for her statement and add my acknowledgement of the work that Howard Hastings and Alan Clarke have done. I recognise the work done around ni2012: Our Time Our Place, which I think was a great success. I wish the Minister and Tourism Northern Ireland every success going forward.

The tourism events fund played a vital role in advancing cultural and events tourism in Northern Ireland, so I ask the Minister whether she will use any of the additional £2.2 million funding that she received in the 2015-16 Budget to reinstate the tourism events fund for 2015-16 and, if so, how much?

**Mrs Foster:** I thank the Member for his comments about the management staff and the board leadership given by the individuals that he mentioned. I will make an announcement about the events fund later on, and let us hope that everyone is happy with that announcement.

**Mr Frew:** The House should welcome the Minister's statement and, indeed, the Hunter review, as well as the efficiency gains and collaborative working that will be met out of that report and the Minister's statement.

Will the Minister reassure the House that, although there will be costs from the rebranding exercise, those will be negated by the work, efficiencies and collaborative working that will come out of this and that it will not become the shambles that Roads Service became when it was rebranded as Transport NI?

**Mrs Foster:** I thank the Member for his question. There will certainly not be any money wasted moving from NITB to Tourism Northern Ireland. The idea is that we will have actually have efficiencies in Tourism Northern Ireland working alongside Invest Northern Ireland and Tourism Ireland. I would say that, at the very worst, it will be cost-neutral, but, at best, I hope that we will see savings, moving forward.

Of course, it is not just about savings; it is about being innovative in how we market ourselves, putting the desire in front of people to come to Northern Ireland for holidays and wrapping it up alongside Invest Northern Ireland's message about the fact that this is a good place to live, work, study and visit. We want to have that holistic approach to Northern Ireland so that we can increase the number of people who come here to visit for their holidays and, indeed, increase the amount that they spend when they come to visit Northern Ireland.

**Mr Ó Muilleoir:** Go raibh maith agat, a Cheann Comhairle, Gabhaim buíochas leis an Aire as a ráiteas. Thank you, Minister, for the statement. I look forward to seeing more detail around the brand. The new organisation, Tourism Northern Ireland — Turasóireacht Thuaisceart Éireann — is a good move. You talk about a closer alignment between Invest NI and the new organisation. Can we get a guarantee that it will really be a partnership and that Invest NI will not smother the smaller organisation, that they will work together and Invest NI will help to grow it? We see the common interest in, for example, transatlantic routes into Belfast. That seems to be an area of common purpose for the new organisation and Invest NI. Can we get that guarantee that one will not take over the other?

**Mrs Foster:** I thank the Member for his question. It is certainly not the intention that that should happen. This is not some sort of secret plan for Invest Northern Ireland to swallow Tourism Northern Ireland. I actually hope that it will strengthen Tourism Northern Ireland and that it will grow as an entity, because its focus will be solely on growing the number of tourists who come to Northern Ireland.

You are right to mention the collaboration between the two bodies on trying to attract more flights. It is often the export market that drives flights in and out of a destination, so, if the cargo is there for a transatlantic flight, a flight to the Middle East or a flight to Germany, that really strengthens the case for getting the airline to look at Northern Ireland, and then we add the tourism dimension.

It is really about having a whole story to tell about Northern Ireland, so you are not just looking at an issue of tourism on its own; you are looking at what Invest NI has to offer and what else is happening in Northern Ireland. That is really where the impetus for the economic brand for Northern Ireland is coming from.

**Mr Givan:** I thank the Minister for the statement. It is an important statement that will help move tourism forward again. Whilst it is right that we acknowledge the work of Howard Hastings and Alan Clarke, ultimately, they were working to the strategic priorities established by our Minister, who has provided leadership for a number of years that has brought tourism to where it is. This is now another step change in promoting tourism.

The statement refers to the tourism growth fund that is to be jointly supported with the new councils. How can the Minister assure those new councils that they will all get equal benefits from that? There will be some, particularly in the greater Belfast area, given past experience, who will feel that, at times, Belfast — I can understand it, as it is a premier destination — may get more treatment than the other supporting councils. How can the Minister assure those other councils that it will be a fund that they should support and buy into because they will get collaboration and support that will help their own council area?

**Mrs Foster:** I thank the Member for his question. As I have already said, the management team in the Northern Ireland Tourist Board and the new chief executives have already started to have those conversations around what the tourism fund will look like, where tourism sits in the economic offering of the new councils and where it sits in the new community development plans. It will be a story that will build over the next period and allow the new councils to put forward their proposals. I hope that they will put forward innovative proposals for tourism in their areas.

As you know, the new councils are not coterminous with the nine key destination areas. That presents some challenges — I accept that — but I hope that, in the spirit of working in partnership, the new councils will also work together where there is an overlap between the key destinations so that we can get the greatest benefit out of it for our citizens on the ground. That is what it is all about — providing that economic driver.

**11.30 am**

**Mr Hazzard:** Go raibh maith agat, a LeasCheann Comhairle. I thank the Minister for her statement. I welcome the closer correlation between the organisations that has been outlined. Indeed, I echo the sentiment regarding the headquarters in Newry, but I want to touch on the allusion to the BRIC economies and to Invest NI and tourism working more closely. I think that is a good idea, but, very often, a lot of our local tourist providers do not have the infrastructure in place to meet that market, especially the Chinese market, which wants particular banking facilities that are not available to a large part of our local tourism providers. Will the Minister bring forward any schemes or ideas on how we can equip our local tourism providers to meet the demands of those emerging markets?

**Mrs Foster:** I thank the Member for his question. That is exactly why I think that the synergies between Invest Northern Ireland and Tourism Northern Ireland will work very well. Invest Northern Ireland is very used to providing advice and assistance for small firms that are going into new and emerging markets, so they will be able to work with the tourism providers as well. I hope that, if someone raises an issue with Tourism NI around banking, they will be signposted to the appropriate adviser in Invest Northern Ireland to give them that help. It is just about joining up the two resources and making the best use of them. Rather than having two silos, they will work more collaboratively together.

**Mr McKinney:** I welcome the statement and concur with colleagues in their acknowledgement of the good work thus far. I want to highlight the point that, while it is worthwhile updating the structures, the real prize here is the brand, as the Minister said. Should that not include a politically tolerant community at peace with itself, reflecting common ambition? Is it the price of failure to arrive at that that those who come may leave?

**Mrs Foster:** I do not accept the premise that we do not have an area that people feel comfortable in and want to visit. I have been working hard to get the message out that Northern Ireland has changed and is confidently moving forward. Northern Ireland Tourist Board, Invest Northern Ireland and I cannot do that on our own; we need everyone to buy into the fact that this is a changed place, that we are welcoming to visitors from outside Northern Ireland and that we live up to the reputation of this place as a friendly place where people enjoy themselves, have a good time and want to come back again. It is the repeat visits that

are critical. We will continue to work in the context of where we are. We cannot do everything, but we will try to make the most of everything that we have.

**Mr Nesbitt:** I, too, would like to put on record thanks to Alan Clarke and Howard Hastings. The Minister will be aware that the Stormont House Agreement made no reference to air passenger duty in the basket of tax powers that the Executive parties would like to see devolved to the Assembly. Does the Minister have an assessment of the extent to which that might shackle Tourism Northern Ireland going forward?

**Mrs Foster:** We were fortunate enough to have band B air passenger duty devolved to the Northern Ireland Executive. Long-haul flights that are ex-Europe now do not have to pay air passenger duty when they leave Northern Ireland. The Newark flight does not pay any air passenger duty, and, indeed, any other flights that we are able to bring to Northern Ireland airports from the Middle East and from the Americas will not pay air passenger duty.

We have asked for an examination to be carried out in relation to band A air passenger duty. We would have to pay from the block grant if we were to have the devolution of air passenger duty on band A, just as we had to pay for band B. My position on air passenger duty is that the United Kingdom in general needs to look at the whole area. If you are coming to London as a tourist, you are prepared to pay air passenger duty, but other areas around the UK suffer as a result of air passenger duty, not just Northern Ireland, and we do suffer as a result of air passenger duty.

I feel that the other regions of the UK really need to make the case to the Chancellor that he should look at abolishing air passenger duty. I know that that is certainly the view of other regions around the United Kingdom as well. So, whilst it is not immediately in the Stormont House Agreement basket, it is certainly one for the whole UK. As I said, the band B aspect of air passenger duty has already been devolved.

**Mr Humphrey:** I, too, pay tribute to Howard Hastings's contribution as chairman of the Tourist Board. From my time as a director of Visit Belfast, I know the energy and enthusiasm that he brought to that role.

The Minister mentioned the strategic direction for tourism, including the synergy between the new Tourism Northern Ireland and Invest Northern Ireland. I welcome that joined-

upness, the economies of scale and the collaboration that that will bring.

Marketing for Northern Ireland is essential. Will the Minister tell the House how the review will positively affect the marketing of Northern Ireland nationally and, vitally, internationally?

**Mrs Foster:** I thank the Member for his question. I have always said that there is very much a need to give standout to Northern Ireland, particularly in the markets closer to home. For example, we need to say to the rest of the citizens of the United Kingdom that they are very welcome to visit this part of the United Kingdom. Sometimes there has been a view that that has not been the case with Tourism Ireland because it markets as part of the island of Ireland. We very much want to see a standout brand for Northern Ireland so that we can welcome more visitors. I hope that, in the collaborative work that takes place between Invest Northern Ireland and Tourism Ireland, we will see that developing.

**Mr Lunn:** I thank the Minister for the very positive statement. It refers to a new brand to support Tourism Northern Ireland and Tourism Ireland, the development of complementary marketing strategies and targeted advertising. Does that mean that there has been room for improvement and that it might signify a more formalised joint approach between North and South?

**Mrs Foster:** I think that there has been a need for some improvement in Tourism Ireland's marketing, particularly in Great Britain, for the reasons that I just indicated to Mr Humphrey. We are in close proximity to the rest of the UK; therefore, there is a need to give Northern Ireland that standout instead of just being marketed as part of the island of Ireland strategy, which Tourism Ireland sometimes does. I have had some very good conversations with Tourism Ireland about how we can move that forward to bring more visitors in.

That is what this is all about: bringing more visitors to Northern Ireland and the tourism industry here. We have had some very successful years. The tourism industry is growing. We employ, I think, around 40,000 people in the tourism industry in Northern Ireland, and I see an opportunity to increase that. In particular, for those people who may be economically inactive at the moment, there is a real opportunity for skills development by bringing them into the tourism industry and allowing them to flourish in that way. So, there

are good reasons why the tourism industry should develop across Northern Ireland.

**Mr Rogers:** I thank the Minister for her statement and welcome the Hunter review. One of the major inhibiting factors to the development of tourism, particularly in south Down but also right across, is the VAT rate here compared with that in the South. What discussions have you had with the Treasury about getting a more competitive VAT rate for our hospitality and tourism industry?

**Mrs Foster:** I thank the Member for his question. It is certainly an issue that continues to grab the industry's attention, particularly in border constituencies. I have been lobbied a number of times, including most recently by the Hotels Federation. Of course, VAT is not a devolved matter, so, as such, it is for Treasury to determine the VAT rates. We have and will continue to make Treasury aware of the impact that the VAT rate is having on the tourism industry in Northern Ireland. Clearly, the reduction in VAT for the industry in the Republic of Ireland has been a success. It is enjoying growth off the back of that reduction.

We will continue to work with some of the UK-wide bodies to try to point out the very different circumstances that we have in Northern Ireland. Again, it is a case of London and then the rest of the United Kingdom. London is a very specialised market for tourists. It does not matter what you charge, tourists will come to London; it is not price sensitive. However, the rest of the regions are price sensitive and therefore we need to continue to make that point.

**Mr Cree:** I also welcome the Minister's report. It certainly looks like the start of a new, exciting chapter for tourism. The Minister referred to the link between the councils and Tourism Northern Ireland. Will she confirm whether there will still be a role for the subregional bodies — the Causeway Coast and Glens comes to mind, and others — and whether that will change in any way?

**Mrs Foster:** There is still very much a role for bodies such as the Causeway Coast and Glens, which has been a very successful organisation in representing the views of the industry in that area. In my area, Destination Fermanagh will certainly continue to work. If there is one word that sums up this statement, it is "partnership", and I hope that those bodies will work in partnership with their councils.

When answering a question before, I made reference to the fact that there are nine key destinations and 11 new councils. So, there will have to be collaboration across the piece on how we move tourism forward in Northern Ireland. At a strategic level, Tourism Northern Ireland will work with the bodies you speak of, local councils and Invest Northern Ireland to see where there are synergies to move economic development forward.

**Mr Allister:** The Minister may use different language, but I suspect she would agree that the Northern Ireland Tourist Board, or whatever we now call it, is hamstrung in promoting Northern Ireland by the Belfast Agreement arrangements in that it cannot even promote Northern Ireland in Great Britain. Given that this is going to continue as the strategic context — sadly, no change was made to that in the Stormont House Agreement — could she explain more fully what she means by the greater alignment with Invest NI? Invest NI has a global role and Tourism Northern Ireland is going to be restricted to a very parochial role. How does the synergy of that work and is this really an announcement of change that is more form than substance?

**Mrs Foster:** No, I would not agree with that last comment. What we are trying to do is work within the parameters that we have. He is right: I did not agree with the Belfast Agreement; I did not agree with the structures set up under the Belfast Agreement. I would not start from here. What I am trying to do is create synergies between Tourism Northern Ireland, Invest Northern Ireland and Tourism Ireland.

When I go on trade missions, I invariably have a tourism event, whether it is meeting journalists from the industry or having an event to try to encourage expats to talk positively about Northern Ireland and its tourism market. That interweaves with Invest Northern Ireland and Tourism Ireland. I hope now that Tourism Northern Ireland will be part of that as well. It is about creating a whole story and a holistic vision of Northern Ireland. It does not matter whether you are in Northern Ireland, Great Britain, China or the Middle East; we have to tell the story of Northern Ireland and entice people to come to invest or visit. That is the important point.

**Mr B McCrea:** Minister, if I could follow up on the point that has just been made, I take a slightly different view of it. I think that it is a clever move that you are bringing them together, but I do wonder about the opportunity to reach out to international markets. There is

some problem for Northern Ireland, in that we are really not the destination. A lot of people land in Dublin and head south. Is there any way that we can enhance the role of Tourism NI to reach some markets that, sadly, have been a little bit neglected in the past?

**Mrs Foster:** The Member is again referencing the fact that we need more direct access into the Belfast airports. He will find no argument with me on that one. That is why I was pleased to see the recent arrival of new carriers such as KLM Royal Dutch Airlines and the other airline — it begins with V, but I cannot remember its name — in Belfast City Airport. In any event, it is good to have new airlines coming to Northern Ireland and adding to the offering that we have, but we still need to put some strategic places on the map. Germany, Canada and those sorts of places need to be put on the map for Invest Northern Ireland and Tourism Northern Ireland reasons. The two can come together to make the point to the airlines and the airports that we should have those people come to Northern Ireland. Today's statement will strengthen the collaborative working between those two organisations and, importantly, with Tourism Ireland as well, which has the remit of promoting Northern Ireland internationally.

**11.45 am**

**Mr McCallister:** I welcome the statement. The Minister will be aware, from various questions for written answer that I have submitted, of the disparity in spend in our existing council areas such as, for example, the huge difference between Banbridge and Fermanagh district councils. She will also be aware of areas like Kilkeel having difficulty supporting a hotel. I will go back to the point about partnership. Government sometimes does not have a happy track record of delivering good collaborative partnerships. How will she ensure that councils get their share of the spend? Will there be special strategic targets set for them to deliver on some of that and to get the numbers of tourists and the amount of spend per tourist up significantly in each area, where we lag dramatically behind the rest of the UK?

**Mrs Foster:** I thank the Member for his question. He will know that proposals for new hotels and for development often come from the private sector, so there is an onus on the private sector to step forward. Some of the spend that he referenced has come through applications to the Tourist Board, maybe under the capital schemes that were available at that time for development. Those came forward

from the private sector, and government money then supported them.

I cannot make people look at putting hotels into south Down, as much as I would love to see hotels developed in south Down and, indeed, in Newry and Mourne. There is a need to look at that whole area, but the private sector needs to come forward. I hope that you are not suggesting that government starts to create hotels, because I am not sure that the public sector is well placed to run a hotel, but there is certainly a need to identify opportunities and what makes particular areas a place to visit. Tourism Northern Ireland can help local councils to develop that sort of thing, and, from that, projects that we can support will hopefully be identified.

**Ms Sugden:** I generally welcome the Minister's statement, because I think that tourism is Northern Ireland's unique selling point, and, up until now, I believe that it has been underutilised. It is widely acknowledged — Mr Allister mentioned it — that the difficulties with the Northern Ireland Tourist Board are due to how it has provided, subsequent to the Good Friday Agreement. Is a new name enough to overcome those difficulties?

**Mrs Foster:** It is not just about the name, although I think that we had reached a time when we needed to align the names of Invest Northern Ireland and Tourism Northern Ireland. I hope that, by doing so, a message is sent out that those two organisations are there to support Northern Ireland and to develop, on the one hand, tourism economically and, on the other hand, the general economy. As I said, I would not have started from here, but I have to deal with the reality in front of me, and I hope that there will be more collaborative working between all three organisations.

## **Fisheries Council: December 2014**

**Mrs O'Neill (The Minister of Agriculture and Rural Development):** Go raibh maith agat, a Cheann Comhairle. With your permission, I wish to make a statement on the outcome of the negotiations at the Fisheries Council held in Brussels on 15 and 16 December, which determined fishing opportunities for 2015.

EU quota negotiations take place every December and involve decisions on a wide range of stocks, including in the North Sea, the Irish Sea and the Celtic Sea. This year, fisheries Ministers George Eustice, Richard Lochhead and I attended the Council. In the annex to my statement, Members will find a

map of fishing areas; a summary of the main total allowable catches (TACs) and quotas of interest to the local fleet; and a provisional summary of the landings made into the County Down ports by the fleet in 2014.

Discussions between officials from the four fisheries administrations and key stakeholders helped to shape our negotiating priorities. Underpinning those priorities were our key principles: following the best available science, achieving sustainable levels of fishing and reducing discards. Ahead of Council, fisheries Ministers agreed that our top negotiating priorities would be to ensure that the freeze on fishing effort secured for 2014 was carried forward into 2015; to reduce the 41% TAC cut proposed for Celtic Sea haddock in this mixed fishery with cod and whiting; to agree more flexible arrangements to fish the haddock stock between fishing areas VI and IV; to oppose the proposed TAC cut for Irish Sea nephrops and seek an agreement that supports an increase in the number of stocks fished at FMSY in 2015, subject to evidence-based exceptions for North Sea cod and Celtic Sea haddock; to apply an evidence-based approach to management of data-limited stocks to gain improved proposals on these; and to agree interim measures for sea bass management, proportionate to the impact of the recreational and commercial sectors.

This was the first December Council for the new Commissioner, Karmenu Vella, who took up his post on 1 November. It was also the first Council at which fishing opportunities would be set under the new rules of the common fisheries policy, which aims to have all stocks fished at sustainable levels. This year, agreements had been reached ahead of Council with both Norway and the Faroes on North Sea stocks and stocks such as mackerel. This meant that the Council was able to take decisions on the full range of total allowable catches.

Negotiations on the first day took place at plenary session and then during trilateral meetings between individual member states, the Commissioner and the Italian EU presidency. My colleagues and I were involved in the first trilateral meeting of the day, and we each outlined our priorities. I pointed out that the Commission's proposal for a 14% cut in the area VII prawn quota would represent a loss of £1.74 million to the local fleet on the basis of its current quota share. Members are doubtless aware that the nephrops prawn stock is key to the economic well-being of our fleet and the processing industry that depends on it. There are seven individual nephrops stocks in area

VII. These are assessed separately, taking account of the particular circumstances of each stock, and scientific advice is provided for a catch level that results in the maximum sustainable yield from each stock. The Commission's initial proposal for a total allowable catch of 18,118 tons represented the sum of the catch advice for the seven individual stocks.

Member states that have an interest in area VII nephrops receive a fixed percentage share of the TAC each year, but fishing patterns have changed, and France and Spain no longer take their quota. In these circumstances, if the TAC were set at a level equal to the catch advice, the stock would be underexploited. Consequently, the approach supported by the Council over the last number of years has been to set the TAC at a higher level. I pointed this out at the trilateral and pressed for the TAC to be set at a level that provides a quota share capable of accommodating current fishing patterns by member states with an interest in this stock. These patterns demonstrate that the landings by fleets that are exploiting the stock are in line with the scientific advice and have been for some years. I know that the Commission understands these arguments very well, but, each year, we seem to have to go through the same ritual, in which the Commission makes an unreasonable starting proposal and this is improved gradually through a series of compromises.

The TAC should not only be set higher than the sum of the scientific advice but should move in line with changes to that advice. For 2013, we were able to secure an increase of 6% because of a comparable improvement in the scientific catch advice. For 2014, we experienced a 9% cut when the scientific advice suggested that catches should be reduced by 8.4%. This year, the catch advice was up by 3%. I made it clear at the trilateral that it was my expectation that the TAC should increase accordingly.

In the afternoon, there were further negotiations between our officials and Commission officials on some technical issues. We maintained good contact with my Southern counterpart, Simon Coveney, and his team on our shared interests.

The first compromise proposal was presented on the morning of Tuesday 16 December. A number of key priorities were secured at that point, including the freezing — rather than the reduction — of the number of days that fishermen are able to spend at sea under the cod recovery plan and some movement from the Commission to mitigate the proposed reductions to TACs for a number of key stocks.

This initial compromise saw the proposed cut to area VII nephrops drop from 14% to 7%.

Further negotiations took place throughout Tuesday with the presidency and the Commission. The outcome was that my ministerial colleagues and I secured all our key priorities on TAC and requests for rule changes or flexibilities. The outcome for area VII nephrops was an increase of 3% in the quota available for 2015.

One of the issues that we had been working on with the Commission in the lead-up to the council was to secure an Irish Sea cod quota to enable us to carry out some fisheries science. The cod plan rules reduce the TAC by 20% year on year if the stock remains below a critical level. That reduction in the cod quota means that there is no longer a directed fishery for cod in the Irish Sea. Consequently, there is limited data available to inform scientific advice. Quota limitations have also restricted our ability to continue with an industry and science partnership that conducted an Irish Sea spring cod spawning survey under current arrangements. That survey, which ran continuously from 2004 to 2013, is accepted as a valuable survey for stock assessment purposes. Prior to Council, I secured support from Simon Coveney to ask the Commission to provide an additional 20-ton cod quota to allow that work to continue. I am sorry to say that, despite a positive reaction and encouragement from the Commission, I was told during the trilateral at Council that the Commission had no legal mechanism available to it to enable that to happen. That was extremely disappointing. Everyone wants this survey to happen, and, incredibly, the Commission appears to be content for fish caught during the survey to be thrown back. That is bizarre, given that the new CFP aims to gradually eliminate discards through the imposition of a landing obligation. The idea of having a scientific quota is that the fish could be landed and sold and the proceeds used to offset the cost of the survey work. As I indicated in my press release following Council, we intend to press the Commission on that again to re-examine options.

All fisheries Ministers had a shared interest in ensuring that the Commission used the best information available rather than adopt a policy of making an arbitrary cut to a TAC because an analytical stock assessment was not available. I wanted to ensure that area VIIa haddock was not subject to the proposed 20% cut because of that policy. While it does not have an analytical assessment, the stock trends are very positive. Following record recruitment last year, it is expected that there will be a large increase in

the biomass over the next few years. The fishery is currently prosecuted by one specialist white fish vessel that has demonstrated that it can target haddock cleanly, with less than 1.5% cod by-catch. I was, therefore, pleased that the pressure maintained during negotiations resulted in no cuts for the haddock TAC in the final agreement

Business was concluded by Council by about 9.00 pm on Tuesday. The package resulted in an increased quota in the North Sea and west Scotland for haddock and angler, for Irish Sea nephrops and for hake, which is assessed for a number of wide-sea areas.

The annex to my statement details the TAC movements to other fish stocks that are landed by the local fleet, but they are of much less importance than nephrops. Members will be able to see the relative values of the different species landed into our ports from the table on the last page.

The continued application of the discredited cod recovery plan resulted in a 20% reduction in the cod TAC. There were further cuts of 10% in plaice and 5% in sole, which is a reflection of the concerns expressed in the scientific advice. The reduction in herring of 8% was in line with the science and the maximum sustainable yield for that stock. There was a welcome increase of 11% in hake, and the fishing opportunities for other quota stocks remained unchanged.

I am grateful for this opportunity to inform Members about the outcome of the 2014 fisheries negotiations as far as they affect our fleet, and I am satisfied that we got a good outcome for the local fleet. I put on record my thanks to my colleagues George Eustice in DEFRA, Richard Lochhead in the Scottish Government and Simon Coveney in the Twenty-six for their strong support throughout the negotiations.

**Mr Irwin (The Chairperson of the Committee for Agriculture and Rural Development):** I refer the Minister to the reference made to discards at paragraph 17 and the clean fishing of haddock at paragraph 18. As we know, the use of selective gears will be very important, especially as the common fisheries reforms come into play in 2016. What work is being done with the industry on that issue?

**Mrs O'Neill:** The commitment that I made three years ago, with the cooperation of the industry, around selective gears saved us from unacceptable technical measures being imposed on the local fleet and gave us breathing space to develop selective measures

that were more suitable for the fleet. We now have several more acceptable gear types that are capable of reducing cod catches to below 1.5%. They allow vessels to become completely exempt from days-at-sea restrictions. Our commitment remains the same. Even without exemption, all our prawn vessels must use highly selective gear in the cod recovery zone. That allows us to buy back enough days at sea to allow our vessels to take their full quotas. The focus is moving to reducing overall discards as well as cod catches, and we will continue to improve those gears from now until 2019.

## 12.00 noon

**Mr McMullan:** Go raibh maith agat, a Cheann Comhairle. First, on behalf of the local fishing industry, I congratulate the Minister on her hard work during the recent negotiations in Brussels. Today's statement highlights the work that was done there for the fleet. Will she now provide us with an update on the European Fisheries Fund (EFF)?

**Mrs O'Neill:** Yes. The current fund is coming to an end and is now closed to applications. The new funding, under the European Maritime and Fisheries Fund (EMFF), will support the development of the fishing and seafood sectors until 2020. The bulk of the funding will go towards common fisheries policy reform and measures to improve the industry's economic and environmental sustainability. Important areas such as technology to reduce fish discards and modernisation of vessels to improve health and safety are a welcome inclusion in the funding proposals.

I have agreed an allocation for DARD of 10% for EMFF core funding, and that is consistent with DARD's spending under the current EFF programme. I have ensured that we have received a fair share based on the size of our industry and the investment needs that it has demonstrated through the use of previous European funds for fisheries.

The fisheries administrations are working on a draft operational programme, and a public consultation was launched back in March of last year. The Department will be active in its engagement with the local industry and its representatives during the consultation round. If progress is made as planned and everything runs according to plan, the EMFF should be open for applications this summer.

**Mr Byrne:** I welcome the Minister's statement. However, I recognise that some parts of it are

good, while some are not so good. I welcome the 3% increase in the prawn quota. We are concerned with area VIIa, but will the Minister tell us what the net change was for the other regions, such as Scotland or England? In future, is it possible that a scientific assessment can benefit the recovery of the Irish Sea for fishing for our fleet?

**Mrs O'Neill:** The decisions that are taken on quotas are very much based on the scientific advice. Area VIIa is the area that is relevant to our local industry only. Something over 95% of the industry is dependent on the nephrops stocks, so that is our main priority when it comes to dealing with the discussions as part of the December Council. The fact that we were able to secure the increase is a welcome development for the industry.

The cut that was proposed at European level would have equated to almost £2 million of a loss to the industry. That would have been quite substantial, given that we have a small fishing industry and a small fleet that is almost wholly dependent on nephrops. Therefore, it is good news to the local industry.

The other stocks that I have outlined in the annex to the statement, where it refers to cuts, are of less importance to the industry. There is a combination of reasons for the cuts. It may be that the science did not stack up, so that there needs to be a sustainable approach to the stocks, or it may be that stocks are being fished at maximum sustainable yield. There is a combination of reasons, but suffice it to say that this is a good news story for the local fishing fleet.

**Mrs Dobson:** Following on from Mr Byrne's question, in your press release you describe the 3% increase in the prawn quota as an:

*"additional £450,000 of fishing opportunities."*

What additional support do you plan to provide to the industry to help it grasp those opportunities and therefore deliver a prosperous future for fishing in Northern Ireland?

**Mrs O'Neill:** I very much want to see a prosperous future for the industry. We will be able to work with the industry through the new EMFF package that we hope to open in about June this year. There will certainly be opportunities there, particularly around the selective gear and the sustainability of fishing

communities. We will be able to highlight quite a range of areas as part of that programme.

As I said in the press release, there will be £450,000 of fishing opportunities. The fishing and the processing are all part of that, and the 3% increase is something that the industry wanted to see.

I would like to see Europe taking a different approach to how this is done. Fishermen find it difficult to plan for their business future, given that they have to wait until each December to see what they will be able to catch in the following year. That does not make for good long-term planning for any business. The approach to that is an issue that we share with other member states, and it is something that we have to continue to challenge.

**Mr Buchanan:** One of the key negotiating priorities, as outlined in your statement, was to agree:

*"interim measures for sea bass management, proportionate to the impact of the recreational and commercial sectors."*

Are you satisfied with the outcome of the negotiations on that priority? How do the measures now sit alongside the recreational and commercial sectors?

**Mrs O'Neill:** Yes, I am satisfied. It is less of an issue for us than for Scotland in particular. All the priorities that I listed at point 6 in my statement were achieved, so that is a good outcome for the negotiation.

The industry locally is almost wholly dependent on nephrops as its main stock. That was our priority in my approach to the discussions, and we secured a good outcome for that.

**Mr Hazzard:** Go raibh maith agat, a Cheann Comhairle. I welcome the Minister's statement, like Members before. Given the need for the Department to continue its work with the industry and to work more closely, can I ask the Minister to give an update on the fisheries task force, please?

**Mrs O'Neill:** The task force interim report has been published on the Department's website, where you can read it in full. The task force met on five occasions to consider the following: factors affecting the profitability of certain fleet segments and actions required to address those; the future challenges faced by the fishing fleet and on-shore businesses and the action required to meet those, particularly the EU

landing obligation; and priorities for funding under the new EMFF, especially the elements of the operational programme.

The task force's three main recommendations are that highly selective gear trials should continue until 2019 to assist the industry with the implementation of the landing obligations; that the Department starts to develop a case for further flexibility in implementing the landing obligations within the member state discard group and the Commission; and that DARD carries out an assessment of the balance between available fishing capacity and the fishing opportunities for the Irish Sea nephrops fleet during 2015.

Officials will be studying those recommendations over the coming weeks. We want to be in a position to issue a full response by the end of February. I am quite encouraged by the work that the fishing industry task force has done, and we will continue to work with it over the next year to take forward what has been identified as a vital piece of work for the industry.

**Mr Poots:** The cod quota has been reduced by 20% every year since 2006-07, so there has been a significant failure on the part of the Department in each of those years. The evidence coming from the sentinel fisheries programme is that there has been a recovery of cod. So why is the evidence being ignored when it comes to the dispensing of quota, and why are we not using the science that is available to us?

Can the Minister assure the House that the change to the new European Maritime and Fisheries Fund will be seamless with the end of the current European Fisheries Fund and that there will not be a gap between those two funds?

**Mrs O'Neill:** In relation to the point that it is, perhaps, a failure of the Department in relation to the cod cuts, maybe the Member does not understand, but there is a cod recovery plan in place at a European level. That plan sets out that year on year there will be a 20% cut in cod quota. That is why we are where we are.

I have argued the case every December that I have been there. I think that was maybe my fourth Council meeting. That the cod recovery plan does not work is an issue that is consistently on the agenda. Other member states agree, but until Europe reviews the recovery plan, and we accept that there has been movement on that recently, we have to continue to drive home those points, and I will

continue to do that. Unfortunately, we are stuck with it until there is a replacement, but I assure the Member that it is something that I am equally concerned about.

In the sentinel fisheries scientific cod study that we asked for, there was some sympathy for the idea. We have been told by the Commission that this is not legally possible. However, we have not parked the idea and will continue to pursue it with the Commission. I said that publicly after the December Council meeting. That is the commitment that I have made to the industry, and I will continue to challenge them.

I believe that this is counter-intuitive in terms of what Europe wants on discards. They are actually encouraging people, with this cod recovery plan, to throw fish overboard. That is not acceptable, so there needs to be a bit of realism and common sense applied to the sentinel fisheries.

**Mr Rogers:** Following on from that, the 20% year-on-year cut to the cod TAC is really limiting the availability of scientific information and making a nonsense of the cod recovery plan. I acknowledge your attempts, along with Simon Coveney, to get a 20 ton cod quota, but what representations have you made since the Fisheries Council meeting to ensure that we have sustainable management of cod stocks in the future?

**Mrs O'Neill:** I do not disagree: the Irish Sea cod quota is far too small for us to be able to manage a central fishery. This is something that has been ongoing for years. We have consistently raised the issue with the Commission as part of the ongoing discussion that we are having with it. At the December Council meeting, things were made very clear, particularly for the new presidency. They had an understanding of the nonsense of the argument that they had been making; they accepted why we need to do it, but legally could not find a way to do it. We need to find a way around that.

I intend to write to the Commission on the back of the December Council meeting to follow on from that discussion. It is not a new conversation; it is an ongoing one.

**Mr Anderson:** I thank the Minister for her statement. The table at annex A shows that mackerel is the second most important catch of our fishing fleet. You referred to further agreements with Norway and the Faroes on the mackerel stock. Can you update us on when

that is expected to happen, and what will Northern Ireland's negotiating position be?

**Mrs O'Neill:** The Norway/Faroes issue has been going on in relation to North Sea stocks, such as mackerel, for quite some time. We were glad that, before we got into the ins and outs of the December Council negotiations, there was movement and progress on that. That meant that the Council was able to take the decisions on the full range of catches outside the Norway stock.

There are possibly two main boats that catch mackerel and are affected by that, so they watch with interest how the Norway/Faroes situation, which has been going on for quite a number of years, is playing out. I am glad that that was sorted out in advance of the Council meeting, because it meant that we were able to get stuck into the detail of all the other catches.

**Mr Allister:** Can the Minister shed any further light on the bizarre claim by the Commission that there is no legal mechanism to enable it to facilitate the cod catch that is necessary to allow the ongoing spawning survey? Surely, under the TAC regulations, the Commission has the inherent power to recommend upwards or downwards. Where is the legal basis for that assertion? Has the Minister got to the bottom of that with the Commission, or is this just the latest wheeze by the Commission to finally extinguish all cod fishing in the Irish Sea?

**Mrs O'Neill:** Getting to the bottom of it is the process we are involved in. We submitted a proposal to the Commission, which was supported by the South and would have allowed us to take forward a sufficient quota that would also have allowed us to have a sustainable scientific fishery. The Commission said it was not possible to grant the quota under the current rules, but it did offer a solution that would allow a spring survey to proceed without requiring an additional quota. That would at least get us moving. We are studying that proposal at the minute, with the aim of being able to open something for the spring cod spawning survey.

So at least we can get things moving, but I do think it is a nonsense, and I agree with you about the Commission's approach on this issue. It accepts that we need to gather the science, because without that we cannot make decisions, yet it finds legal barriers to increasing the quota. That is an ongoing process, but we are able to make some progress and get a spring spawning survey opened up over the next number of months.

**Mr B McCrea:** There has been a lot of discussion about the scientific basis for the decision-making. How important is scientific analysis in our discussions? When we talk to the Commission, does it challenge the science, or is there just no information available — in other words, there is no science? Where is the gap in our understanding?

**Mrs O'Neill:** It is not that there is a gap. The one thing that I recognised very early on was that you cannot go out to Europe and argue your corner unless you have science to back up what you are saying. Taking the last three years, the science was there to support an increase two years ago, when we were able to secure that increase. Last year, the science said something different. You cannot make one argument one year when the science is favourable and then make a counterargument the following year if it does not suit your argument. It is about consistency.

**12.15 pm**

We have very strong science. The Agri-Food and Biosciences Institute scientists who come out with me every year to be part of the negotiations and to challenge the Commission provide excellent background work with the industry and have been very helpful. They were very helpful this year in our being able to achieve that increase. As I said, it is not that there is a gap in science. Europe will have its view, and we will have to bring our own scientists. When it comes to arguing your corner, you have to fight science with science.

## **Executive Committee Business**

### **Regeneration Bill: Second Stage**

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

*That the Second Stage of the Regeneration Bill [NIA 43/11-16] be agreed.*

The Regeneration Bill will allow the conferral of powers to tackle deprivation and undertake regeneration and community development in local government and the transfer of functions relating to Laganside to the new Belfast City Council. The Bill sits in the context of the framework provided for local government reform by the DOE's Local Government Act (Northern Ireland) 2014, which received Royal Assent last year. I believe that these new

responsibilities will contribute significantly to the aims of local government reform, which are to provide a stronger and more efficient local government that delivers more effective services to its communities. It will give councils the opportunity to really shape service provision for their citizens, whom they have been elected to serve, and to adapt to the local needs of those communities.

I have had some useful discussions about the content of the Bill with a number of Executive colleagues over the last number of months since taking up office. This has resulted in the Executive agreeing to remove the housing provisions in the Bill and retitling it the Regeneration Bill. However, the timescales around these discussions meant that it was not possible to secure the Executive's agreement in time to allow me to have this legislation in place for 1 April 2015, as originally planned. Therefore, with Executive agreement, it is now planned that these responsibilities will be conferred on local government a year later, from 1 April 2016.

DSD's powers and functions will not transfer in April 2015, but, as Members will be aware, a number of key functions from other Departments will transfer. These include planning, local economic development and tourism, which fit well with the responsibility for regeneration. Although DSD powers will not be conferred until 2016, I am committed to working closely with the new councils to make sure that our regeneration and community development activity fits with the plans, which will be developed locally, and that we are fully engaged in the community planning process that councils will take the lead on. As part of that process of engagement, I intend to embark on a series of meetings with each of the new councils shortly.

The issue has been raised by a number of Members. Members will also be aware that a panel was established some weeks ago. I attended that panel along with other Ministers and representatives from local government. I gave a commitment on that occasion that I would endeavour to ensure that there was consultation and collaboration with local councils and that, despite the perceived difficulty with the transfer of functions and powers as of 1 April 2016, we would do all in our power to make that transition as seamless and uneventful as possible so that we have a good working relationship. That is what I am committed to, and that is the reason why I have been in consultation and in contact with the local councils over the last number of days.

I mentioned that it was decided, after some discussions, to remove from the Bill the housing functions that were earmarked for transfer. While those functions were of a relatively minor nature relating to unfitness and housing in multiple occupation, I want to make it clear that the intention was never to transfer to councils any responsibilities for determining housing need or providing social housing.

Those responsibilities and powers rest with the Northern Ireland Housing Executive and the housing associations, and that situation will not change as a result of the Bill. Since coming into office, I have been well aware of the concerns that there are about housing and of Members' fears, worries and suspicions around the issue. I trust that Members will reflect on the work that we have done to bring the Bill to this stage. I have worked to ensure that those concerns, fears, worries — whatever they are — are allayed, but that needs to be repeated and rehearsed because, sometimes, that is necessary for some Members to understand that what we are saying is exactly the case. So, we have made progress on that matter, and those powers will stay as they are.

What current DSD powers and responsibilities will go to local government as a result of the Regeneration Bill? The new councils will have the power to carry out regeneration schemes and projects, public realm and environment improvement schemes and they will take the lead in tackling deprivation and delivering community development in their area. In a number of areas, some of that work is already being undertaken in partnership with my Department and existing councils, but, in the future, all councils will have the lead role. They will be able to decide on priorities and where the budget should be expended. All of that will be within the wider context of the new duty of councils to develop community plans for their area.

**Mr Elliott:** I thank the Minister for giving way. I am conscious that he is talking about finance and the budget. Will the budget be devolved from DSD to the councils as well? Who will have overall control of it?

**Mr Storey:** Yes, the budget will be devolved. It would not be in keeping with good practice to decide to give councils the power but not give them the wherewithal to do it. Obviously, there will always be an issue about the amount of money. We have heard it in the House already today. In some cases, it seems as though there is never enough. I am well aware of concerns about finance. However, I am endeavouring,

even in my discussions with the Finance Minister in the pre-consultation for the Budget, to make sure that we give this the concern and priority that it deserves so that the budget will transfer.

I will continue. All of this, of course, will happen. This is an important point to make. There is another concern about when we transfer the powers: that this will happen somehow and the Department will walk away from all its responsibilities. However, it is right to say that this will not be without support from my Department. The Bill will give the Department power to publish strategic guidance to which councils must have regard in exercising their functions, under the 'Urban Regeneration and Community Development Policy Framework', which was published in July 2014. It provides the strategic direction for regeneration and community development policy. The Department will also support councils by publishing guidance on related issues, such as the evidence base and best-practice interventions in respect of regeneration and community development. It should be clear, however, that councils will be left free to decide how best to deploy these in the context of departmental guidance. It is important to underscore and underline that. If there is a document that should become one of ownership for the new councils, it should be the 'Urban Regeneration and Community Development Policy Framework', because it gives much of the context and detail of how we see these things rolling out over the years ahead.

Some Members may ask why we do not proceed to say when and where councils should decide to support schemes or projects. However, in my view, that would be contrary to the whole ethos of local government reform. The Executive have decided that decisions affecting local people should, where possible, be made by local people at a local level.

Members will also have received correspondence in the last 24 hours about the community investment fund. I want to take a minute to say something about that correspondence, as it is worthwhile placing these comments on record in the House. In that correspondence, concerns centred on the fact that, as a result of the transfer of the programme to councils in 2016, an opportunity may be lost to integrate the community investment fund with the rural development programmes managed by DARD. I will write to Members about that issue shortly, but perhaps I should make a few initial comments.

While I understand the points raised in the correspondence, in my consideration of the issue I have been mindful that the agreed position of the Executive is that responsibility for regeneration and community development at a local level should rest with local government. The transfer of the community investment fund to councils fits well within the overall ethos of local government reform, which, as I have said, will allow local people to make decisions on the priorities for their area at a local level.

In relation to the concerns about the integration of urban and rural programmes, it is important to note that community planning will also place a duty on key Departments and agencies to be engaged in the community planning process and to have regard to the community plan when considering how best to deliver services locally. Community planning will have the form of achieving the proper integration of urban and rural support programmes. So, given the strong link between the community investment fund, community planning and the subregional nature of the programme, there would need to be a strong reason not to proceed with its transfer to the new councils.

From the consultation responses and meetings with the councils, it is clear that there is significant support for the principles of the Bill, the transfer of these responsibilities to the new councils and the conferral of these powers on local government. On that basis, I hope that all parties can give the proposals their full support.

**Mr Maskey (The Chairperson of the Committee for Social Development):** Go raibh maith agat, a Cheann Comhairle. I also congratulate you on your elevation to the post of Speaker. I have no doubt that you will do a very good job along with the Deputy Speakers and the Principal Deputy Speaker.

Very briefly, I would like to thank the Minister from bringing the Second Stage of the Regeneration Bill to the House. I welcome the vast bulk of his comments.

To repeat, on 8 January the Committee received a comprehensive briefing from departmental officials, who outlined the key areas of powers that would be transferred. Ultimately, the Committee agreed in principle with the principles of the Bill. Whilst Committee members addressed a number of concerns — I will touch on a few of those in a moment — nevertheless, the Committee unanimously wants to see the Bill being given a fair wind, local government being effective and powers being transferred successfully. Most Members will have had their political origin in local

government and will be acutely aware that councillors work with local communities, are very close to the ground and have a clear understanding of what is required in local areas. However, they often do not have the necessary powers to change those wishes into reality. Hopefully, the Bill will help them to do that.

The Minister has outlined the process of getting the Bill to where it is, which has included removing the housing elements from the original intention of the Bill. As the Minister said, a number of those powers, particularly the regulatory powers, will be introduced at a further stage. Most people would like the regulatory powers to be transferred to local government, and there certainly would be no obvious contention on that. However, that was a wise decision, and the Committee was of the view that the Minister's decision to proceed with the Regeneration Bill on that basis was correct. The Committee will want to work with the Minister and his Department over the next weeks and months to make sure that we get the Bill right.

The Minister fully addressed some of the concerns in his opening remarks around the question of trying to make sure that each council adopts the powers progressively and proceeds on the basis of seeking to tackle disadvantage in its area. It is important to state that, although they were concerned about how those powers might be utilised in local government, Committee members wanted to see some consistency right across the 11 councils. The Department and the Minister retain policy powers, and they will look at ways of monitoring local government to see how those powers are exercised in the time ahead.

It suffices to make the point that the Committee raised concerns with the Department, a number of which have been fully addressed today by the Minister. He has made it very clear to the Committee and the House that the Department will work with the Committee, all Members and all parties across the Chamber over the next period to make sure that we get the Bill into law so that we can move ahead in April 2016 and transfer the powers to local government to allow councils to be much more effective and responsive in tackling need in their area. Obviously, there are issues around transferring the budgets. There is a mechanism and a formula for doing that that the Minister will deal with in due course.

On the basis that we want to see successful legislation enacted, the Social Development Committee will want to work cooperatively with

the Minister and the Department in the time ahead to finalise the Bill.

**Mr Speaker:** The Business Committee has arranged to meet immediately after the lunchtime suspension. I propose therefore, by leave of the Assembly, to suspend the sitting until 2.00 pm. The first item of business when we return will be Question Time. Paula, you will be the first Member called to speak after Question Time.

*The debate stood suspended.*

*The sitting was suspended at 12.31 pm.*

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

**2.00 pm**

## Oral Answers to Questions

### Enterprise, Trade and Investment

**Mr Deputy Speaker (Mr Dallat):** We will start with listed questions. Question 1 has been withdrawn.

#### Corporation Tax

2. **Mr Weir** asked the Minister of Enterprise, Trade and Investment for her assessment of the impact on job creation and inward investment of the proposed devolution of corporation tax. (AQO 7361/11-15)

**Mrs Foster (The Minister of Enterprise, Trade and Investment):** Corporation tax can be a major stimulus for jobs and investment in our local economy. Bringing about a step change in economic performance is not possible without implementing new powers. My Department commissioned the Ulster University Economic Policy Centre, which was formerly the Northern Ireland Centre for Economic Policy, to look at the benefits of moving to a corporate tax level of 12.5% from April 2017. The economy overall is expected to be 11% larger, driven by growing the private sector.

**Mr Weir:** I thank the Minister for her reply. I am sure that we all welcome the announcement on corporation tax, but given that the earliest that a reduction can be brought into effect is 2017, what does the Minister feel that Invest NI could

do between then and now to take advantage of the reduction?

**Mrs Foster:** It is indeed the case, as you pointed out, Mr Weir, that the earliest that the rate can be reduced is probably around April 2017. Before that time, we need to have very clear messaging around when precisely the new regime will come into place and what rate it will be set at; we are talking about the date and the rate. Once we have both those aspects clarified by the Executive, Invest Northern Ireland will be able to sell the proposition right across the world. The work carried out by Ulster University is saying that, because it takes time for businesses to make decisions around moving, if we go out early and sell the lower corporate tax level, we may see firms coming before the tax rate is reduced. We may see benefits coming even before the costs to our block grant kick in. It is important to have the date and rate set, and we are looking forward to a discussion at the Executive in relation to both issues in the very near future.

**Mr B McCrea:** Minister, on 11 January on the BBC, in relation to corporation tax, you stated:

*"that means people will have an extra £3,000 in their pay packet per year".*

How did you arrive at that figure? Is it for all of us?

**Mrs Foster:** I thank the Member for his question. Again, it is referring to the work carried out for me by the then Northern Ireland Centre for Economic Policy. The work it carried out very clearly indicated that productivity would rise in the economy overall. Based on the work that it carried out, it made the assumption that productivity would rise by 5.9%. If you look across the economy, that means a general increase of £3,000 per annum into employees' wage packets. Obviously, it is very generalised; I accept that not every single person will see that increase. Some will see bigger increases. The Member will understand that the productivity issue has long been a drag on the economy here in Northern Ireland. We really want to see a closing of the gap between productivity levels in Northern Ireland and those in the rest of the UK. I firmly believe that the lowering of corporation tax will enable us to do that.

**Mr McGlone:** Go raibh maith agat, a LeasCheann Comhairle. Gabhaim buíochas leis an Aire as a freagra. I thank the Minister for her answer. Will she give the House some indication of the assessment that she has made

of the cost to the block grant of the reduction of corporation tax to 10%, as she has advocated?

**Mrs Foster:** I believe in a 10% rate — I understand that we have to come to Executive agreement on the matter and that it may not be the case that we settle at 10% — in relation to competitiveness with our closest neighbour, the Republic of Ireland. As you know, it has set its rate at 12.5% for some considerable time now and has benefited greatly because of that. The work that was carried out by the Ulster University economic policy group took the assumption of 12.5%. Therefore, the work that I have received is based on that 12.5%. If you were to extrapolate it down, it would give us even more of a competitive advantage.

I think that the important thing to recognise is the fact that Invest Northern Ireland has had a very strong proposition over this past couple of years based on the talent of our young people. What we have now is a proposition of tax and talent so we have both of those elements in our armoury now. Given that we have both of those elements, I think that we have a very strong proposition for going to the United States and, indeed, other places and bringing even more inward investment into Northern Ireland.

**Mr Maskey:** Go raibh maith agat, a LeasCheann Comhairle. I have somewhat of a follow-on from the previous question. Does the Minister have any idea of how the money against the corporation tax reduction might be offset against the block grant?

**Mrs Foster:** The work carried out by Ulster University points out that we may start to see a benefit of about 5% to 10% to the Northern Ireland economy before we actually take the hit with the block grant. I welcome that, because we will see more people investing in Northern Ireland even before the corporate tax rate is lowered. Therefore, we will see more investment into Northern Ireland, and we will benefit as a government because of that. On the hit to the block grant, work is continuing between the Department of Finance and the Treasury Ministers to bottom out the very precise figure of what it will mean for our block grant. Of course, those are all matters that will be discussed in the next comprehensive spending review. At that stage, we will have a completely clear picture of what it will mean for the block grant. We will then look to see where we can make savings to offset what will be a big hit on the block grant.

I have to say to you and to the House that I believe that we are in a situation now as an

economy where we cannot just sit back and do nothing. We have to do something different, and I believe that doing something different is to use the corporate tax reduction to bring more investment into Northern Ireland. I think that the whole economy will grow as a result of that. People will have more money in their pay packets, and that will help everyone, not just big business. I have heard it said by some that big business is going to benefit from this, but, really, for the Executive, it is about job creation and creating more jobs right across Northern Ireland.

### **Tourism: Overseas Visitor Numbers**

3. **Mr Swann** asked the Minister of Enterprise, Trade and Investment for her assessment of the latest Tourism Ireland overseas visitor numbers. (AQO 7362/11-15)

**Mrs Foster:** The estimated overseas visitor figures quoted by Tourism Ireland for 2014 are very positive, and I remain confident that we will meet the targets set for tourism in the Programme for Government. The next set of official statistics for Northern Ireland visitor numbers, for the first nine months of 2014, is due to be published on 22 January 2015.

**Mr Swann:** I thank the Minister for her answer. Minister, figures released by Tourism Ireland on 30 December showed an increase in overseas visitors to the Republic of Ireland of 8.6%, whereas there was only an increase in overseas visitors to Northern Ireland of 5%. Can the Minister tell me what steps she has taken to try to close that balance and increase the numbers of overseas visitors coming to Northern Ireland?

**Mrs Foster:** Again, it is around collaboration between Tourism Northern Ireland, Tourism Ireland and Invest Northern Ireland about getting the package for Northern Ireland completely right. I welcome the fact that there has been an increase in overseas visitors, and I welcome the fact that we are now very strategically focused on bringing more visitors to Northern Ireland. To make that happen, we have to have more direct access coming into our airports, and that is something that I am very firmly focused upon. I have said very many times that I would like to see a route to Germany, a route to Canada and a route, perhaps, to the Middle East. Those are all areas that we are working on with the airports and with a number of different airlines.

**Mr Ross:** The Minister and the whole House will, obviously, be aware of the Gobbins path

project in east Antrim, which is due to open later this year. How important does the Minister think that that project will be in attracting more overseas visitors to Northern Ireland?

**Mrs Foster:** I do welcome the progress that is being made on the Gobbins path. I think that it will be an absolutely outstanding visitor attraction when it is completed, and one that will invoke some of the memories that you get when you look at some of the old photographs of the Gobbins path. I think that it will be simply outstanding. Actually, at the last international visit that I had, I was talking about the Gobbins path, and a lot of people were very excited about the prospect of being able to visit the path again. I think that it will very much add to the Causeway Coast and Glens experience — an experience that already is outstanding. I was going to say that it is a new facility; it is, of course, a very old path, and bringing it back to life will add to the offering that we have to put on the international stage. I look forward very much to it coming online, hopefully later on this year.

**Mr Sheehan:** Go raibh maith agat, a LeasCheann Comhairle. Gabhaim buíochas leis an Aire. I am sure that the Minister will be aware that the retention of a reduction in VAT rates for tourism services in the South has contributed to their success down there. Will she update us on any discussions she might have had about a reduction in the VAT rate here for the tourism industry in the North?

**Mrs Foster:** A reduction in VAT was raised earlier in the House. Members will know that VAT is a national matter that is dealt with at Westminster. A number of organisations and individuals have lobbied me about a reduction in the rate of VAT. It has been a great enabler in the Republic of Ireland; there is no getting away from that. We must continue to make the case to the UK Exchequer that it would help not only us but other regions of the UK and would enable them to be competitive in a very competitive market.

**Mr Lyttle:** How much of the additional £2.2 million that the Minister received for tourism in the 2015-16 Budget will she allocate to a tourism events fund for 2015-16?

**Mrs Foster:** The Member can ask that question, but another question is coming up later, and I will answer it then.

**Mrs McKevitt:** In answer to an earlier question, the Minister spoke about EU countries and trying to increase the tourism level. What

conversations has she had with the Irish and British Governments on expanding short-stay visas for Chinese and Indian visitors to the common travel area to include visitors from countries outside the EU?

**Mrs Foster:** I am sure that the Member will join me in welcoming the pilot initiative for Chinese and Indian visitors. It is probably a little too early to know whether it has been a success. I imagine that it will be a great success, because we are obviously keen to attract those visitors up to Northern Ireland from Dublin. In the past, the official advice was that you needed two visas, and it was certainly a drag on the number of visitors who visited Northern Ireland from Dublin. I look forward to seeing how that has made a difference to the number of Chinese and Indian visitors. I would welcome the opportunity to expand that to other countries as well.

### Upper Bann: New Businesses

4. **Mr Moutray** asked the Minister of Enterprise, Trade and Investment to outline the number of new businesses started in Upper Bann since 2011. (AQO 7363/11-15)

**Mrs Foster:** Invest Northern Ireland is able to provide information only on new business starts to which it has provided support. From 1 April 2011 to 31 March 2014, Invest Northern Ireland provided free advice and guidance to 422 new business start projects in the Upper Bann constituency through the regional start initiative, formerly known as the enterprise development programme. A further 25 new business starts received financial support from Invest Northern Ireland.

**Mr Moutray:** I thank the Minister for her response. Given the proactive role that Invest NI has played in Craigavon in the recent past, is she confident that that can be sustained in future years, given the enormous potential for Craigavon, not least in its considerable land bank?

**Mrs Foster:** I know that the Member will want to join me in congratulating the indigenous businesses in Craigavon and the way in which they have moved forward. Indeed, two of the top indigenous investors for 2014-15 are in Upper Bann: Almac and Thompson Aero Seating. He should be very proud of those two companies being in the top five. There is a very entrepreneurial base in Craigavon, and we want even more business starts to come forward. We look forward to working with the new

council to see what value added we can bring to its new economic development powers.

**Mrs D Kelly:** I thank the Minister for her warm words of encouragement to businesses in Craigavon. Have there been any further discussions about the extension of enterprise zones? Will she consider Craigavon as an area that could benefit from such a zone?

2.15 pm

**Mrs Foster:** We have not completed the journey in relation to the enterprise zone in Coleraine as yet. I am a little disappointed around that. We have been trying to facilitate the discussions that are ongoing in Coleraine around the enterprise zone, so we really need to focus on achieving that part of what was the economic pact. Once that is in place, other areas will want to look at enterprise zones as well. There is nothing to stop a local council, with its new economic development powers, looking at how it can market its own particular area to attract inward investment. I hope that the new councils will work with Invest Northern Ireland in looking for the unique selling point of each of the different areas of Northern Ireland so that we can look at that subregional growth and move it forward in that respect.

### Royal Portrush: Infrastructural Changes

5. **Ms Sugden** asked the Minister of Enterprise, Trade and Investment for an update on how her Department is working to ensure that the infrastructural changes required to stage the Open Championship at Royal Portrush in 2019 are approved and completed. (AQO 7364/11-15)

**Mrs Foster:** The Royal and Ancient (R&A) announced on Monday 16 June 2014 that Royal Portrush Golf Club had been invited to join the rota to host the Open Championship. It is hoped that the first event will be hosted as early as 2019, however, that is still to be confirmed by the Royal and Ancient and Royal Portrush Golf Club. It is subject to securing planning approvals for course improvements and completion of the works. The full planning application for the required course improvements was submitted to DOE Planning Service at the beginning of December 2014 and is currently progressing through the consultation and approval process. Once approval is secured, it is hoped that works will commence on site later this year.

**Ms Sugden:** I thank the Minister for her response. Can she outline what consultation she has had with the R&A to ensure that the golfing world and others are satisfied with what the north coast has to offer?

**Mrs Foster:** That was very much part of our preliminary conversations before they announced that they would come to Royal Portrush. The fact that we were able to host the Irish Open at Royal Portrush back in 2012 gave them a great degree of confidence that we were going to be able to deliver on the promises that we were making for the Open.

A number of planning issues need to be sorted out over the next period of time. I am confident that we will move those forward. As I said, the planning application just went in at the beginning of December, so there is a little bit of time, but, hopefully, the new council and the planning authorities will look on the application sympathetically because it will be a tremendous opportunity if we can bring the Open to Northern Ireland in 2019.

**Mr G Robinson:** There has been much talk in the media about hotel development on the north coast. Is it essential for further hotels to be developed on the north coast in order to have the Open come to Portrush in 2019?

**Mrs Foster:** Obviously, I would like to see more hotel facilities put in place on the north coast. There are gaps in the five-star market in that area. As the House will be fully aware, the Runkerry development had received planning permission, but the estate and the grounds that were earmarked for that application have now been sold by the Macnaghten estate to Dr Peter FitzGerald. The land that the Runkerry development was to be developed on is now part of Dr FitzGerald's portfolio. Therefore, it is uncertain what will happen to that particular application, but I hope that others will look at the opportunities in and around the Open coming to Royal Portrush and whether they can develop hotel facilities there as well.

I do not think that it will damage our ability to host the Open one iota, because people who attend these events are well used to travelling. Indeed, when many of them go to other courses, they have to travel for over an hour to get from their accommodation to the event. So, I do not think that not having a hotel there will damage that particular event. Notwithstanding that, obviously I would like to see more development of hotels in and around the north coast.

**Mr Nesbitt:** I want to follow on from the Minister's last answer on comparative travel times. In terms of comparative economic impacts, she will be aware that, when the Irish Open was at Portrush, some felt a little disappointment that spectators maybe did not spend as much time and money in town as traders might have hoped they would. Can she compare the economic impact of the Irish Open at Portrush with, for example, the last Open at Royal Liverpool or, indeed, the last Irish Open at Fota Island in County Cork?

**Mrs Foster:** The issue of people not being able to get out and integrate with the town and the surrounding area has now been addressed by the European Tour; it is now saying that, if people want to leave the course and come back, they can. I very much welcome that the issue has been resolved. I regret that people were not able to leave Royal Portrush, go into Portrush and return; they had to stay on the course. That has now been sorted out; therefore, it will have more of an impact when we have the Irish Open at Royal County Down, which we are very much looking forward to hosting this year and, of course, in Enniskillen in 2017.

## **Ulster Canal: Tourism Benefits**

6. **Mr Lynch** asked the Minister of Enterprise, Trade and Investment for her assessment of the potential tourism benefits of re-opening the Ulster canal. (AQO 7365/11-15)

**Mrs Foster:** The waterways of Northern Ireland have the potential to become an integral part of the tourism experience in Northern Ireland. The proposed Ulster canal development could provide opportunities for canal boating as well as supporting infrastructure to support walking and cycling, all of which would benefit our visitors and the local area.

Although the project is being led by DCAL, the Northern Ireland Tourist Board (NITB) continues to work with the Ulster canal inter-agency group through the Destination Fermanagh steering group and with the Clones Erne East Blackwater project to try to maximise the tourism benefit that this project could bring.

**Mr Lynch:** Go raibh maith agat. Gabhaim buíochas leis an Aire as a freagra. I thank the Minister for her somewhat encouraging answer. Does she agree that, because the canal goes through Monaghan, Fermanagh, Cavan and Tyrone, both tourism boards on the island of Ireland should work closely together to ensure that it is a success?

**Mrs Foster:** As I said to the Member, this is being led by DCAL and, indeed, by its counterparts in the Republic of Ireland. The TD for Cavan-Monaghan, Heather Humphreys, has taken a particular interest in the matter, as you would imagine. It is in part of her constituency, as it is in part of ours; therefore, she is keen to move the project forward. When I last spoke to her, she again mentioned the need to push ahead on the Ulster canal. So, I think, generally, there is support for the project. I suppose that the big challenge for us all is funding. The Northern Ireland Tourist Board — or Tourism Northern Ireland, as we should now call it — will work with its counterparts to assist and make sure that all the tourism benefits are put into any business case that is put forward.

**Mr Humphrey:** The Minister is quite right that the primary responsibility lies with the Department of Culture, Arts and Leisure. Is Fermanagh District Council taking a collaborative approach to the cross-border element?

Obviously, in the current economic climate, budgets are tight. Has the Department looked at the possibility of funding from the European Union, given that it is a cross-border venture?

**Mrs Foster:** I simply do not know is the answer, because DCAL leads on this issue. However, I do know, and I have been advised, that some €54 million would be needed to secure the project to get it completed within 21 to 24 months. It is a large sum of money. If there are options to look elsewhere for funding, we would of course be supportive of them being explored.

As I understand it, Fermanagh District Council is part of the Clones Erne East partnership, which seems to be driving this initiative. Of course, the Erne East councillors will be part of that partnership.

**Mr B McCrea:** As you said, Minister, finance is the real nub of the issue. Are you in favour of raising funds from users of inland waterways, for example, through a boat tax, in much the same way that we raise money through car taxes, provided that the money is used specifically for enhancing inland waterways?

**Mrs Foster:** I am not sure that that is a matter for me as tourism Minister. I want to encourage more people to come and use the inland waterways. Of course, I want them to use Lough Neagh and Lough Erne in particular.

It is probably a matter for the Executive as a whole, but principally it is a matter for the Minister of Culture, Arts and Leisure.

## Tourism Events Fund

7. **Mr Devenney** asked the Minister of Enterprise, Trade and Investment whether she will reinstate the tourism events fund, which previously supported events such as the Walled City Tattoo in Londonderry. (AQO 7366/11-15)

**Mrs Foster:** Due to the difficult financial challenges facing the public sector, the Executive required Departments to make significant savings. Given those circumstances, the Northern Ireland Tourist Board's tourism events fund open call for the 2015-16 financial year has not yet been launched. However, as events play a key role in driving tourism to Northern Ireland, I am delighted to announce that I have secured £1 million for the Northern Ireland Tourist Board's tourism events scheme next year.

**Some Members:** Hear, hear.

**Mrs Foster:** Tourism NI, as the Northern Ireland Tourist Board is now, is currently working up the detail of that, and I expect the scheme to open in early February.

Tourism NI provided funding for the Walled City Tattoo in 2013, totalling £50,000, and a further £30,000 was provided in sponsorship support via the Northern Ireland Tourist Board tourism events sponsorship scheme for the 2014 event.

**Mr Devenney:** I thank the Minister for her response, in particular the announcement that the events fund will reopen. That will be welcome news for the people in Londonderry and across Northern Ireland. Will she outline what support for tourism her Department has put into Londonderry over the past number of years?

**Mrs Foster:** It is very difficult to know where to start when it comes to the support that we have put into Londonderry. We have put a lot of support, not just finance, into the tourism product in the city, in particular through the built heritage programme and the development of the Walled City lighting strategy.

We put £8.1 million into the built heritage programme, the total project costs of which were £24 million, and another £1.6 million into the lighting strategy. Six projects were identified for financial support under the built

heritage programme, and the Member will be very aware of those, because, when he was a local councillor, he lobbied very hard for a number of them. Those projects are the Apprentice Boys' Memorial Hall, First Derry Presbyterian Church, St Columb's Cathedral, Áras Cholmcille, the Playhouse theatre and the Guildhall. We will continue to support investment in the north-west, and, indeed, across Northern Ireland, in our tourism product. I believe that we have a very strong product and a very good story to tell in Londonderry.

**Mr Lyttle:** I welcome this U-turn by the Enterprise Minister on the fantastic tourism events fund. It will be welcome news to the many organisations across Northern Ireland that provide vital cultural and socio-economic development in our community. For what is, I think, the third time today, I ask the Minister this: how will she ensure that the fund is placed on a more stable footing so that we do not have to revisit that budgetary reduction on an annual basis?

**Mrs Foster:** I thank the Member for his question, but he should cover his blushes, because it is no thanks to the Alliance Party that I have £1 million extra —

**Some Members:** Hear, hear.

**Mrs Foster:** — in my events fund. It voted against the Budget.

**Mr Humphrey:** No wonder that he has his head down.

**Mrs Foster:** It is no wonder that he has his head down. It is absolutely outrageous that somebody can accuse me of doing a U-turn when it was me who went to the Executive and argued for extra money to be put into the events fund, with no help — zero help — from his party. I will take no lectures from the Alliance Party on the events fund.

**Mr Kinahan:** We have just heard from the Minister about a mass of good-news projects, but when are we going to get a tourism strategy that shows everyone in Northern Ireland how it all links together so that everyone, everywhere can really feel part of it, be that those with bed and breakfasts or others?

**Mrs Foster:** Perhaps if the Member, who is a member of the Enterprise, Trade and Investment Committee, had been in the Chamber this morning for my announcement on Tourism NI, he would have heard precisely

what we are doing on the tourism strategy. Perhaps he would like to read Hansard to find out.

**Mr Deputy Speaker (Mr Dallat):** That ends the period for listed questions. We now move on to topical questions.

## **JTI Gallaher: DETI Action**

**T1. Mr Allister** asked the Minister of Enterprise, Trade and Investment what action she has taken since the closure announcement from JTI Gallaher and whether she has any good news to bring to the House on that front, given that she will be aware of the very heavy economic cloud that the looming closure has left hanging over North Antrim. (AQT 1961/11-15)

**Mr Allister:** As is my wont, I will take the Minister back into calmer waters.

## **2.30 pm**

**Mrs Foster:** I thank the Member for raising that hugely important issue. I had a meeting with management from JTI Gallaher last week. They are finishing their consultation and they promised to come back to me and to the Minister for Employment and Learning before they finished the consultation. We had a very useful meeting in relation to where they think JTI is going, and we stand ready to help in any way we possibly can.

The Member will be aware that there has been some very good work — and I do not like to call it a counter-proposal — carried out by local management and local staff in relation to a proposal that was put forward. It was brought to me and other members of the Executive, and I could see great merit in it, and have indicated again that I stand ready to help in any way that I can. The meeting took place up here at Parliament Buildings. I had offered to go to Ballymena to meet the folk, but it suited better, in terms of flights etc to have the meeting here. It took place just last week.

**Mr Allister:** If all efforts fail and we have that closure, it underscores the great importance of attracting foreign direct investment, specifically into North Antrim. In the last five years, despite the fact — and I gladly acknowledge it — that we have had very good help from Invest NI for businesses like Wrightbus, there have been only eight visits to North Antrim on matters of foreign direct investment in contrast to 739 in the same period to the four Belfast constituencies. How can that record be justified and does the Minister stand over it?

**Mrs Foster:** I have said many times in the House that, when there is a pool of skills, we can market that to international investors, and we will do exactly that. Whilst Randox is not in the North Antrim constituency, it is a very short hop from it, and I hope that he will join me in welcoming the 540 new jobs that we announced in Antrim last week. If best efforts fail in terms of JTI Gallaher, there may be opportunities close at hand for some of those workers, some of whom may have transferable skills, to go into Randox. But we will work in a strategic way with the Department for Employment and Learning.

If it comes to the point that JTI Gallaher decides to close and leave North Antrim, we will work in a strategic way with the company. It has made its decision early for reasons that have been rehearsed in the House before, and that gives us some time to work in a very strategic way. We often do not have time to plan for the future, but we do have time to plan for these workers and that is what we intend to do.

## Tourism: Upper Bann

T2. **Mr Gardiner** asked the Minister of Enterprise, Trade and Investment how she encourages tourists to visit Upper Bann. (AQT 1962/11-15)

**Mrs Foster:** That subject came up for discussion earlier, as to how Tourism Northern Ireland will work collaboratively with the new councils, particularly in relation to community planning, to see where the unique selling points are for tourism around Northern Ireland. He will know that we have nine key destinations across Northern Ireland, and it is certainly my hope that all 11 super-councils will work together collaboratively with Tourism NI, Invest Northern Ireland and Tourism Ireland to market their own areas.

**Mr Gardiner:** I thank the Minister for her reply thus far. As the Minister will know, Lurgan has Northern Ireland's largest and most beautiful urban park, and the only outdoor ski slopes at Silverwood. Are those really being promoted as well as they could be, Minister?

**Mrs Foster:** The parks very much form part of what we are trying to move into now in Tourism Northern Ireland, because the outdoor activities piece is becoming more and more a selling point for tourism and for marketing purposes. A lot of families now like to get outdoors and enjoy it together. Therefore, when we welcome international visitors, we need to be able to

market it well with Tourism Ireland, Tourism Northern Ireland and councils. It is about collaboration, partnership and getting the message about the nine key destination areas that we have to offer over to the international market.

## Gas to the West: Update

T3. **Lord Morrow** asked the Minister of Enterprise, Trade and Investment for an update on the Gas to the West project. (AQT 1963/11-15)

**Mrs Foster:** I can indeed give that update. There is very exciting news about the Gas to the West project. The preferred bidder has been announced, and, as I understand it, the licence will be awarded in early February. A period will then follow when the company will engage with the local community on the gas network. I think that it will be a tremendously exciting time for areas of the west, which, frankly, have been forgotten about in relation to infrastructure. Indeed, over the past number of days, we have seen how the water infrastructure has been left in a very poor way. Many of our constituents are being left to their own devices and to fend for themselves. I am determined that the Gas to the West project will move ahead and will do so in a very timely manner.

**Lord Morrow:** I thank the Minister for her very positive response. I welcome the news that she is able to deliver to the House today. When this project was first mooted, the Clogher valley was one of the areas that seemed to be excluded. Can the Minister tell us whether there are any proposals to ensure that the Clogher valley is not forgotten about in this project, as it is very much the gateway to the west?

**Mrs Foster:** I am delighted to tell the Member that the most recent route map that I have seen includes the Clogher valley. Therefore, the Clogher valley will now be very much part of the transmission network. We look forward to it delivering for Dungannon, the Clogher valley, Enniskillen, Cookstown and Strabane. That Gas to the West project has not been talked about much, but it really will make a difference to a lot of people right across the west of the Province in our industrial firms and domestic homes. We look forward to it being delivered.

## Harland and Wolff: Byford Dolphin Oil Rig

T4. **Mr Douglas** asked the Minister of Enterprise, Trade and Investment to join with him in congratulating Harland and Wolff in securing the major contract for the upgrade of the Byford Dolphin oil rig. (AQT 1964/11-15)

**Mrs Foster:** I do indeed welcome that announcement. I understand that the company is also to take on 60 permanent staff due to an upturn in business. I very much welcome that increase as well. What I really welcome is that trainees are now coming out of the Department for Employment and Learning's welding academy and will work in Harland and Wolff. We remember that, on the last occasion that Harland and Wolff secured a contract, there was quite a hue and cry about workers coming into Northern Ireland. I welcome that DEL has put that welding academy in place and that trainees are actually now going into Harland and Wolff. That is to be very much welcomed.

**Mr Douglas:** I thank the Minister for her answers thus far. Apart from the 1,000 possible jobs that will be created on the rig, will she outline the wider opportunities that will flow from this development on Queen's Island?

**Mrs Foster:** Again, if there are people working in Queen's Island on the Harland and Wolff contract, they will need to be fed and to have somewhere to stay. There are therefore knock-on impacts for the hotel industry and, indeed, the hospitality industry. I am very encouraged by the fact that this welding course has been made available because, as I visit small manufacturing companies right across Northern Ireland, one issue that comes up quite frequently is that young people in Northern Ireland do not really have that skill any more so experienced welders are having to be brought in from elsewhere. Therefore, I welcome that fact. I think that this is a good news story for east Belfast and, indeed, for Northern Ireland.

## Armagh: Economic Activity

T5. **Mr Boylan** asked the Minister of Enterprise, Trade and Investment what her Department is doing to create greater economic activity in Armagh city and district and what assurances she can give to the people in Armagh that they will benefit from her departmental spend, bearing in mind that she will be well aware of the recent decision by Tesco not to locate in Armagh and the anticipated job losses that that will create. (AQT 1965/11-15)

**Mrs Foster:** The Department of Enterprise, Trade and Investment does not usually get involved in retail development. I know that a

number of people were disappointed by Tesco's decision not to go ahead with their planned store in Armagh. However, when one door closes, perhaps another opens. Other retailers may be interested in locating in Armagh. I know, for example, that one of their competitors looked at Armagh and then decided that, because Tesco was going there, it would not. There may be opportunities. Probably it is something for the local Chambers of Commerce and, indeed, the council to take up. As I say, we do not usually get involved with retailers. We do, however, get involved in the supply chain to retailers. I know for certain that their margins have come under great pressure from the likes of Tesco, Asda and Sainsbury's. A lot of our agricompanies are very much feeling the pressure in the supply chain as well, and it is something we are keeping an eye on.

**Mr Boylan:** I thank the Minister for her reply. A lot of people in the Armagh area talk about transport infrastructure and infrastructure itself. These are barriers that prevent economic investment in Armagh. Can you give an assurance that you intend to talk to other Ministers to try to overcome those barriers to economic growth and development in the Armagh area? Go raibh míle maith agat.

**Mrs Foster:** I would have thought there was another Minister you would be well placed to mention that to. I understand he is a constituency Member for Newry and Armagh. The Regional Development Minister is responsible for transport links. I agree with him that, when you look at economic development across Northern Ireland, infrastructure is critical. That is true whether it is roads or telecoms. I know the Member has mentioned telecoms to me on a number of occasions, but on this occasion he mentioned road infrastructure, and I support him in developing the road infrastructure right across Northern Ireland.

## Tourism Growth Fund

T6. **Ms Lo** asked the Minister of Enterprise, Trade and Investment to outline her implementation plan for the tourism growth fund, which the Hunter report recommends should be developed with and supported by the new super-councils. (AQT 1966/11-15)

**Mrs Foster:** The joint fund will be taken forward by the new chief executive and the new chairman of Tourism Northern Ireland, in collaboration with the new super-councils when they are in place after March. We look forward to their proposals, as we will then, of course,

want to support any bid that they make to the Executive to procure a joint tourism fund.

**Mr Deputy Speaker (Mr Dallat):** I call Ms Lo for a supplementary and ask her to be brief.

**Ms Lo:** I thank the Minister for her response. It is a great idea for councils to work together. The Ramblers Association has always said that there is huge potential for Northern Ireland to develop walking tours, except that various councils do not work together to promote a joined-up approach so that we can walk around the coastline of Northern Ireland. Will the Minister commit to looking at this?

**Mrs Foster:** Any councils that want to work collaboratively to put forward walking routes in the nine key destination areas will find us very supportive, because outdoor activity holidays, as I have indicated, are very much in vogue, and we want to make sure that we have the right infrastructure — there is that word again — in place for our tourist visitors.

## Environment

### Driving Licences: Union Flag

1. **Mr Easton** asked the Minister of the Environment to outline his involvement in the decision not to include the flag of the United Kingdom on Northern Ireland driving licences. (AQO 7373/11-15)

4. **Mrs Hale** asked the Minister of the Environment to outline which groups he consulted before making his decision to omit the Union flag from the Northern Ireland driving licence. (AQO 7376/11-15)

**Mr Durkan (The Minister of the Environment):** With your permission, Mr Deputy Speaker, I will combine my answers to questions 1 and 4.

Driver licensing is a transferred matter under the Northern Ireland Act 1998. Under the Road Traffic (Northern Ireland) Order 1981, my Department has responsibility for a broad range of matters relating to the licensing of vehicle drivers, including the form of the driving licence.

### 2.45 pm

In 2012, when the UK Government announced their intention to include the Union flag on Great Britain driving licences, Transport Minister Mike Penning wrote to my predecessor to advise him

of that intention. Minister Penning's letter noted that driver licensing is a devolved matter but that DVLA prints our driving licences under contract. Minister Penning indicated his intention that DVLA would continue to print Northern Ireland driving licences without change to the existing design. He asked for a view on that.

Further to that correspondence, officials in my Department engaged with DVLA to ascertain whether it would be possible to provide individuals with an option to choose whether to include or exclude the flag. DVLA, however, indicated that that would not be possible, as the costs involved in making the system and associated changes required to offer such a choice were prohibitive. The same approach has, I note, been taken in Britain. The flag will be applied to all GB driving licences, with no ability for individuals to opt in or opt out.

Having considered the issue, the response to DfT, in December 2012, confirmed agreement with DfT's intention to continue to print NI driving licences without any change to the existing design. Given that no change was brought forward, no further consultation occurred.

My Department heard no more of the UK Government's plans for GB driving licences until a letter from Transport Minister John Hayes to me, dated 23 December 2014 —

**Mr Deputy Speaker (Mr Dallat):** Order. Am I assuming that the Minister needed extra time?

**Mr Durkan:** I apologise for not pointing that out at the start, Mr Deputy Speaker. I have combined two questions and two answers, so extra time is much appreciated and required.

A letter from Transport Minister John Hayes to me, dated 23 December 2014, indicated that the plans for the GB licences would be announced over the Christmas period and that Northern Ireland driving licences would continue to be issued without the Union flag.

**Mr Easton:** I thank the Minister for his answer. Why did the Minister not consult the Executive? Does he realise that by pulling this stunt he has offended over half the population of Northern Ireland? It is now up to him to apologise to the people of Northern Ireland for not allowing the Union flag on our driving licences. I hold the Minister responsible for this; I think he is ducking and diving.

**Mr Durkan:** Thanks, I think, to Mr Easton for that supplementary. I am not sure how much of a supplementary it is or whether the question was written before my previous answer. I thought I outlined quite clearly that this was not a decision taken by me. I did not consult Executive colleagues: driver licensing is a transferred matter for which the Department of the Environment is responsible. Since no change of policy was proposed and the matter was not and is not cross-cutting, no consultation with ministerial colleagues was necessary. I am not ducking and diving at all on this matter.

I know that the vast majority of the public will look on this today as they will have been when they were listening to the radio a couple of weeks ago when this story broke. There will be sheer disbelief that, a day after hearing about a Budget that will result in thousands of job losses and massive cuts to public spending and having heard this morning about our most vulnerable pensioners having to rely on a fortnight's worth of frozen meals —

**A Member:** You are hiding behind them.

**Mr Durkan:** — we are here talking and arguing about flags.

**A Member:** Because it matters to people.

**Mr Durkan:** There has been a lot of lecturing of late in the Chamber and outside it on the need for political maturity. I ask this: where is the political maturity here and where is the immaturity?

**Mr Deputy Speaker (Mr Dallat):** I call Mrs Brenda Hale. Before Brenda asks her question, I remind Members that the rules are still the same here: whatever the subject, you do not shout from a sedentary position.

**Mrs Hale:** I do not know whether to thank the Minister for that very diverting answer. Can the Minister advise who said that consultation was not needed, given that this is a sensitive subject? The people should decide; it should not be an SDLP policy.

**Mr Durkan:** I thank the Member for her supplementary question. As no changes were made to the current driving licence, there was no need to issue a public consultation. I am not sure when the DUP became champions of consultation; I am not sure how much regard it pays to consultation. I could not help hearing a news item on the radio this morning about flags again — surprise, surprise — in Craigavon

Borough Council, where a consultation was held. The response to that consultation overwhelmingly stated that no flag should be flown, but that was completely ignored. So I do not know whether the DUP favours consultation or not [*Interruption.*]

**Mr Deputy Speaker (Mr Dallat):** I am sorry, this is a final warning to some Members who are still shouting from a sedentary position: they may find in future that they will not be called.

**Mrs Overend:** For a party that espouses equality, the Minister, unfortunately, has let himself down. Will he tell us whether it is too late to go back to the DVLA and the Department for Transport at Westminster to ask for an opt-out option?

**Mr Durkan:** I thank Mrs Overend for her supplementary question. As I outlined in my initial answer, that case was made to DfT by DOE officials. They proactively sought an opt-out or opt-in option, but the option option was not an option and is not an option in GB either. [*Laughter.*] That was, I might add, much to the ire of Scottish and Welsh nationalists, who would rather not have the Union flag on their licences. I know that it is the subject of an early day motion in the House of Commons from Plaid Cymru.

**Mr Eastwood:** Could I ask the Minister a question that might matter to some people in Northern Ireland? Jobs were lost in the DVA, and promises were made by all the Ministers at the Executive table to decentralise other jobs and bring them to that area. How many jobs were decentralised and by which Departments?

**Mr Durkan:** I thank the Member for his pertinent and relevant question, which is relevant to me and to people outside here. The issue of the DVLA assuming responsibility for the delivery of vehicle licensing services is well documented and rehearsed in the Chamber. However, we all know that over 300 jobs were lost, and here we are talking about flags. In conjunction with the Finance Minister, I might add, we asked all Departments to explore their ability to find jobs for those affected. Unfortunately, no jobs were found by any Department, with the exception of 100 temporary jobs from DSD that have now passed. I was able to find work in my Department for 120 of those people, but I am sorry to say that that was it. With the Executive's agreement, we were able to set up a voluntary exit scheme confined to the north-west to assist those who had lost their job as a result of the centralisation. The uptake of that

has been huge, with over 500 people across the Civil Service expressing an interest in trying to get out, if you like, depending on what is on the table. That is being looked at by DFP.

**Mr McElduff:** Go raibh maith agat, a LeasCheann Comhairle. Tá ceist áirithe agam ar an Aire. Following Mrs Overend's reference to the word "equality", does the Minister agree that, in this matter and in all matters to do with symbols and emblems, the underlying principle for his Department and all Departments should be equality or neutrality?

**Mr Durkan:** I thank the Member for his question. Equality should be at the core not just of everything that my Department does but of everything that we do individually and, in particular, collectively as an Assembly. The Good Friday Agreement states:

*"All participants acknowledge the sensitivity of the use of symbols and emblems for public purposes, and the need in particular in creating the new institutions to ensure that such symbols and emblems are used in a manner which promotes mutual respect rather than division. Arrangements will be made to monitor this issue and consider what action might be required."*

Taking account of that, I believe that it was appropriate for my predecessor to retain the status quo rather than seek to introduce additional symbols and emblems onto the driving licence. I believe that the decision was a sensitive and a sensible one.

## Climate Change

2. **Mr McKinney** asked the Minister of the Environment to outline the steps he is taking to tackle climate change. (AQO 7374/11-15)

**Mr Durkan:** I am fully committed to working across government and with all sectors of our society to agree on measures that can help to address current and future climate change. I chair the cross-departmental working group on climate change, which is responsible for developing and implementing the wide range of policies and measures that each Department has committed to in our action plan to reduce greenhouse gas emissions. This includes key actions from my Department, such as continuing to develop and implement the EU emissions trading scheme and the carbon reduction commitment, which aim to significantly reduce greenhouse gas emissions from the organisations that use most energy; introducing waste policies and strategies and

providing support to local authorities to help to achieve much higher recycling rates, which will reduce emissions from landfill sites; changes to planning policy to ensure that planning decisions take account of climate change impacts before any development is approved; and the use of voluntary prosperity agreements with strategic organisations that explore novel ways to work together to deliver economic and environmental benefits. I have also published the North's first climate change adaptation programme, which sets out measures to address the highest-priority risks from climate change.

Whilst all this progress is welcome, I recognise that further work on climate change remains if we are to achieve my vision of a better environment and a stronger economy. I firmly believe that legislation can play a significant part in delivering that vision, and that is why I continue to look at how best to progress a climate change Bill.

**Mr McKinney:** I thank the Minister for his full answer. Could he explain to the House why he thinks it is so important to legislate on climate change?

**Mr Durkan:** As I said in my answer and as I have constantly and consistently said, my vision is for a better environment and a stronger economy. Given the dynamics of today's global economy, the threat of climate change should be viewed not just as an environmental challenge but as an economic opportunity. The low-carbon market for environmental goods and services is vast and is growing fast. Globally, it is estimated to be worth £4 trillion. Businesses and organisations that do and can recognise that opportunity will create social, economic and environmental prosperity for all our people.

I believe that having our own climate change legislation would provide greater clarity and the long-term certainty that business and industry need, creating the environment to drive and encourage innovation, to effectively plan and invest in the technology needed and to generate employment as we make the transition towards a low-carbon economy and, in doing so, deliver a better environment and a stronger economy.

**Mr Brady:** Go raibh maith agat, a LeasCheann Comhairle. Given the increasing instances of flooding in our local communities, something that the people of Newry unfortunately experienced recently, what role is the Department playing in partnership with other

Departments and public bodies to alleviate the worst impact of that flooding?

**Mr Durkan:** I thank Mr Brady for that question. I am well aware of the incidents of late in Newry and the difficulty that has caused for people living and working in that area.

While I have been able to provide some assistance with emergency flood payments, I would rather not have to do that. We would rather avoid the flooding in the first place.

### 3.00 pm

It is important that we build resilience and maximise the benefits of our changing climate. My Department published a Northern Ireland climate change adaptation programme last January. The programme presents a proportionate and flexible response to the impacts of climate change here and it focuses on new and existing policies within government under the primary areas of water, flooding, agriculture and forestry and natural environment. The adaptation programme will help Departments to become more aware of and more resilient to climate change impacts in the future.

My Department is continuing to take the lead in ensuring that we continue to adapt and be better prepared for future changes in our climate and the extreme weather events associated with them. We are working with other Departments to measure the performance of the adaptation programme and to obtain more local information and data to develop the next adaptation programme in 2019.

**Mr Beggs:** Climate change regulations can increase energy costs and contribute to fuel poverty, so care is required. When I say that great care must be taken to avoid inconsistent outcomes that lead to greater fuel poverty in Northern Ireland, I am thinking about the all-Ireland study into bituminous coal and about a constituent who relies on a coal fire because they cannot afford an oil fill.

**Mr Durkan:** I thank Mr Beggs for that question. The subject that he raises will be the subject of a debate in the Assembly later today. In response to a media query this morning, I said that Sammy Wilson, who is bringing the debate to the House, is jumping the gun a bit. Mr Beggs is jumping the gun even further but the point that he raises is fair enough.

It is vital that a balance is struck, or at least sought, between conservation requirements

and commercial and domestic realities. What do people actually need to do? The evidence is that solid fuel, to which the Member referred, has a detrimental impact, not only on our environment but on human health. The all-island study of the impact of smoky coal that he referred to has not even been published yet, let alone that I have had time to consider its recommendations. I will come onto that in more detail in the Assembly later on.

### Partnership Panel: Update

3. **Mr Boylan** asked the Minister of the Environment for an update on the new partnership panel. (AQO 7375/11-15)

**Mr Durkan:** Following Executive approval in late October to establish the partnership panel, the first meeting took place on 2 December and focused on a number of issues, including a stocktake on the local government reform programme, the budget situation for local government, agreement on the terms of reference and standing orders, an initial discussion on plans for developing a joint central government and local government work plan, as well as supporting arrangements for the panel.

It is my sense, from the inaugural meeting, that members recognise the potential for a strong working partnership between Executive Ministers, councillors from the 11 new councils and NILGA's office bearers, as local government's representative body. There is a general consensus that the work of the partnership panel is to develop joined-up solutions, capitalise on opportunities and, ultimately, improve the delivery of local services. As chair, I feel that joint policy development and better operational collaboration will help us strategically tackle the issues that really matter to local people.

The appointment of the panel is timely, as, with only weeks remaining to their assumption of powers on 1 April, the new councils will be taking on bigger challenges, with the transfer of planning, local economic development, local tourism and the introduction of new community planning powers. Bringing that family of powers together within councils is significant and will enable local government to adopt a more comprehensive approach to dealing with local needs and priorities. My aim is that the work of the partnership panel will complement and support that process in the coming months.

Subject to a meeting with the Finance Minister, I want to hold the next meeting of the

partnership panel in February. Besides having a more substantive conversation on strategic business for the work plan, I will be seeking input from Executive Ministers and local government members to the next agenda.

**Mr Boylan:** Go raibh míle maith agat, a LeasCheann Comhairle. The Minister sounded positive in his response but how confident is he that other Ministers will fully engage with the panel and participate?

**Mr Durkan:** It is vital that all Ministers engage. Quite a few Ministers turned up to the inaugural meeting of the partnership. I am cognisant of the fact that Ministers, including and not apart from me, have pretty busy diaries, but local government representatives want to see the Ministers. As the partnership grows legs and has further meetings into the future, I can see Ministers attending, or being required to attend, depending on what is on the agenda for the meeting and how relevant it is to them or their Department.

I was heartened by the input of those Ministers who came to the first meeting. It is vital that we have additional Ministers at our next meeting. That is why I have not yet set a precise date for it. I want to make sure that I can have in attendance the Finance Minister in particular, given that it would be better if a lot of the questions being asked by the partnership panel were answered by him rather than me.

**Mr Kinahan:** When we are talking about growing legs, I wonder whether it could grow legs in a different direction. Does he see the partnership panel being able to call on, or having on it, outside bodies? Social Enterprise Northern Ireland's role in this Chamber is now moving to councils, yet it still exists a little bit in both. Will there be room and flexibility on the panel to include, or call in, people from outside?

**Mr Durkan:** The amount of room will depend on how many Ministers turn up.

I do not think that the partnership panel is the correct forum for such bodies. However, I am sure that they would be more than welcome around the tables in the various new councils and their new community planning regime. Their input would be most valued in that respect. The partnership panel was created to provide a political level at which discourse can happen between local government and central government vis-à-vis the Executive Ministers. That is very important. I hope that it is very fruitful and that the people living out there in all

our council areas see the fruits of it before too long.

**Mr Attwood:** What opportunities does the Minister believe the partnership panel might have for tackling disadvantage in areas of need? Does he agree that, whatever its role, the rug has been pulled from under the panel's feet by last week's decision, through the Tory Budget, to do further damage to rate relief for areas of disadvantage and areas of need? How can the partnership panel now try to mitigate what others have imposed on areas of disadvantage in Northern Ireland?

**Mr Durkan:** The Member's question alludes almost directly to the impact of the Budget that was revealed to the House yesterday via the Minister of Finance and Personnel's statement on the rates support grant, which goes to and supports less-well-off councils. It allows councils with a poorer rates base to deliver the same quality, or at least a similar quality, of services as their wealthier counterparts. The fact is that, owing to the budget that my Department has received, the rates support grant will become a thing of the past. That is something that causes me huge frustration and causes those councils great distress. It will cause their ratepayers and citizens great hardship. It is not a satisfactory situation at all. The issue was raised with me on numerous occasions at the inaugural meeting of the partnership panel. That is why I think it is important that the Finance Minister is also able to be in attendance, albeit that the consultation on the Budget has now closed. It is very important that he hears, at first hand, the concerns of local government and the impact that those cuts will have on the most vulnerable people.

## Planning: Local Government

5. **Mr D Bradley** asked the Minister of the Environment for an update on the transfer of planning to local government. (AQO 7377/11-15)

**Mr Durkan:** My programme for the transfer of planning powers to local government is on track for completion on 1 April this year. Preparations for transfer have involved a major programme of work, which is well advanced. It includes a broad range of subordinate legislation required to bring the 2011 Planning Act fully into operation and to establish the new two-tier planning system. Public consultation on that legislation was taken forward in two stages, and the final stage closed on 31

December 2014. My officials are considering the responses.

The necessary policy framework is also being introduced. Work to finalise the new strategic planning policy statement is now at a very advanced stage, and I intend to bring it to the Executive shortly.

Over the past four months, my Department has been delivering an extensive capacity-building programme for local government. It has included training sessions, covering an "Overview of the Planning System", "Development Plans and Working with the Community", "Practical Planning" and "Propriety and Outcomes". In addition to the local government programme, an ongoing capacity-building programme is being delivered for planning staff.

In addition to the structured capacity-building programme, advice and guidance is being finalised on a wide variety of planning-related matters. This includes guidance on the planning element of the councillors' code of conduct, the operation of planning committees and practice notes on the operation of the reformed two-tier system.

My Department has taken steps to ensure that the necessary systems and structures are in place for the successful transfer of planning functions.

Whilst the programme is on track, there is still work to be done. My staff are working closely with the local government sector to ensure that all transitional arrangements are in place and that the necessary practical issues, relating to matters such as accommodation, IT and communications, are addressed.

I am confident that the reforms introduced over the past year, together with the changes in the coming months, will ensure that a fast, fair and fit-for-purpose planning system transfers in a couple of months' time.

**Mr D Bradley:** Go raibh maith agat, a LeasCheann Comhairle. Gabhaim buíochas leis an Aire as ucht an fhreagra chuimsithigh sin. Ba mhaith liom a fhiafraí den Aire arbh fhéidir leis a rá cá huair a bhainfidh sé úsáid as na cumhachtaí atá aige maidir le cinntí pleanála rialtais áitiúil a ghlaoch isteach chuige? I thank the Minister for his answer. When will he exercise the call-in mechanism in respect of planning decisions taken by local government?

**Mr Durkan:** Ba mhaith liom buíochas a ghabháil leis an Uasal Bradley as an cheist sin.

I thank Mr Bradley for that interesting and pertinent question. Under the planning reform programme, councils will be the planning authorities in their respective council areas, responsible for determining the vast majority of planning applications. Section 29 of the Planning Act 2011 allows the Department to direct that certain planning applications be referred to it instead of being dealt with by the council.

In recognising and respecting the important role of councils in making decisions on the future development of their areas, the Department only envisages that power being exercised in exceptional circumstances. It is not my role, and it is certainly not my intention, to micromanage district council decision-making on planning applications. However, there may be circumstances where a proposed development raises issues of such regional importance or strategic interest that the application should be called in for the Department to, in effect, take over the role of decision-maker.

**Mr Deputy Speaker (Mr Dallat):** That ends the period for listed questions. We will now move on to topical questions.

3.15 pm

### DVA Employees: Jobs

T1. **Ms Sugden** asked the Minister of the Environment, further to her question for written answer about DVA jobs, how many jobs from the voluntary exit scheme he mentioned earlier will go to DVA employees. (AQT 1971/11-15)

**Mr Durkan:** I thank Ms Sugden for that question. As I said, there has been quite a degree of interest in the voluntary exit scheme that we were able to establish, with the agreement of the Executive, to assist those, primarily in the Member's constituency, who were affected by the centralisation of the DVA jobs. I think that in the region of 500 people have expressed an interest in the exit scheme, and their requests or expressions of interests are being processed. That is the only level of detail I have, I am afraid.

**Ms Sugden:** The Minister seems somewhat satisfied by the number of people who have applied for voluntary redundancy. Does that suggest that there is not a need for involuntary redundancies in this respect?

**Mr Durkan:** Let me assure the Member that I am not satisfied that there had to be redundancies of any nature. Let me also assure her that, on this occasion and in this instance, there will not be any requirement for involuntary redundancies on the back of the erroneous decision taken in Whitehall to move the jobs — largely in Coleraine — to Swansea.

## **Councils: Transfer of Functions Costs**

T2. **Mr Lynch** asked the Minister of the Environment what plans are in place to ensure that councils do not have to cover the costs of new functions that will be transferred. (AQT 1972/11-15)

**Mr Durkan:** I thank Mr Lynch for that question. Creating efficiencies has long been at the heart of local government reform for not just the councils but their ratepayers. Since taking office, I have stated, as did my predecessor before I took office, that any functions that transfer to local government should do so on the basis of being cost-neutral to the ratepayer. As Minister of the Environment, I have certainly honoured my agreement that what is transferring should do so on a cost-neutral basis by ring-fencing the budget associated with the function of planning .

In fact, it is my firm belief that, when it comes to planning, local government is getting a good deal, although it would probably dispute that; indeed, it would undoubtedly dispute it. Unfortunately, I cannot say the same about some of the other functions that are transferring. I know that some of the new councils have raised doubts about some of the functions that will transfer to them and the potential cost implications. However, that had all been worked out, and numerous studies, reports and surveys have been done in conjunction with local government. It is still incumbent on us to ensure that whatever is transferred is fit for purpose and does not become an albatross around the neck of any of the new councils.

**Mr Lynch:** Gabhaim buíochas leis an Aire as an fhreagra sin. I thank the Minister for his answer. Has he sought councils' views in that regard? Are they satisfied with the arrangements that have been put in place?

**Mr Durkan:** I thank the Member for his supplementary question. I did not have to seek those views, that is for sure. The local government sector is certainly not backward about coming forward with its concerns on a

range of issues. In my earlier answer, I alluded to the fact that there were some functions that councils were particularly concerned about. I know that the Off-street Parking (Functions of District Councils) Bill is working its way through the House, and that has, rightly or wrongly, started some alarm bells ringing across council areas, in some more than others. I have done my utmost, as have my officials, to assure the councils that they are getting a fair deal. It is only natural that concerns exist. We are going into a period of huge change, and it is vital that councils do not feel that we are just giving them x, y and z and casting them adrift and that we maintain close working relationships and are able to provide them with the support — not necessarily always financial support — to deal with and work the new functions that they acquire.

## **Councils: Rate Convergence**

T3. **Mr Elliott** asked the Minister of the Environment for an update on the rate convergence process for those councils that are merging and that have a significant rate differential, how that process is being taken forward and how will it be distributed to the councils. (AQT 1973/11-15)

**Mr Durkan:** I thank the Member for that question. As a long-serving member of the Environment Committee, he will be aware of the good work done by my predecessor in that regard, in that he was able to go to the Executive, make the argument and acquire the funding to assist some of the new councils with the rates convergence issues. In fact, £30 million will be distributed over a period of three or four years to the councils most affected by amalgamation. Work is still ongoing. It is a complex issue, and there are quite a lot of formulae to be looked at. However, it is vital that that work is brought to a conclusion sooner rather than later, particularly as councils try to strike their rate for next year. It is worth bearing it in mind that this rates relief, in effect, that was secured by Alex Attwood from the Executive will benefit the ratepayer, and it is the ratepayer who will see the savings — sorry, will not see the increase — rather than it lining the coffers of the council.

**Mr Elliott:** I thank the Minister for that update. I wonder what his terminology of "sooner" means. Is it a month, two months or three months? What involvement has there been with the councils in developing the process as it goes forward?

**Mr Durkan:** I assure the Member that the councils have been very closely involved in this process, as he knows they have been throughout the whole process of reform. Sometimes they would like more involvement; sometimes they do not become as involved as we might like them to be. My definition of "sooner" is as soon as possible. I do not have an exact timeline with me today, although I recognise the need for speed on the issue. However, greater than the need for speed is the need for accuracy.

### **Budget 2015-16: Impact on DOE**

T4. **Ms Lo** asked the Minister of the Environment how the final Budget will impact on his Department. (AQT 1974/11-15)

**Mr Durkan:** I thank Ms Lo, the Chairperson of the Environment Committee, for that question, which I thought might never come.

Under the final Budget for 2015-16, the Department's non-ring-fenced resource DEL budget was reduced by 10.7% — the highest percentage reduction of any Department. This will have a massive impact on the Department's ability to deliver services. I have answered earlier questions about the impact of that on grants to councils, particularly the rate support grant. However, the Department gives out a lot more grants than that, and Ms Lo will be well aware of many of the good organisations in receipt of those grants.

I was very heartened last week to attend an event at the invitation of Ms Lo that comprised many of the environmental NGOs. There is at least a recognition across those organisations that they will need to change the way in which they do their good work as a result of the Department's inevitable inability to fund them as much as we have in the past.

**Ms Lo:** I thank the Minister for his answer and for turning up at the event after a last-minute request. I am speechless about this, Minister. As you know, as a Committee we are very concerned about the potential loss of staff. Some 500 posts will go: how will you manage this? That is about one third of your workforce, many of whom are professional and technical staff. How will you function with one third of your staff leaving?

**Mr Durkan:** I thank Ms Lo for that question. I wish I had an answer. Obviously, the Budget creates huge difficulties. While I lament the fact that DOE has been hit harder than any other Department, every Minister will be in a similar

position. It is not a nice place to be. However, we are not only at risk of losing 500 posts in the Department. I referred earlier to the grants that support NGOs and other environmental groups that do hugely valuable work that helps us, as a Government and as a place, to meet our Programme for Government targets and targets coming from Europe in terms of environmental performance. There will be an inevitable impact on employment in those groups and their ability to employ professional, technical and scientific staff as well. The 500 posts that we are talking about are really just the tip of the iceberg.

I referred to the positivity at the event that we attended last week. There is a recognition or acceptance among the NGOs that they need to work together, but I was very much appealing to them to work together with us as a Department. We have to be a lot more imaginative and creative about how we use the ever-reducing resources that we have to achieve the best environmental outcomes.

### **Child Protection: Country Park Staff**

T5. **Mr Spratt** asked the Minister of the Environment what child protection measures the Northern Ireland Environment Agency (NIEA) has put in place, particularly in country parks, where staff work with young people, sometimes from primary schools, on educational programmes. (AQT 1975/11-15)

**Mr Durkan:** I thank the Member for his question. I know that it is an area of grave concern to the Member. It should be of huge concern to all of us. It is vital that anyone working or even being in a situation where they are with children is properly vetted so that we can have full confidence that those children will be safe. As regards the processes that NIEA or those charged with running the country parks — perhaps it is councils — on other occasions have for that vetting, I am not entirely sure. However, I am sure that, at the very least, it requires an Access NI and PSNI check. I will be happy to get back to the Member in writing with full details.

**Mr Spratt:** The Minister is aware that a very senior member of country park staff was convicted of serious child offences and placed on the sex offenders' register for five years. I do not know whether it is a still-working member or a former member. Will he ensure that all staff are properly vetted so that that situation can never arise again?

**3.30 pm**

**Mr Durkan:** I thank the Member for that supplementary question. As Minister, the situation to which he refers caused me great alarm, as, I am sure, it caused alarm amongst parents across the land, and it is something that we can and will learn lessons from.

## Question for Urgent Oral Answer

### Regional Development

#### Water Supply Crisis

**Mr Deputy Speaker (Mr Dallat):** I remind Members that, if they wish to ask a supplementary question, they should rise continually in their places. The Member who tabled the question will be called automatically to ask a supplementary question. Three other Members also tabled a similar question, so I will call them after Mr Byrne.

**Mr Byrne** asked the Minister for Regional Development to give his assessment of the water supply crisis affecting over 9,000 homes and businesses.

**Mr Kennedy (The Minister for Regional Development):** Mr Deputy Speaker, thank you for the opportunity to reply to this question. I will require additional time for the answer, and I seek your permission for that.

The consequences of the industrial dispute have been unacceptable for customers over the past two weekends and, in particular, during the last week. For my part, I am disappointed that the parties have not yet brokered an agreement, and I am sorry that the public are bearing the unacceptable brunt of that failure. Whilst those in NI Water who are not in engaged in industrial action and contractors have been doing their utmost to maintain supplies, it is not, as I said, acceptable that households are left without essential water supplies for extended periods, particularly given the weather conditions. The impact is felt not only by households and the vulnerable but by farmers, places of education, health and, indeed, health facilities.

I brought in the Labour Relations Agency before Christmas, and it has been working with management and the unions intensively since then. I met management and the unions again last Wednesday and gave them a clear, unequivocal message that this needed to be resolved and resolved quickly. To reinforce that

message, I joined the start of today's negotiations at the Labour Relations Agency and impressed on both parties the importance of negotiating until a resolution is secured. The company is working to minimise disruption to customer supplies and providing alternative supplies. All resources at NI Water and the Department's disposal have been mobilised to deal with this ongoing situation. A major incident regime remains in place.

The company has stressed that the key demand that pension reform be delayed is not within my gift to provide, and any settlement will require DFP approval. Northern Ireland Water management has made a number of offers to resolve the issue. Offers made have been within the terms of Executive pay and pensions policy. If the unions and the company cannot find common ground today at the Labour Relations Agency on all outstanding issues, the emergency protocol that worked successfully over the Christmas and new year period, in my view, must be reinstated. This would give the public protection of services and the parties time and space to conclude on the outstanding issues.

**Mr Byrne:** I thank the Minister for coming to the House and giving an explanation of the current situation that affects so many households and businesses across the counties of Fermanagh, Tyrone and Derry. Given what he has said, will he give an assurance that the Labour Relations Agency will carry on with intensive and exhaustive discussions and negotiations so that an ultimate outcome can be arrived at? The people who are suffering are in a crisis. Will the Minister accept that that crisis is unacceptable to them?

**Mr Kennedy:** I am grateful to the Member for his supplementary question. Indeed, I want to confirm that it is my clear view that the unions and management should remain at the Labour Relations Agency until this is thrashed out and resolved. I made that clear to the parties involved when I met them earlier.

I am pleased that the tone of that meeting was positive. I do not want to dwell on details of the meeting, but it is my clear view that now is the day and the hour to resolve these issues speedily and to a full resolution.

**Mr McAleer:** Go raibh maith agat, a LeasCheann Comhairle. I thank the Minister for coming to the House today as well. Minister, I am sure you are aware that I and others have been out, along with the Red Cross, over the weekend, taking supplies to distressed and very

vulnerable customers throughout the local area in County Tyrone. I am very glad that you mentioned that you think it is important to reinstate the emergency protocols, because they were not in place during the weekend, which was a very desperate weekend with the inclement weather conditions. I have also noted that the problems so far have been concentrated in the west, in the County Tyrone and County Derry areas. Will the Minister tell us whether it is possible to reallocate some of the staff into those areas to look to address some of the issues that are causing the faults and the breakdowns?

**Mr Deputy Speaker (Mr Dallat):** Before the Minister answers that question, I point out that a very large number of people have tabled questions, so I repeat my request from yesterday: please make your questions brief.

**Mr Kennedy:** I am grateful to the Member for his question. As I made clear in my statement, all available resources from NI Water and my Department are deployed. It is not simply a matter of flicking on a switch and everything works again. It takes time for systems to come back into service. Every effort is being made to facilitate that as quickly as possible. I think that the protocol that existed over the Christmas and new year period was useful, and, indeed, I will look to the unions to put that back in place if we are unable to reach the final agreement this afternoon. That would at least give the potential for faults to be addressed at the time that they occur, rather than only during working hours.

**Mr McElduff:** Go raibh maith agat, a LeasCheann Comhairle. Will the Minister explain why those areas worst affected by the industrial action etc are all located west of the Bann? Does the Minister accept that there might be a perception out there that we are suffering neglect and discrimination largely because of the community make-up and geography west of the Bann?

**Mr Deputy Speaker (Mr Dallat):** I need a question.

**Mr McElduff:** That is the perception.

**Mr Kennedy:** I have to say, I worry about terms like "discrimination". I think it is frankly irresponsible of the Member to come to the House and make any such charge. The Member well knows —

**Mr McElduff:** If it happened in Belfast, it would not be accepted.

**Mr Kennedy:** The Member well knows —

**Mr Deputy Speaker (Mr Dallat):** Order, please. The Minister will resume his seat. Earlier, I cautioned about people making remarks from a sedentary position. That is not acceptable, and if it continues, the Members who do it will not be heard in the future.

**Mr Kennedy:** The Member well knows of the consistent underfunding in relation to NI Water that has taken place over a period, and which continues to this very day. In fact, within the last 24 hours, the Assembly agreed a Budget that effectively means a potential cut in next year's allocation to NI Water of some £14 million or £15 million. That is bound to impact on the service that NI Water is bound to protect, so I am not going to take lectures from someone who put their hand up yesterday for that Executive Budget.

**Lord Morrow:** We now have a crisis on our hands, particularly in the west of the Province — a crisis that never should have been allowed to materialise. Can the Minister give an assurance to the House and to those who are most affected by the crisis that their water supply will be returned, that they will not have to face another weekend like the one they have had to face, and that we will not have a Third World state in that part of the Province?

**Mr Kennedy:** I thank the Member for his question. I emphasise and re-emphasise, at the Labour Relations Agency and in public interviews, that I have been conducting over a period, not within the last 24 hours. I have been dealing with the issue since before Christmas. While others were enjoying their Christmas dinner and other festivities, I was receiving up-to-date reports on the impact of the dispute. I am not a johnny-come-lately to this dispute. I want to see it resolved today. I am doing everything in my power to make sure that the householders — who are the customers, at the end of the day — who have been so poorly treated, have to be to the fore so that their services can be restored as quickly as possible.

**Mr Clarke:** The Minister's party manifesto in 2011 said:

*"That said, if the measure of success of devolved government is seeing positive changes in peoples day-to-day lives, then the queues ... is a strikingly visible sign of failure by DRD."*

If that was true in 2011, is it true today, in 2015, under your watch? Have you failed in your term as Minister for Regional Development with this dispute?

**Mr Kennedy:** I have to say that I am disappointed with the tone and the attitude of the Chairman of the Regional Development Committee, who, I would have thought, would have at least tried to express some help and give some assistance, but that has not been forthcoming. Let me remind Mr Clarke what he, as Chair of the Committee, told this very Assembly no later than Monday 12 January. The ink is hardly dry on the Hansard report of what he said:

*"Northern Ireland Water has changed significantly from the bumbling bureaucratic beast of the freeze/thaw period into an organisation that is significantly closer to closing the efficiency gap between it and its counterparts in England and Wales." — [Official Report, Vol 100, No 5, p52, col 2].*

I take credit for that.

**Mr McGlone:** Go raibh maith agat a LeasCheann Comhairle. Mo bhuíochas leis an Aire. Can the Minister clarify for me that I am correct in saying that a memorandum of understanding exists with the Department of Finance and Personnel on pay and pensions? Has any flexibility been shown by that Department or has there been communication from it to facilitate the resolution of the problem and the difficulties that we face now?

**Mr Kennedy:** I am grateful to the Member for his question. He raises an important point. The Department of Finance and Personnel is an important contributor to resolving this issue. We are seeking to make sure that any settlement is reached within the terms of the Executive pay and pensions policies. I can confirm that we have been in contact with officials from the Department, and we will continue to do so. I very much hope that everyone will have a positive attitude when it comes to sorting out and finally settling this dispute.

**Mr Hussey:** I thank the Minister for his comments so far. You referred to the period before Christmas. I would like to know what discussions you have had with the Office of the First Minister and deputy First Minister about the issue since the dispute began.

**Mr Kennedy:** I am grateful to the Member for his question. I can confirm that, early in this

dispute, in December, I sought an early meeting with the First Minister and the deputy First Minister to brief them on the issue. That meeting did not take place. I have, however, continued to work through the issues with Northern Ireland Water in the Department and the trade unions, as I have outlined. I briefed Executive colleagues at the Executive meeting last Thursday and provided a full assessment of the situation. I can confirm that I took a telephone call from the deputy First Minister late on Saturday evening in respect of constituency issues. I am defending Executive pay and pensions policy, and I very much hope that I will continue to have or, indeed, to enjoy the support of the entire Executive in my efforts to have this issue resolved.

**3.45 pm**

**Mr Lyttle:** Why have the Northern Ireland Water and Executive contingency plans and infrastructure not been capable of controlling the impact of the industrial action on customers? Indeed, why has the impact been geographically concentrated in Derry, Tyrone and Fermanagh?

**Mr Kennedy:** The Member will know that almost 50% of the overall maintenance regime plant is managed by a public-private partnership (PPP) contract. That is why areas of the Province have not seen the impact. Clearly, underinvestment over the years has led to weak infrastructure in certain places. Again, I say to those who support a Budget that means a further cut for NI Water as it tries to deal with issues that it is a bit rich of them to put forward criticisms.

**Mrs Foster:** Although I accept what the Minister said in response to Mr McElduff's point, there is a very strong perception that the west is suffering. I think that he would accept that there is that perception, and he needs to deal with that perception, because we have a number of constituents ringing us and asking why it is all happening in the west and nothing is happening in the east of the Province. I have people coming to me about their business.

**Mr Deputy Speaker (Mr Dallat):** We need a question.

**Mrs Foster:** This is a specific question. There is a business in Kesh that is hosting a dinner tonight for 40 people and it has no water. That is a new business that is going to be fundamentally damaged. I rang the MLA hotline, Minister, and I was told that it was temporarily suspended. Therefore, I cannot get

answers for those constituents. I am asking you to tell us what we are supposed to in that situation. Moreover, have you considered bringing in the private sector —

**Mr Deputy Speaker (Mr Dallat):** Order, please.

**Mrs Foster:** — to deal with the issue?

**Mr Deputy Speaker (Mr Dallat):** I have a large number of Members who have the democratic right to ask questions, so please be brief.

**Mr Kennedy:** Without exception, no one in the House is more concerned than I am about the impact on customers, businesses and households. That remains the case.

I can update the House on the current situation. At present, 7,750 properties remain without a water supply. NI Water anticipates that further properties may also suffer disruption to their supply throughout the day owing to problems at Lough Bradan water treatment works, resulting in continued disruption to water supplies in west Tyrone and areas of Fermanagh. Areas that may again be affected include Castlederg, Drumquin, Kesh, Killen, Lack, Dromore, Ederney, Irvinestown, Lisnarick, Clonelly and Drumskinny. I regret that very much, and I want to see the matter resolved. I hope that those engaged at the Labour Relations Agency today will take that opportunity and that we can move forward to restore supplies as quickly as possible so that everybody can enjoy normal conditions again.

**Mr Deputy Speaker (Mr Dallat):** There are still six Members who want to ask questions. Please be brief.

**Ms Boyle:** Go raibh maith agat, a LeasCheann Comhairle. Minister, just today, I contacted NI Water about getting a static water tank for Scraghy, but I was told that, owing to resources, it could not happen today. I am disappointed about that.

If and when the issue is resolved, Minister, will you undertake to look in particular at weekend rosters for NI Water west of the Bann? I am hearing from the employees that, long before this dispute, there was always an issue west of the Bann with resources and weekend rosters.

**Mr Kennedy:** I note the content of the Member's question, and I will give it consideration in further discussions with NI Water.

**Mr Allister:** Why was NI Water's pension scheme outside the remit of the public-sector pension scheme? Now that attempts have been made to bring it in, is it on a uniform basis? We know that, hitherto, the previous chief executive had a 26.9% contribution by the employer to his pension pot. Is there a commonality of contributions in the new proposals across all grades in NI Water or is there still exclusive treatment for the upper ranks?

**Mr Kennedy:** I am grateful to the Member for his question. These are issues that are under discussion and are being resolved, hopefully, between NI Water and the trade unions. I do not want to, in any way, impede on those or interfere. We want to get to a fair and responsible settlement of this dispute as quickly as possible so that normal life can be restored for those householders who have had to endure misery since the dispute began.

**Mr Buchanan:** Minister, a huge swathe of my constituency of West Tyrone is severely affected by this crisis under your watch. Given that this dispute has been going on since Christmas, should you not have put mitigating measures in place to stop such a crisis happening. When are you going to come out of your closet and take your responsibilities seriously and get the water back on for my constituents?

**Mr Kennedy:** I am grateful to the Member for putting a spin on his own lack of performance on this. To the best of my knowledge, I have not received very many representations from him throughout the entire period, so concerned he has been about his constituents.

I do not want to have arguments like this in the Chamber, but I am not going to be kicked about by parties that think that, just because elections are coming, this is a convenient issue to use as a political football. I am on the side of the householders who are without water. I am on their side to have their water restored as quickly as possible. I hope that everybody in the House has that same commitment.

**Mr Ó hOisín:** Go raibh maith agat, a LeasCheann Comhairle. Is the Minister aware of the protocol involved for the notification of disruption of supply to customers? In the area I represent, customers have been reconnected. However, in the last hour, heavy snow is falling, bowsers have been removed and the water is unusable due to the chlorine content.

**Mr Kennedy:** I thank the Member for raising that issue. Clearly, weather conditions have inhibited part of the response. I accept that that has not been helpful. However, as I made clear in my statement, the Department and NI Water are at full capacity and are mobilised to deal with the ongoing situation. That will remain. I have said that a major incident regime is in place. Again, that will remain. Hopefully, through the negotiations, which are taking place in another place, the issue will be resolved so that we can restore supplies and normality to those families who have been so badly served by the current dispute.

**Mr B McCrea:** The Minister has reacted angrily to some questions from Members. From my position, I am still not sure as to why there seems to be a disproportionate effect on the west compared to other areas. I think that it would be reasonable, Minister, for you to explain that to people. You did say earlier in your answers that some contracts were —

**Mr Deputy Speaker (Mr Dallat):** Is there a question coming?

**Mr B McCrea:** — on a PPP basis and some were on others. However, for people in the west, it would be helpful if you could let them understand that they are not being victimised. I would like to give you the opportunity to make the matter clear.

**Mr Kennedy:** I am grateful to the Member for giving me that opportunity. I want to stress that, yes, there is a situation where almost 50% of maintenance to NI Water service plants is carried out on a PPP basis, primarily to the east of the Province. Let me state absolutely that the west, and those parts that are currently affected, are neither abandoned nor forgotten, nor will they be or should they be. I stress the importance of the restoration of services to all parts as quickly as possible. That is what I am working for. That is what NI Water and my Department are working for. I hope that, with goodwill, we can reach agreement with the trade unions and move forward, with the approval of DFP, and have a better situation all round.

**Mr Poots:** Is it not long time, Minister, that you told the unions that their demands are unreasonable, their actions unacceptable and bring in the private sector, which would be quite happy to restore people's water after 5.00 pm and over the weekend, as opposed to having the vulnerable elderly and children being starved of the resource of water?

**Mr Kennedy:** I am not sure that the Member has the full grasp of the issues that are at stake or of how we can deal with the situation. It is ultimately a management/union dispute. In a democratic world, trade unions have the right to exist and to represent their members. I think that the Member should recognise that. I am, and have been, concerned by the actions that the trade union members have taken and by the impact that there has been on customer services, but I think that we need to work and to focus our efforts on resolving the issue and on moving forward to a better and happier place.

**Mr Lynch:** Go raibh maith agat. Minister, you said recently that you are on the householders' side. I do not doubt that, but would you be prepared to meet some of the communities in Fermanagh and west Tyrone that are impacted by the crisis?

**Mr Kennedy:** I thank the Member and hear his suggestion. My main focus is, and the concentration of all my efforts has to be, on encouraging people so that the dispute is resolved as quickly as possible. Everyone will then be able to enjoy a standard of water supply that we find acceptable. That is my main focus, and I believe that the wider public in Northern Ireland and, indeed, those most affected would expect me to concentrate my efforts on resolving the issue.

**Mr G Robinson:** Some Members alluded to the hotline situation. What is wrong with the hotline? Why are people not getting through? Why is there a problem there? That is an essential thing that people need and a central service that people need to get answers.

**Mr Kennedy:** I am grateful to the Member. If he has specific examples — others hinted at that — I need to hear about them first-hand and to take appropriate action. If the Member wants to share those with me, I will be very interested in them.

**Mr Irwin:** Does the Minister accept that, while many households are suffering, a large number of farms with livestock have no water? Given that there is a work-to-rule and that the Northern Ireland Water staff do not work overtime, it seems very strange that Northern Ireland Water cannot resolve the issue during the day when staff are working. I presume that staff work from 8.00 am or 9.00 am to 5.00 pm. Can you give an answer to the question of why Northern Ireland Water staff have not resolved this?

**Mr Kennedy:** The Member is right to the extent that industrial action is impacting on work and call-outs after working hours. When staff report for duty, they address the faults in the system that have occurred overnight and over weekends, but it is not, with respect, the case that you can turn on a switch almost like a light switch and everything will work again. It takes time for systems to redistribute and to begin to work again. There are impacts, such as airlocks, that also affect the service. We have seen that in some of the locations. So, it is not straightforward or easy by any means, but one of the difficulties is that the work-to-rule has meant that faults that develop late in the day or perhaps close to the weekend are not addressed at the earliest possible point that we would like. That is why the protocol was beneficial in the run-up to and through Christmas and new year and why, if we are not to get a resolution to the current situation today, that protocol should be re-established.

**Mr Deputy Speaker (Mr Dallat):** I have very little time left. So, Paul Givan, can you be brief?

**Mr Givan:** I can. Thank you, Deputy Speaker. The Minister said that the major incident plan is still in play, but it is clearly failing. What contingency plans is the Minister making? If the unions continue to hold him and Northern Ireland to ransom and vulnerable people are exploited, will he consider bringing in the private sector to try to break the lock that the unions are placing on the issue?

**4.00 pm**

**Mr Deputy Speaker (Mr Dallat):** Could the Minister be brief?

**Mr Kennedy:** I am grateful to the Member for that suggestion. I have to say that the main focus remains on the work that is being undertaken by the Labour Relations Agency. It would be remiss of me not to express my thanks to the LRA for its contribution to trying to resolve this dispute. I very much hope that we can move to a resolution as quickly as possible. Of course, if that is not the case, other options will have to be considered.

**Mr Deputy Speaker (Mr Dallat):** Order. Time is up. Members may be interested to know that we managed to have 19 questions. That is a good record. I want to thank those Members who cooperated.

## Executive Committee Business

### Regeneration Bill: Second Stage

*Debate resumed on motion:*

*That the Second Stage of the Regeneration Bill [NIA 43/11-16] be agreed.*

**Ms P Bradley:** As a member of the Committee for Social Development — *[Interruption.]*

**Mr Deputy Speaker (Mr Dallat):** Order. Would Members leave the Chamber quietly, please? Ms Bradley has the right to be heard.

**Ms P Bradley:** Thank you, Mr Deputy Speaker. As the Minister stated earlier, the Regeneration Bill will mean that a number of regeneration and community development powers will be given to the new local district councils. By doing this, local councils will be more proactive, I believe, in tackling poverty, social exclusion, isolation and deprivation in their own areas. Obviously, the Department will have a role in setting regional strategic direction, but responsibility for grassroots delivery and the solution of a number of social ills will be given to local government.

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

I know that many of us began our political careers serving on local councils. Many of us experienced the frustration of not being able to be more responsive to the local needs of our constituents when needs arose. I also know that, often, many local council officers are also frustrated by pockets of deprivation in affluent areas being overlooked in decisions that are made by the Department because they are hidden in the deprivation scores that are often used to target areas for funding. In one example from neighbourhood renewal in my own area of Newtownabbey, we had two estates that were directly facing each other. Both had the same problems and issues, but because one estate was deemed to be in a more affluent area, it did not receive the same amount of funding.

I believe that this Bill will allow the new councils to divert funds to tackle deprivation and poor environment in small pockets of deprivation. In my view, this is a positive move. It will allow decision-makers to be more accountable to those who work in local communities and in tackling such issues. It makes decision-makers

more accessible to those who undertake the work in these communities, often in a voluntary capacity, and will allow for faster interventions to address potential problems quickly.

It is my hope that this Bill will improve civic engagement in disadvantaged communities. Local councils have development officers working on the ground in a way that the Department cannot. These workers often identify issues before they become problems. This will allow us to move from reactionary to proactive policymaking. I understand that there are concerns regarding financial issues and logistical queries. I believe that these can be overcome and should not hinder the Bill in passing its Second Stage. This Bill takes politics from the top-down approach to a bottom-up approach, which was the spirit of the review of public administration in the beginning. I support the Bill's Second Stage.

**Mrs D Kelly:** I, too, welcome the opportunity to participate in the scrutiny of this Bill and welcome its passage through the Assembly. It is disappointing, as the Minister stated in his opening remarks, that it is not the Bill that was originally intended. I think some parties have become confused about the intent of the Bill. The people who ultimately suffer as a consequence are our constituents.

As Ms Bradley said, this is something that will make a valuable contribution to community planning powers and the ability of local people to have a greater say in how they regenerate their areas and in actual prioritisation. Like others, I have concerns about staff resources and the financial allocation that will transfer to councils, and I seek assurances from the Minister that there are no attempts to shoot off some of the burden in terms of finances and the 20,000 redundancies.

We want to assure local government that the Bill has the intention and purpose it always had, which is to put power into the hands of local people and their representatives, and that the full extent of the financial and staff resources deployed by DSD in the discharge of this function will transfer to local councils.

I believe, as I said a few moments ago, that this is an opportunity to make a really meaningful contribution to the wider power of community planning. I hope that local councils use the new resources and powers available to them to target disadvantage in their areas and that they have full and proper consultation with all those individuals and organisations that will be affected by any proposals under the exercise of this responsibility.

Mr Deputy Speaker, there is not much point in labouring the matter. It is welcome, and I regret that it is not as extensive as it might otherwise have been.

**Mrs Overend:** I welcome the opportunity to speak on this Bill in place of my colleague, Michael Copeland, who would have wished not to have missed this, as regeneration is an issue close to his heart.

I will say this at the outset: the Ulster Unionist Party supports the Bill. The reform of local government was meant to be about giving our councils greater responsibilities on which they could deliver more effectively and efficiently. This Bill, if passed, will confer a range of important powers on our councils, such as powers to carry out area-based regeneration, community development and improvement of the environment, and tackling deprivation. Powers such as regeneration are understandably of interest to the Executive and will continue to be so even after transfer. Our councils will have the flexibility to choose whatever support they think best suits their local areas. That may be existing schemes, or it could be their own stand-alone ideas. Some may think that this represents an element of risk, not least of confusion during the move from one scheme to another, but all Assembly parties were aware of that when they signed up to the RPA.

Whilst I welcome the fact that this Assembly is at last formally progressing this Bill, it comes, nonetheless, after much frustration. Its journey even to get this length has been typically shambolic and indicative of the lack of leadership at the top of the Executive. As we have heard, squabbling has led to these key urban regeneration and community development powers, which were meant to be conferred on 1 April 2015, being delayed by a year. Considering regeneration has a key association with planning functions and community planning, this delay will be detrimental to the work of councils from the moment they become operational in a few months' time. Because one party decided to play political hardball, these crucial powers are left in a state of limbo for another 12 months. There will be no decisions to use money differently, but, most importantly, local communities are not being given the ownership of the powers they were promised last May.

In addition, I note that the original housing elements in respect of HMOs and responsibility for unfitness are no longer contained in the Bill. At the time, the Social Development Minister

tried to put a shine on it by claiming that these powers would have been more appropriately considered separately from the Bill anyway. That is different to what his predecessor suggested when he tried desperately to table the Bill with the powers included on several occasions.

In reality, I do not blame the Minister for the current situation. Sinn Féin, with its usual disregard for reason, had no difficulty in dragging out approval by the Executive. It is ironic that it is the pig-headedness of a party claiming to go the extra mile for deprived communities that is responsible for these delays. My party has been warning since the summer that time was running out, and the announcement on 11 November therefore came as no surprise. We were surprised, however, given the Executive's record of steamrolling legislation through the Assembly, that it appeared so downtrodden in relation to the remaining timescales. For the record, I believe that there would have been time to introduce this Bill in November, have a short but important Committee Stage and then receive Royal Assent before May, but the delays were seemingly accepted with fear.

In conclusion, I support the Bill. It has been poorly handled in getting it to this stage, but I nonetheless welcome the limited progress that has been made.

**Mr Dickson:** Like many colleagues, I have to say that the Bill, sadly, is long overdue. I regret that it has taken the Department so long to produce it, the result being that local government will not be able, as of 1 April, to proceed with the local regeneration projects that had been hoped for. The Department and others need to take responsibility for that. We and the Minister have to deal with what I consider to be the uncertainty about funding plans, and we have to work with those partners. I encourage the Minister and the Department to work with partners in the private and voluntary sector to ensure continuity of regeneration works during this period. Today, I want the Minister to give a firm time and a firm timetable for the legislation so that we know exactly when it will be implemented and when the powers that will flow from it will be set up. That will enable local government to have a clear path to deal with regeneration.

This party supports the Bill's content. We have long championed the idea that responsible councils are the best place and are best positioned to deliver local regeneration, because they have the needs, the knowledge and the understanding of local communities.

Indeed, evidence from around the United Kingdom and across Europe demonstrates that local government can lead effective and innovative regeneration programmes. I honestly believe that the result of the localisation of regeneration will have a substantive outcome for ordinary people and the communities in which they live.

The requirement that a council produce a development plan is an important part of the legislation and will provide a formal framework from within which regeneration should take place. However, I make a comment of disappointment: there is no requirement to promote shared space as a part of that regeneration responsibility. Shared space and inclusive communities must be at the heart of regeneration. Otherwise, we could simply be building division or, indeed, further division into our society: the "one for me, one for you" mentality. I challenge the Minister to consider further the requirement to promote sharing in the Bill.

We will support the Bill today, because it represents a chance to improve the way in which we deliver regeneration policy. However, it is a shame that we are debating it today and not six months ago, when it would have made a better impact and more difference and would have delivered to the new local government authorities.

**Mr Wilson:** I welcome the fact that we have finally got a Bill to the Floor, although I have to say that the Committee will want to look at a number of issues as we go through Committee Stage.

It is unfortunate that the Bill has been delayed. That is not the fault of the current Minister, and it was not the fault of the previous Minister: it falls at the feet of Sinn Féin, who refused to clear the Bill so that it could come forward in a timely manner. As a result, new councils will be up and running for a year before they have the powers that will be available under the Bill. Some people may argue that that is not a bad idea, because the new councils will have lots of new functions to undertake and lots of new things to get their hands on and their minds around, so a delay of a year is not all that important. However, it has an importance. I cannot quote the sum of money that will be the case, because, with the new Budget proposals and the extra money that will be available to DSD, we do not know — at least, I do not know — what the final figure for regeneration will be in the budget line of the Department for Social Development. The one thing I do know is that, under the draft Budget proposals, about £8 million less is available for regeneration in the

budget line for next year than there was for the year in which these powers were meant to be devolved. That means that there will be less money transferred to councils for the regeneration function than there would have been had the Bill been passed and the power transferred at a time when the DSD budget for regeneration was higher than it will be as a result of the budgetary constraints that will be experienced next year and, presumably, going on into the year after that. The delay has had and will have a detrimental impact. The councils that find that they receive less money than they had expected have only got Sinn Féin and its tardiness when it comes to legislation to blame for this. I hope that, when there are debates in councils across the Province, the finger will be pointed appropriately at the council groups whose party has caused this situation to occur.

#### 4.15 pm

The second issue that I want to take up is that there will be significant powers for councils. In fact, some of them are rather quaintly put. Let us look at clause 3; maybe the Minister will spell out what exactly he means by this. Clause 3, which deals with the power to carry out works for the improvement of the environment, states:

*"In the exercise of its powers ... a council may, with the consent of the Department for Regional Development, carry out works involving the placing of any structure in a road".*

It goes on to say that you are not allowed to block the road, the footpath or any entrance to a building or premises, but you are allowed to place things in a road. Now, I assume that that means environmental schemes, which will be greatly welcomed, whether it is tree planting or whatever, providing it is not on the white line in the middle of the road. I just thought it was rather quaintly put, and maybe the Minister would like to enlighten the Assembly as to how exactly we will place things in roads without stopping people walking or driving on them.

There are significant powers, which is a good thing, for councils where, for example, they bring forward a development plan but that development plan could be thwarted because there is a right of way across the area or because a particular landowner or landowners are not willing to give up key pieces of land. With the extinguishment of rights of way and the powers of vesting, councils will have an

ability to regenerate areas that, perhaps, it was not possible to regenerate before.

In the initial discussion that we had about this in Committee, however, there was an issue. I am not so sure that the Minister can address it in this Bill. Just before councils run away with the idea that this gives them almost unlimited powers to do these things, there are still significant pieces of land held by banks and property developers that were purchased some time ago and, if they were vested today, would have to be vested at below the price that the individual paid for them and therefore would be vested and taken into public ownership at a loss to the individual. That will still be an impediment when it comes to many redevelopment schemes. It is not addressed in the Bill, but it is an issue that will limit the ability of councils to undertake some of the redevelopment and regeneration that they wish to undertake, or it will only be undertaken at severe financial pain to some individual landowners. I can imagine that that will cause some controversy in some council areas. The one other area that I have some concern about — the Minister may wish to address this later on — is that regenerative functions will be retained by the Department. If we are going to devolve these issues to councils, do we really need to retain in the Department some of the regeneration powers that are being retained in the Bill? Is this simply a case of the Department wanting still to have part of the regeneration empire within its remit? Is it all about ensuring that people who will not be moving to councils have a role to play?

Two important aspects are laid down. The first is in clause 13, "Development schemes made by the Department", where the Department can introduce a development scheme, albeit that the schemes will be carried out by the councils. These development schemes will be where it is

*"expedient that an area should be developed, redeveloped, or improved as a whole"*

and where it has significant regional importance. However, it will still be in a council area. Maybe the Minister will be able to give us some explanation of that. In what circumstances would a council not identify a significant area of land or place where there needs to be regeneration or a development plan? Why would a council not have undertaken that in the first place anyway? Why do we need to retain that capacity in the Department?

The second thing is that, under clause 17, the Department will retain staff for guidance. Maybe the Minister can tell us how many staff will be involved in the two functions. The clause states:

*"The Department may, after consulting councils, issue guidance".*

So, it is not that the Department is going to dream this up. It will go to councils and ask them, "What issues would you like to see as guidance under the powers that you are going to carry out?". Under clause 17(2):

*"a council shall have regard to any guidance issued".*

We will have a cadre of staff retained by the Department, and what are they going to do? They will consult the councils and say, "What kind of guidance do you think we should have when it comes to your regeneration schemes?". They will then compile that and issue it as a document for councils' guidance. If a council is going to have the input in the first place, why does it not just draw up the guidance itself? Is this, again, a case of superfluous staff being held in the Department for whatever reason, whether it is to keep a regeneration empire in the Department or simply to find jobs for people who are not going to move over to councils? This is at a time when we are talking of slimming down the public sector and are being told by the trades unions that to do that will be an absolute catastrophe for the population of Northern Ireland. If a public-sector function is to be devolved to councils, why is there any need to keep part of its responsibility in the Department? If we are serious about slimming down the public sector and slimming it down in a way that does not hurt public services in Northern Ireland, we ought to look for these opportunities.

There may be very good reasons for retaining the functions. If there are, we have to consider them. However, I hope that either in the Minister's response now or when we come to examine the Bill as it goes through Committee these are the kind of issues that we will look at.

**Mr B McCrea:** Having listened to Mr Wilson's contribution and having read the Hansard report of the Committee's considerations, I believe that a number of interesting issues need to be addressed.

If you are looking to vest land, one of the big arguments is what is in the public interest. When the Committee considered that, some

examples were given about Larne and how there were areas there that could really do with some action but there was some sort of impasse. I have experience of exactly the same situation in Dromore in my constituency, where everybody knows that regeneration is needed. We have had meeting after meeting and committee after committee to try to get something done, yet the land is tied up in the hands of, I believe, three separate landowners.

The Bill needs to address how you can do something that is genuinely in the greater community interest. The Committee was reviewing that, and the Minister may look at this point. We have not got the balance right. There are situations in which developers hold to ransom people who would like to develop an area for the community. When the Committee looks at that at Committee Stage, it may like to find a way to deal with that issue.

I note that DSD will retain some form of overarching strategic role in the matter. That seems to me to be a recipe for disaster, because you are never sure who exactly is driving what. Either you are giving the powers to the local community and the council and saying, "We trust you to go and do it" or you are not. I understand — it is part of the Bill — that the Department will be able to say, "We think that this is a scheme that affects the whole of Northern Ireland. It's on a regional basis, and therefore we are going to take control of it". However, the issue of giving very firm direction to councils is an important one that needs to be teased out when the Bill gets to Committee Stage.

I am also interested in certain specifics. I apologise for just asking questions, but this is the first time that I have really had a chance to look at it. The Minister might be able to respond to these issues. One of the biggest travesties in Northern Ireland is fuel poverty. Part of the reason for that is that people do not have access to, for example, the gas network. We have been talking about that today, with the announcement of the gas network going to the west, and we have been talking about the impact of burning solid fuel. However, the question is this: can we devolve powers to people to bring in district heating? Are councils in a position to do some form of attack on fuel poverty, even though that may have an impact on commercial interests extant in the local community?

If you look further into how one might tackle fuel poverty, there is an issue with having multiple occupancy in streets, and I am not talking about the HMOs that have been taken out. If you

want to fix a street, you will find that some people will own their house, some people will be renting a house, some houses will be vacant and some houses will be flats. There is a range of issues there, and we need a coordinating group that can come along and say, "This is what we need to do for the best to try to tackle the scourge of fuel poverty".

I can give Members an example of that. For many people, the use of heat pumps is a viable alternative if they do not live close to the gas main. Heat pumps provide cheap heating for people who do not have it. One of the big problems, however, is that the NIE wiring is so old and dilapidated that you cannot install the heat pumps without somebody updating it. You cannot just update one house; you have to do it on a street-by-street basis. I wonder, given that there are conflicting commercial interests and perhaps even conflicting interests among the people who have made investments in the houses, whether the Bill will give councils or their development agency an overarching right to go in and say, "This is for the common good. This is what we're going to do". That is what the powers in the Bill need to do. If there are legal challenges — I see that the officials are really nervous about that — then I think it behoves the Assembly to tackle those head-on and stipulate in statute what you can do. I then had a look at some other things that —

**4.30 pm**

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

**Mr B McCrea:** I will indeed.

**Mr F McCann:** I do not disagree with what you have said about sourcing proper and cheap heating for everybody, but surely it has to come as part of a package. Heating is not the only problem and difficulty where fuel poverty is concerned. There is also the escape of heat, so it is about ensuring that houses are properly insulated. It is about ensuring that the finance and resources ensure that there is a complete package of heating. Would you not share the view that they should go hand in hand?

**Mr B McCrea:** Actually, Mr McCann, I am in complete agreement with you on that. I only used heat pumps as one example. I take your point that, if you were starting anywhere, you would probably start with insulation. It depends on what the fabric of each house is. The point I am making is that, given that you get a wide variety of heating sources, ownership models, people of different ages and different investment potential, we ought to be able to find

a way forward in dealing with that. I hope that the Bill will give councils the powers to take what they deem to be the right way forward.

Following on from Mr McCann's intervention, we heard the Minister of Finance and Personnel talk yesterday about how he would like financial transactions capital to be used for energy efficiency and suchlike. I wonder whether it is possible to create some form of financial vehicle that can be administered by councils to deliver a scheme such as Mr McCann outlined. I do not know whether that is within the remit of the Minister or whether he thinks that this is going too far beyond it. However, I look at the briefing paper on the urban regeneration and communication development framework and note that it says that we ought to be able to bring forward:

*"new alternative financial mechanisms, such as Tax Increment Financing, Social Impact Bonds and Local Incentive Backed Vehicles",*

and other such things that would help us to go forward. If the Bill is to be a success, we need to give them the financial resources.

The money that may or may not be transferred to the councils is circa £60 million to £65 million, but that will depend on the out-turn of the Budget. I wonder how that will be allocated. Will it be allocated on the basis of need? Will it be allocated on the basis of competitive tendering, where people come in and say, "We have a really good idea"? How will that work? How will it be used to lever in the other financial opportunities that are out there, like the warm homes scheme or the work with the European Investment Bank that we heard about from Simon Hamilton yesterday? These are issues of financial control. What I see is a lot of good ideas but some quite muddled and muddled thinking.

Mr Wilson made the point that it is detrimental that this has been delayed for a year. Actually, I am not sure that we should not be able to, out of necessity, make use of the year to get this right and put the thing in the proper order. My biggest concern in all these things is that, in our haste to do what we deem to be right and devolve powers to local councils, we do it in such a disorganised way, with a lack of focus and strategic vision, that we end up with something that is not satisfactory.

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

**Mr B McCrea:** Yes.

**Mr Wilson:** I do not disagree with the point that councils might be better prepared for this given the passage of time, in so far as they may have got their head around many of the other issues that they have to deal with that are being devolved to them. However, would the Member accept that, if as a result of this the regeneration budget is smaller by the time it is devolved, councils will have fewer resources to do the things that people expect them to do?

**Mr B McCrea:** I absolutely accept that point. In fact, I was actually building on the Member's point about that. I am concerned, as he is, that we are devolving responsibility to a group of people — the councils — who have the expectation that they will be able to wave a magic wand and do all the things that they have been hoping to do for years without measure. I think that, as it stands, they will not have the powers to do exactly what they thought they could. There will be legal challenges and issues. Furthermore, they will not have the resources to implement them, even if they get the go-ahead.

Nevertheless, there is an opportunity here. We have all identified areas in our own localities about which we have said, "I really would like to see some form of regeneration". Surely we cannot go in and, if you will forgive the expression, knock heads together, bring resources to bear and get the thing sorted out. That is really what people look at in our council areas. They look around and ask, "Why is nobody doing anything about that?". As either councillors or elected representatives, we understand why things cannot be done, but that does not take away the public's frustration that things are not being attended to. My point is that I do not wish to pour cold water on what seems to be a good idea, but I am concerned about the lack of capacity of the people we are devolving these powers to.

**Mr Humphrey:** I am grateful to the Member for giving way, and I accept entirely his point. However, does he not accept that, whilst there is the delay of one year, as the Minister outlined in his opening contribution, the councils and the councillors who sit on the councils and who stood as candidates in May last year knew that the powers were coming down the line, meaning that that preparation should have been in place? That is especially true where councils are coming together in a cluster.

**Mr B McCrea:** I have great respect for the Member's experience. I know the service that he gave on Belfast City Council. All I can say is

that, when I first went on to council, the whole planning issue developed into something more complicated than I first thought. You would come along and say, "I am just going to make a decision here; that is fairly obvious", and you would come to it. Understanding what you would like to achieve is one thing, but realising that you are working in a legal framework, where people can and do challenge your decisions, is another. We have just had JRs over Casement, as the Member is aware. In our place — Lisburn — we have had difficulties with getting John Lewis. All sorts of issues come in. My point is that, if we are serious about letting local communities decide how they will develop, we have to give them the real powers to do it. The problem that I suspect we have at the moment is that we are not sure whether they have the competency to do it yet, and neither am I sure that they have the financial resources to make a meaningful contribution.

I said in all this that I am in favour of letting local people make local decisions. I look forward to seeing how the Bill goes through Committee. In an attempt to be helpful and constructive, I am looking at whether there are powers that we will be talking about that we can really give to councils or their nominated whatever it is that will make a radical difference and do something better than is going on at the moment. I have to say that, at the moment, I have no confidence that the public realm is really working, that our planning thing really does urban regeneration or that we are in a position to deal with fuel poverty or any of the other areas of social deprivation. This is an interesting opportunity. It is at the early stages. I will be interested to see how it goes through Committee, and, although I am not on the Committee, I assure you that I take a considerable interest in it.

My final point is that, at some stage, we will probably have to deal with the transfer of personnel. How many of the people who currently work for the Department will go across to local government? Is there some management scheme that will enable us to deal with that? I am sure that the Minister has that on his agenda and that he will probably deal with it in his summing up.

**Mr Allister:** I share a number of the concerns that have been raised, particularly the points that were well made by Mr Wilson about clause 13. However, I want to focus on clause 1, because of a concern that, in it, there are loopholes that will permit the abuse of funding.

This is an opportune time for the Minister and the Department, with the benefit of the hindsight

of the 1986 Order, to address how things can and should be done better. Of course, clause 1 is essentially — certainly in regard to its key component parts — a lift of article 3 of the Social Need (Northern Ireland) Order 1986. It is in all but identical terms. Of course, since it was under article 3 of the 1986 Order that, for example, we had the operation of the neighbourhood renewal scheme, we can examine that to see whether the language of that article, which is identical to the language of clause 1, threw up opportunities for inappropriate funding and the abuse of funding. I respectfully suggest that it most certainly did.

The Minister will be aware of some answers that the Department has given me since 2011 about the distribution of neighbourhood renewal funding. This is neighbourhood renewal funding that was granted on the premises of the parameters of what was article 3 of the 1986 Order but is now essentially clause 1 of this Bill. It was supposedly matters for such things as:

*"the promotion, development or regeneration of commercial, industrial or other economic activity ... the improvement of the environment ... the provision of housing ... the provision of social or community facilities ... the refurbishment or restructuring of buildings".*

Yet, we find that, under neighbourhood renewal, on the same language of statute, some amazing matters were funded. The question is this: do we want to leave this Bill in the same loose fashion as its predecessor, or do we want to take the opportunity to tighten it up?

Some of the matters that I refer to include the fact that a privately owned golf club got £350,000 to improve its facilities under neighbourhood renewal. There has been some focus on that in recent weeks. That money was supposedly for deprived areas, areas of social need. The Minister also knows that a recent answers indicate that, for example, a republican ex-prisoners' group got £138,000 of neighbourhood renewal funding under the equivalent section of the 1986 Order; the Bloody Sunday Trust got £86,000 of neighbourhood renewal money; GAA clubs got £2.6 million of neighbourhood renewal funding; Irish language bodies got £2.1 million of neighbourhood renewal funding; and that LGBT bodies got almost a quarter of a million pounds of neighbourhood renewal funding, including almost £200,000 for the Strabane and Lifford LGBT group. Is that the function, purpose and design of something such as neighbourhood renewal funding or of this Regeneration Bill,

which deploys the very same statutory language?

**Mr Wilson:** I thank the Member for giving way. He has listed a lot of groups and activities, and many would ask what the neighbourhood renewal impact is of the spending on those groups.

Does he accept that perhaps the important part where we need to get these issues hammered down is in clause 17, which deals with the guidance as to how the money ought to be used, the kinds of things that will constitute neighbourhood renewal and how that should be applied?

4.45 pm

**Mr Allister:** I certainly agree that the guidance is important, but the actual statutory provision is more important. I think that the real flaw here, if you look at clause 1, is in the final words of clause 1(2), because, having listed the five criteria, it then has this amazing catch-all which really means that you need not bother with the five points above. It simply says that the money can be given:

*"for anything not falling within paragraphs (a) to (e) which the council considers will benefit the district."*

Remember this: local councils, by virtue of the fact that they are local, are the most vulnerable to local lobbying. Every councillor will have their ear bent about some pet project. Local councils are those with the least line of resistance to not caving in to demands, so you can well imagine the campaign that could be raised under the guise that "This will benefit the district, and therefore this wild and extravagant scheme should be funded." Maybe it is coming from a very influential sporting organisation in the area and there is not the moral courage to say no.

What does this regeneration funding then become? It becomes that vehicle for abuse, just as we have seen it, in my opinion, abused in neighbourhood renewal. I say this to the Minister: does he really want to pass legislation that, for example, facilitates the funding of LGBT communities on foot of regeneration, or does he want to take the opportunity that the passing of the Bill provides to write out that charter that exists within it, to tighten the framework and to make sure that it is proofed against meeting the criteria that it is actually meant to meet? I think that that is the key opportunity in respect of the Bill, so that we do

not hand a blank cheque, because that, effectively, is how that clause is presently drafted. We are handing a charter or a blank cheque to councils to fund whatever they are persuaded will benefit the district.

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

**Mr Allister:** Yes.

**Mr Wilson:** I appreciate and am very supportive of the point that he is making. However, there is only one aspect that perhaps he would like to deal with, and maybe it could be dealt with in Committee. All, or most, of the issues that have been listed in clause 1(2)(a) to 1(2)(e) are about physical regeneration. Does he also accept that there are some kind of community activities that do add to regeneration and that getting the wording as to which of those community activities would be genuinely beneficial to regeneration and which would be totally outside, as he has suggested in some of his examples, will be quite difficult? Of course, the option is not to have community activities at all included in this.

**Mr Allister:** Certainly, the premise of clause 1(2)(a) to 1(2)(e) is infrastructural in tone; you are looking for something that, infrastructurally, informs the regeneration commercially etc — the environment, the provision of housing — and its community facilities, something infrastructural and tangible. I think the problem is that if that language — there also was a catch-all freebie in article 3 of similar terms to what has been reproduced in clause 1, because it, too, talked about anything:

*"which the Department considers will benefit the district."*

It was probably under that heading that some of the foolish, extravagant funding was granted. If you are focusing on regeneration, it is difficult to pass outside the infrastructural framework and remain sure that you will not fund things that it was never anticipated would be funded. You have to keep it in that physical sense, but that can be teased out and debated in Committee.

**Mr B McCrea:** I thank the Member for giving way. I apologise for not catching your eye earlier. You will find no argument from me about people using funds that are meant for regeneration for something else, however worthy. It may be that some of the issues that you listed deserve funding, but when you take it from one pot and use it for something else, you do both a disservice.

I would like to hear my learned friend say that there must be a way of giving some latitude. In our environment, we find that there are too many reasons for people to say, "No, you can't do something, "That's not possible" or "That can't happen". We want to encourage people to do things, but we want to encourage them to do the proper thing. I wonder whether guidance, as part of the legislation, is strong enough to do that, or do we have to go through the Bill line by line and say, "This is what you will use the money for" and "This is not what you will use the money for". It is a procedural way of encouraging people to do what we think they ought to do. I wonder whether the Member has any advice on how we should amend the Bill in that regard.

**Mr Allister:** In the main, clause 1(2)(a) to 1(2)(e) set out the sort of matters that are germane to regeneration. The problem with clause 1(2), as I indicated, is the catch-all line at the end, which just burns everything before it and says, "Well, actually, you can spend it on anything". The Bill could be radically improved by restricting the ambit of funding to the matters that properly fit in clause 1(2)(a) to 1(2)(e). The guidance could be much more straightforward in backing that up. However, if you leave it as open-ended as the Bill, you will fall into the same pits as neighbourhood renewal fell into.

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

**Mr Allister:** Yes.

**Mr Wilson:** I do not know the answer to this, but the easy thing would be to limit it to physical regeneration. Does the Member accept that other aspects of regeneration are equally important? In an estate in which a lot of young people are unemployed, for example, a training scheme could help to equip them for local employment, which would get them off the streets and deal with some of the problems that have perhaps wrecked that estate. That is as much part of regeneration as a physical development in the estate. I do not know the answer, and I do not know how you word it, but there has to be some element of non-physical provision if we are to address the totality of regeneration.

**Mr Allister:** The Member might be right. It might be that clause 1(2)(d), for example, embraces that. It talks about:

*"the provision of social or community facilities".*

That may be an anticipation of something other than a physical facility. It might be a facility such as a training facility; I would have thought that that is capable of coming in there. However, if there is any desire to have control and constraint so that the thing is not totally open-ended, you have to look in the definitions of clause 1(2)(a) to 1(2)(e) rather than just writing the blank cheque of the catch-all line at the end.

I want the Minister to give us the benefit of some information on one further issue. Clause 1(1) states:

*"A council may provide financial assistance to any person doing, or intending to do, anything falling within subsection (2) which benefits one or more areas of social need in its district."*

When the words "areas of social need" are used, is that a generic reference to areas of social need, or is it a specific reference to areas of social need as defined, for example, by the Noble indices? Or is it areas of social need as perceived by the council? Strangely, social need is not defined in either the 1986 Order or in this legislation. So, when the Bill says that you can fund that which benefits one or more areas of social need, what is it actually talking about? Whose perception of social need is it? I am sure that the Department knows what it has in mind, so I trust that, when the Minister comes to answer — if not today, at a future point — he will be clear and explicit about what is in mind there.

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

**Mr Allister:** Yes.

**Mr Wilson:** Will he accept that to define what is meant by social need too closely — as we have seen in the past, simply defined by the Noble indices — removes the flexibility to deal with small pockets of social need? So, actually, the less defined that it is, the better, rather than trying to have it closely defined, which ties councils' hands in many instances where they see a problem that might not be extensive but, nevertheless, is important.

**Mr Allister:** I agree absolutely, and I am hoping that the Minister will be able to say that this is not a specific Noble-indices-type area of social need and that this is the generic thought of areas of social need. If it is that refined, almost discriminatory, definition, it closes the door for this funding to a lot of ratepayers in a number of district councils. I think that that would be

unfortunate. So, I look forward to the Minister elaborating on that matter. As I said, there are other points that concern me, particularly clause 13, but that is the burden of my observations on this Bill at this point.

**Mr Storey (The Minister for Social**

**Development):** I thank the Members who have made a contribution to the debate. We have seen the commencement of a Bill through the processes of the House, and I look forward to the engagement with the Committee. It will now give the Committee some work of substance to get involved in and something of merit to be engaged with. I trust that there will be no behaviour by Members in the Committee that will lead to any further investigations of Members by Mr Bain. I am told that we have had some thuggish behaviour, but I have to say that we will await to see that. Given the track record of one of the Members involved, I will leave it to see what will happen in that regard.

Let me try to make my way through some of the comments that were made. I thank the Chair, in his absence, for his comments on endeavouring to move this process forward. Let me say and place on record that I would have preferred it had the Bill been brought to the Assembly and councils had the powers as of 1 April this year. However, as most Members will be aware, there is an issue about the frustration as to how this House operates. It is a five-party mandatory coalition, and it does bring about issues of concern when you have to get an agreement. It was clear when I came in to office that, on four separate occasions, there had been a failure to get an agreement around this Bill. I endeavoured, with the best efforts of my capabilities, to see how we could move the situation forward. That resulted in us getting to this point today.

**5.00 pm**

Before I get into other issues, I want to deal with the issue of whether it was preferable to have it on 1 April 2015 or 1 April 2016. I have been privy to some conversations with councils. In fact, I went to the partnership panel, as I think I mentioned in my opening remarks, and it was abundantly clear that some councils were glad that there was not going to be the introduction of those powers or conferral of those powers to them as of 1 April 2015. They welcomed the fact that there was now some certainty around the issue and that we would work in conjunction with them over time. Equally, however, some councils were concerned because they would have preferred to have the power. In some cases, that is

because those councils are possibly in a more advanced stage and are more capable of dealing with those issues because they have the resource and the capability, and they have been very proactive in the past in working with neighbourhood renewal and regeneration projects and the like. I think that it has been a combination of both, rather than falling down one way or the other.

I would like to reassure Members and, I trust, councils — as I will do over the next few weeks when I meet those whom I plan to meet — that we are working, and will endeavour to work, with councils where they raise genuine issues and matters of specific concern. In fact, we have even addressed some of those already by some conversations that we have had with councils. So, it is not the case that I as Minister or the Department want to be in any way obstructive; we want to be helpful.

My colleague Paula Bradley made a point about improving civic engagement. Speaking as someone who was in local government, I am very proud of the fact that I was first elected to Ballymoney Borough Council, which is the second smallest council of the existing 26. It was extremely difficult in many respects, in a council of that size, with a very small budget and overall financial capabilities, to do many of the things that we wanted to do. That is why, for my part — and, I think, for my council's part in the time that I was on it — it was of merit and value that there was an intervention by the Department in relation to public realm schemes. Those enhancements and schemes that were carried out could not have been done, I believe, by small councils on their own.

It has been a case of enhancing those powers and giving to local councils something that they have been asking for and that they want to have. This is a positive step forward, and I look forward to seeing how councils will use that power in the weeks and months ahead.

I now come to some of the issues that were raised. I want to address the issue of staffing, and I thank Dolores Kelly for the concern that she raised about it. Let me give some context in relation to that. It was raised by Mr McCrea, I think, and also by Sammy Wilson. There are 235 people working in DSD on regeneration and community development, 180 of whom work on areas that will transfer to councils. All of those posts will be gone from the Department after 2016.

The other 55 people work on issues that will not transfer, such as social policy and EU funding. The plan is that no more posts will be created to

manage the retained functions after the transfer, and we will seek to make sure that things remain as efficient as possible.

I want to give an assurance to my colleague from East Antrim that this is not about some of the powers and functions that we retain, and I may come back to that, or about staffing. It is not about the Department wanting to have a secret, small number of staff who retain power in the heart of my Department so that I can send them out on sorties around the 11 councils to find out what they are doing or not doing because I do not want the transfer to be happening. I am surely not going to be in a place where I want to transfer powers to councils and then not trust them to do the job. It will be a case of collaboration between us both, and that is something that we should welcome and encourage.

I have to say that I am disappointed by comments made by Sandra Overend. Phrases were used such as a "state of limbo" and "poorly handled". We are now at the point at which we have the legislation. The legislation will be transferred to the Committee, which will do its statutory duty, and issues have already been raised about certain clauses in the Bill. That is the purpose of the House, that is the work of the House and that is what the House should be about. I gladly look forward to working with the Committee as it works its way through that process. Therefore, although the comments about the Bill are not surprising coming from that particular party, it is disappointing that, on a day like this, we cannot even get some recognition that there has been work done and progress made on the issue.

Let me come to some of the other comments that were made. I may not cover them in order, so apologies if that is the case. My colleague from East Antrim made a number of observations. He is worried about roads being blocked. Well, I want to see obstructions removed from certain roads that are being blocked at the moment. I can give the assurance that the purpose of the Bill is not to assist, aid or abet any further obstructions being placed on the Queen's highway, as far as free passage is concerned. The clause that Mr Wilson referred to relates to work that has been done in town centres as part of public realm schemes. We have seen many examples of good public realm schemes right across Northern Ireland and some examples of where they could have been done better. Issues have been raised and concerns have been expressed, but I believe that many of our towns have benefited from such schemes in recent years. The kind of structure covered by the

clause might be best explained by way of an example, such as the kiosk at Castle Place in Belfast or the bandstand in one of the most important strategic towns in Northern Ireland, and I refer to Broadway in Ballymena. Plenty of safeguards will govern how the schemes will be delivered by councils, not least the need to ensure that DRD is consulted and that no highway is obstructed.

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

**Mr Storey:** Yes, I will give way.

**Mr Allister:** Is the Minister saying that it would not extend to speed ramps, for example? There could be an argument made by some councils that, in the interests of the environment, a speed ramp is needed in a certain place. Would that be within or outside the provisions in clause 3?

**Mr Storey:** That would be an issue for DRD that is covered by the Roads Order. There has been an ongoing debate, and, as a society, we will have to look at the issue of speed ramps in a different way. However, that falls within the remit of DRD. In the past, when it has been an issue in relation to public realm works, there has been consultation between my Department and Roads Service. I would think that there is an ongoing issue that has to be resolved around what we view as the benefits or otherwise of speed ramps.

The power to direct councils —

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

**Mr Storey:** Yes.

**Mr F McCann:** It is about an issue that has come up not only in the Assembly but certainly in Committee. First, quite a lot of the developments through public realm works have been excellent in many cities and have done a lot to enhance cities and towns. When the powers are passed to councils, what needs to be built in is the fact that consultation should stretch to people with disabilities and the partially sighted who have serious problems trying to negotiate roads and footpaths because of blockages.

**Mr Storey:** I take the point. In fact, recently, we have had to deal with some issues raised about a public realm scheme in Ballymena in my constituency in relation to guide dogs for the blind. We then get into a discussion or dispute around the height of kerbs. These are genuine

issues that I think need to be addressed in a sensible and practical way. I do not think that there is any objection or any obstacle — excuse the pun — being put in place in trying to address these issues. For me, this has been an issue since coming into office. I have made various announcements about public realm schemes, and I am very conscious that traders, pedestrians and vehicle users have issues. It is about trying to ensure that there is a management structure in place so that the scheme is delivered to the best possible standard, taking into account issues such as the one the Member referred to.

**Mr B McCrea:** Will the Minister give way, please?

**Mr Storey:** Yes.

**Mr B McCrea:** Can I just follow up on that point? I hope that that is what the Bill is about. There are so many reasons in our society for people to say that they are not going to do something. I understand that everybody has an opinion and is concerned, but we need to have a central body that has the absolute — or, rather than absolute, the appropriate — power and authority to get things done. That is really what I am looking for from the Regeneration Bill. It is not about public realm, though that will be part of it; it is about how we regenerate our communities. We have plenty of areas that people say something should be done about, but it always seems to be impossible to do it. I am hoping that this Bill is going to give people the power to do something about their local communities.

**Mr Storey:** Yes, and I think that that would be what I see as being the intent of the Bill. It is about the local transfer of the regeneration powers. We are going to have a situation where we either give respect and trust to our local councillors or we do not. Every party in the House was keen to go out and maximise its vote at the last council election, some more successfully than others. What premise was that built upon? It was on the basis that the people who were being elected were the best who could be put on to the council; that they would be visionary, incisive and would know about the needs of their communities. Some parties did not trust their own councillors and thought that they better not have the power for another year. They will have to explain to them why that was the case.

We have to put our views into practice. Despite concerns raised around how some councils may abuse the powers, I have confidence that

they will act responsibly and in a way that, I believe, is in the best interests of their communities; but that is an issue for them to identify. I think it would be ill-advised of me, in every circumstance, to tell them what they must or must not do. So, I look forward to the projects that councils will bring into existence that will enhance their local area for the best interests of their community under regeneration.

### 5.15 pm

I want to make some progress on the powers to direct councils, which, in a sense, follows on from what I said. Mr Wilson referred to this, as did Basil McCrea. This power, which the Department thinks may be prudent to retain, covers scenarios where the council might be reluctant to take forward an important scheme for no valid reason. Mr Wilson also said that he cannot think of any reason why that might happen. I suppose, in a sense, neither can I. It is impossible for us to look into the crystal ball and to see and cover every eventuality of what may or may not take place. However, I still think that it is a useful power for the Department to hold, even if we do not expect it to be used frequently. I know there is always a concern that underlying that is some hidden intent or Machiavellian process. I can only give the assurance that, as the Minister for the Department responsible for this element of the Bill, that will not be the case. My word on that will, I trust, be fulfilled, and we will prove over time that it was worthwhile retaining it in the Bill.

Let me refer to the budget. A number of Members raised a concern. Mr Elliott, in his first contribution, which was during my opening remarks, referred to the budget, as did a number of other Members. The questions being asked are these: what budget will be transferred, and what impact will the delay have on the budget? All budgets associated with transferring the areas of work will be passed to local government in April 2016. The figure that has been used was initially somewhere in the region of £60 million. However, you will be aware of the Budget statement that was made to the House yesterday, and we will have a Budget Bill very soon.

There will be an impact. I take on board Mr Wilson's comments about the impact that that will have on councils. I would have preferred to be in a situation where the total amount promised would be transferred over the next couple of weeks. However, I have to determine how the final budget for my Department will look. It is an issue that, although giving us concern, we have to address. I will endeavour to do all that we can to make sure that we limit

the impact and reduction within the constraints that have now been placed upon me because of the overall reduction to the budget that I have.

**Mr B McCrea:** Will the Minister give way?

**Mr Storey:** Yes.

**Mr B McCrea:** Minister, just while you are on the total sum of money that you might be handing over, have you any thoughts on how you are going to allocate it? Will it be per capita? What council gets what, and what scheme do you have in mind for that?

**Mr Storey:** The money will be transferred on the basis of the regional rate system. I am well aware of the concerns that were raised. For example, one council felt that it was getting a bad deal in how this will play out. The mechanism is there, and it will be based on the regional rate system. That has thrown up some differentials for us. However, it is about where you draw the line. I do not think that you will ever get a transfer system or mechanism that will give you an allocation that will satisfy all 11 councils about the overall amount of money that they will receive. So, we have to deal with that over the next few weeks in relation to the Budget, and I will no doubt have to continue to give some serious thought to the matter to ensure that councils feel that they are not being left disproportionately disadvantaged as a result of it.

**Mr B McCrea:** I thank the Minister for giving way. I will be brief. It is an issue, Minister, that I think requires a fair amount of deliberation. If it is regeneration we are after, you might even consider whether those councils that have large commercial rates coming in — the non-domestic rate — are advantaged in the process. I think that you will need to find a way of concentrating resources appropriately in areas that need it most.

**Mr Storey:** The model was consulted on with the councils — so, councils were consulted on this issue — and it has been agreed that it is the most equitable way to distribute the funding to the new councils. It is based on the population size as well as levels of deprivation, so there has been some distribution of moneys away from councils that have historically been extremely well funded towards those that have not received so much funding from DSD in the past. So, there was some attempt to try to redress that, and that has maybe led those who, in the past, have been in receipt of more moneys to feel that they have been ill-served by

the process. Given that the funding is transferring in perpetuity, it is important that the distribution of available funding across each council is fair for its need rather than based on historical patterns of funding that, in some areas, has maybe been overlooked in the past.

I will move on to some other issues that were raised by Members. There was a concern raised in regard to land banking and concerns that vesting processes are not robust enough to allow councils to properly tackle blight and various issues. My colleague from East Antrim has left us, but I will send him a copy of Hansard, and he will, I am sure, be able to read and digest it. The powers set out in the Regeneration Bill are exactly the same as those used by the Department to take forward its regeneration remit. They include the power to vest land or property in certain specific circumstances, as set out in clause 7 of the Bill. Those include circumstances where the land is required for a development scheme or in the interests of the proper planning of the area. The vesting process itself is set out in schedule 6 to the Local Government Act (Northern Ireland) 1972, and that covers other Departments and councils that may need to acquire land for various purposes.

The legislation also sets out steps that a landowner can take to appeal against a proposed vesting order on their property. In cases of dispute, a local inquiry will be held to consider all the circumstances, and a proposed vesting can be subject to further legal challenge. It is important to remember that a balance has to be struck by providing councils with the means to acquire land that is considered essential for the regeneration of their area whilst having checks and balances in place to ensure that an individual can challenge the council's decision. I do not want to be in a position where we, in some way, restrict, but, equally, I do not want to be in a place where it is somehow just seen as a free-for-all. It is about trying to strike that balance.

Let me move on to a number of other issues that were raised. Basil McCrea asked how the Department will support the innovative financial environment, and I think that that is a valid question to ask. The urban regeneration and community development policy framework has been referred to. I was going through preparation for this, and be assured, Members, that I probably have to do more preparation than most because I always feel the challenge of coming to the House and engaging in this process.

This is not maybe where I feel at my most comfortable. I am more comfortable when I am out there meeting people on a one-to-one basis. However, that is the remit and responsibility that we have.

One of the things that kept coming up repeatedly, to the extent that I have started to read my way through it, was the community development policy framework, which was published back in July 2013. That sets out for us a commitment to maximise the resources available to regeneration and community development by supporting an innovative financial environment. What does that mean? I think that what it endeavours to achieve is that we want to maximise public spending in the most disadvantaged areas and lever in additional resources for private investment. I do not think that we should run away from the issue of private investment. I know that there are parties in the House that have a particular issue around the private sector. I think that, if it is done properly, within the law and in a way that is about enhancing an area and the well-being of a community, that should be given due consideration. When and where the market conditions are appropriate, we should encourage the development of community finance infrastructure.

My Department is working and will work with financial providers and partner Departments to explore the feasibility of new instruments. I have not got all the minutiae of how these would work, but I am happy to give Members more information as we develop them. For example, we have the EU's financial engineering instruments: the community bonds and social impact bonds. Those are types of processes that we need to look at to be innovative. Clearly, we find ourselves in a situation where, because we have had, in some cases, trusted and tried processes in the past, we think that there is nothing else new or innovative that we can do. We need to be more innovative in this element of it. Some also have a concern that these will become problematic. We need to balance all of that with being cautious but not to the extent that we probably exclude a good financial model that could be used in a process as it moves forward.

I trust that I have tried to answer the issues that were raised. I still have some things to say. As we work our way through these, if any Member believes that I have not maybe given them the whole answer that they wanted, I am happy to come back to them in that regard.

The Member for North Antrim Mr Allister referred to a number of issues and said that the

scope of clause 1 was too wide. The Member knows that, over recent days, he has raised questions and concerns, rightly so, in relation to what is seen as organisations having received money where there is a question mark over the validity, the purpose and the reason why public funds should be used in those ways. I have to say that, with regard to some of those, there is an application process. It is disappointing to discover that there are some organisations that are — this is not to be critical of them — more proactive and more involved in the funding process. I think that, for example, when we look at the issue of the Irish language lobby and the nil amount of money for Ulster Scots, we see that there is an onus on those organisations to see why they have not been able to process or be successful. It is something that I have given thought and consideration to within the confines of an application process. It is up to the organisations themselves to make those applications.

Mr Allister has alternative wording for the clause in order to exercise control. No doubt the Member will give detailed scrutiny to the Bill when it begins its process through Committee. At some stage, we will see how that manifests itself in amendments to the Bill, either as Member or Committee amendments.

### 5.30 pm

The whole point of the legislation is to devolve powers to councils to make local decisions. That is what I have repeatedly said in the debate this afternoon. If you remove the power to do things that benefit an area, you have to ask whether there is any point in the process and in having this in place. We need to realise that, in one council area, issues will be raised by very vociferous lobby groups — someone made reference to this — that are not so much in operation in other areas. That is undoubtedly a result of the fact that we have a very diverse community with varying degrees of importance. There are, as I said, organisations that feel that it is their place and their space and that they have a duty to lobby as much as possible to extract the maximum amount of money from a funding stream. I have no doubt that that will continue to be the case.

Reference was also made to the definition of social need. Maybe this is something that will be of help and that we have to do further work on. The Social Need (Northern Ireland) Order 1986 does not define social need, which is almost a contradiction in terms in relation to that legislation. In this Bill, we have sought to define what constitutes social need, as this will differ in different groups, circumstances and

times. The problem we could run into is this: if we define social need rigidly, it will inevitably constrain decisions in the new councils about improvements that are needed in their area. Councils should have the flexibility to decide priorities in their area. That is the whole point of the Bill. The provisions in clauses 1(2)(a) and (e) are examples of that. We will come back to that issue, and I look forward to the Committee taking up the issue in the weeks and months ahead.

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

**Mr Storey:** Yes.

**Mr Allister:** It is not immediately clear to me where there is any definition of an area of social need in the Bill. Is the Minister saying that the Bill is not hamstrung by the delineation of social need in, for example, the Noble indices? Unless and until we know what it means when it says that you can give money to benefit an area of social need, we will go round in circles.

**Mr Storey:** Therein lies an ongoing issue. The Noble index is one indicator, albeit it always seems that its indices are the predominant set used when it comes to this issue.

I have had correspondence from Mrs Kelly around the affordable warmth scheme. As a result of moving from the warm homes scheme to the affordable warmth scheme, we initiated a process. The University of Ulster did a piece of work that took into account a variety of other elements that identified this issue — trying to deal with fuel poverty. That was an example of not being constrained by one definition. Other elements led to having that scheme put in place. We will have to come back to the issue and give clarity around it. Is it the Noble indices solely, or can other mechanisms, definitions or indicators be used by councils? That is part of the work that we will do in respect of the guidance to councils on how such processes would work. So, we remain at a place where there is no definitive or final position in that regard.

**Mr B McCrea:** Will the Minister give way?

**Mr Storey:** Yes.

**Mr B McCrea:** I think I have said this before, but I want to reiterate the point: I hope that this is a regeneration Bill and not just a social deprivation Bill. I see the promotion of economic activity and all the other issues. It is right that we should define those things, but it is a regeneration Bill. A rising tide lifts all boats.

We want to make sure that we regenerate all areas.

**Mr Storey:** Yes, I could not agree more with the Minister — the Member. There is wishful thinking.

**Mr B McCrea:** It is the closest I will ever get. *[Laughter.]*

**Mr Storey:** It is maybe the closest you will ever get.

Let me go back to the very beginning of this. When I came to the Department, it was the Regeneration and Housing Bill. I could not understand why it was called the Regeneration and Housing Bill, because the elements in it relating to housing were in relation only to HMOs and so on. I welcome the comments that the Chair made, when he said that he believed that those issues, which we have now taken out of the Bill, need to be addressed. We look forward to bringing them forward at some future date. We have to do that, but that will be in the context of the wider issue of the housing reform programme. That work is ongoing.

I think that the Member is absolutely right. Surely, the clue is in the title: the Regeneration Bill. It should be about councils looking at how they can regenerate, be it their town centre or their community. Remember that, previously, my Department was constrained because of the issue of the number of people in a particular area. We worked on the basis of 4,000 of a population, whereas the rural community and DARD funding was able to work in rural areas. Now, we have the situation in which councils will have this power, because not all of them are confined within the space of a town centre. In some cases, the council will have many elements of our rural community in their jurisdiction. In answer to the Member, I say that he is right. The clue is in the title: it is the Regeneration Bill. Councils should look at how it can be used to regenerate their particular —

**Mr Wilson:** I thank the Minister for giving way.

**Mr Storey:** I am glad that he has returned to the House. He can ask for a copy of Hansard to see the answers I gave to his previous questions.

**Mr Deputy Speaker (Mr Beggs):** Can we have one Member on their feet at a time, please?

**Mr Wilson:** The Minister is correct in saying that development schemes can be for anywhere in a council area, as outlined in

clause 5. When it comes to the financial assistance available for forwarding aspects of that development scheme, whether it is for housing, improvement of the environment, improvement of community and social facilities or the refurbishing or restructuring of buildings, clause 1 restricts it to areas of social need. So, while the development plan can cover everywhere, the funding as it stands, as I understand it, can be applied only to the parts of the development scheme that would qualify under the term "social need". Albeit that the Minister is saying that that can be fairly widely interpreted, it still does not answer the question that Mr McCrea asked.

**Mr Storey:** I thank the Member for his intervention. That raises the issue, and I look forward to when the matter goes to the Committee for scrutiny. It is not for me to tell the Committee how to do its business, but it is about its interaction with local councils, for example, and how they see that being rolled out. Do councils have a different interpretation, and do they feel that that leaves them restricted? I would not want it to be the case that they were restricted. Equally, we have to listen to the concerns that were raised that, if you make it so wide, it opens it up so that you can fund anything as a result of this process. That has led us to a situation where there has been criticism of previous funding processes. Does that take away from the focus? Again, that goes back to the point that this is about regeneration. Those are things that have to be teased out as the Bill makes its way through the House.

If I have not answered specific questions from Members, I will be happy to correspond with them. I thank Members for their engagement on this, and I look forward to working with the Committee and seeing how the Bill is progressed. I look forward to the day when the transfer of powers to local councils will happen and we see the regeneration of our councils, which do an invaluable service for our community.

In conclusion, I want to pay tribute. We are coming to the end of these councils, which have served Northern Ireland through the most difficult of times. Our councillors are sometimes not given the plaudits or the recognition that they deserve. They were the front line against a terrorist campaign and those who wanted to eat at and destroy the very heart of democracy. I pay tribute to our councillors right across Northern Ireland, some of whom were subjected to the most heinous attacks. However, I trust that a new day has also dawned for our councils, and an element of that

new dawn is the powers that will transfer to them as a result of the Bill.

*Question put and agreed to.*

*Resolved:*

*That the Second Stage of the Regeneration Bill [NIA 43/11-16] be agreed.*

## **Small Business, Enterprise and Employment Bill: Legislative Consent Motion**

**Mrs Foster (The Minister of Enterprise, Trade and Investment):** I beg to move

*That this Assembly endorses the principle of the extension to Northern Ireland of the provisions of the Small Business, Enterprise and Employment Bill, as amended in Committee in the House of Commons, dealing with assignment of receivables contained in clauses 1 and 2; business payment practices in clause 3; liability of bodies concerned with accounting standards in clause 37; and companies transparency, company filing requirements and directors' disqualification in Parts 7 to 9 and schedules 3 to 6 and 8.*

The Small Business, Enterprise and Employment Bill was introduced to Parliament on 25 June 2014. It is an extensive Bill that has two fundamental purposes, one of which is to help small businesses to grow and succeed and the other is to ensure that the United Kingdom continues to be regarded as a trusted and fair place in which to do business.

### **5.45 pm**

The Bill covers a wide range of measures and includes matters that are not devolved. However, Assembly consent is required for amending clauses, which make changes to the Companies Act 2006, the Company Directors Disqualification (Northern Ireland) Order 2002 and the Insolvency (Northern Ireland) Order 1989.

The key measures in the Bill concerning company law arise partly from commitments made by the Prime Minister and his G8 counterparts at the G8 summit in County Fermanagh in 2013. Those commitments are aimed at improving transparency in how companies do business, helping to build trust and confidence in the conduct of companies, and protecting the interests of consumers and

shareholders by strengthening safeguards against misconduct by company directors.

We need to ensure that companies in Northern Ireland are trusted and transparent so that they cannot conceal ownership or control and so that they engage in good corporate behaviour. Increased transparency of company control will help deter, identify and sanction those who hide their interest in companies to facilitate illegal activities, as well as create a more trusted business environment generally.

In keeping with the commitment to greater transparency, the Bill will create a requirement for a company to keep a register of the people who have significant control over that company and its beneficial owners and to provide that information to Companies House, where it will be publicly available.

In addition, the Bill will abolish the creation of bearer shares and provide a nine-month period for the conversion of existing shares to registered shares. Bearer shares are unregistered shares owned by whomever physically holds the share warrant. That makes them anonymous and easily transferable, which creates the potential for misuse for money laundering and tax evasion. The Bill will remove that potential facility for unethical or criminal activity and help ensure compliance with international standards.

The final element of the transparency agenda will create a requirement for all company directors to be natural persons. Previously, it was possible for entities such as companies or organisations as well as individuals to be appointed directors. The change will mean that only individual persons will be permitted to act as company directors. Again, that is aimed at creating greater openness and accountability by ensuring that individuals take responsibility for company governance.

It is vital that we have a company law framework that gives companies the flexibility to compete and grow effectively. It is also important to ensure that creditors, customers and suppliers have the information that they need to do business with a company with confidence. At the same time, it is important to ensure that we do not require companies to file unnecessary information and that the process for filing information is as simple as possible. For those reasons, a package of measures is included in the Bill that will amend the Companies Act 2006 to clarify the current requirements for companies when filing information with Companies House.

Existing arrangements for making annual returns will be simplified, removing duplication and undue complexity, as well as improving the accuracy and integrity of the public companies register. That will ease the burden on companies and thereby reduce unnecessary administration.

One of the key protective measures in company law is the directors' disqualification regime, which ensures that systems are in place to remove wrongdoers from company director positions and bar them from acting as directors for a period. Misconduct perpetrated by a minority of directors who do not play by the rules is damaging to consumers and to the majority of businesses that take their responsibilities seriously.

Currently, it is a criminal offence for a person subject to bankruptcy or a debt relief order made in Northern Ireland to act as an insolvency practitioner in Northern Ireland or, unless with permission from the Northern Ireland High Court, as a company director in Northern Ireland. However, no offence will be committed if the bankruptcy was declared in Great Britain or the debt relief order was made there. Reciprocal amendments to disqualification and insolvency legislation included in the Bill will correct that anomaly.

The Bill includes a number of fresh provisions. It increases from two years to three the time limit for bringing procedures to have a director disqualified. It will enable individuals convicted by an overseas court of an offence relating to a company to be disqualified from acting as a company director, and it will make it possible for directors who have been disqualified to be ordered to pay compensation for the benefit of creditors who have suffered loss as a result of their misconduct.

The Bill removes restrictions on the use of reports from regulators as a basis for bringing disqualification proceedings, and updates the schedule of matters to be taken into account by the courts in deciding if a director should be disqualified. It is anticipated that these improvements will help to increase public confidence in the directors' disqualification regime, strengthen existing measures and add transparency to the type of conduct that can lead to disqualification.

In addition to company law, the Small Business, Enterprise and Employment Bill will introduce a range of measures to open up new opportunities for small businesses to innovate, compete and get finance to create jobs and growth. The specific measures we are

considering here relate to removing legal barriers to invoice finance and incentivising businesses to improve their payment policies and practices.

*(Mr Speaker in the Chair)*

Access to finance remains a pressing issue for Northern Ireland businesses, and the Bill will make significant improvements in this area. It will remove barriers to invoice finance, particularly for smaller companies, thus allowing companies to raise money on the strength of moneys owed to them for goods and services they have supplied. While there is no specific evidence of the nature and scale of the problem for Northern Ireland's small and medium-sized enterprises, on balance, there are merits in extending this proposal to Northern Ireland as it removes an unnecessary impediment to SMEs accessing appropriate and affordable finance and will ensure consistency of approach across the United Kingdom. Where we can identify new initiatives to support business in this way or remove barriers preventing them from obtaining the finance they need, we should do so.

The other measure to support access to finance is the issue of prompt payment practices. Late payments can be used by companies to improve their working capital at the expense of their suppliers. This provision will place an obligation on large companies to report on payment policies and practices. This reporting information on payment performance will provide useful information to those who are contemplating entering into trading relationships with companies.

The final measure under consideration today concerns exemption from liability for bodies concerned with setting accounting standards and investigating cases where the standards are breached. The scope of the exemption will remain the same. However, the Bill will create a power to make secondary legislation specifying those bodies that are exempt from liability.

In conclusion, I urge Members to support the motion and, by doing so, ensure that companies and consumers continue to benefit from a transparent, modern and effective legal framework. By supporting the motion, Members will be giving a clear signal that the Assembly is committed to improving the transparency of how our local companies do business. It will also underline our commitment to removing unnecessary and outdated laws and enable local businesses to compete with their counterparts in Great Britain and abroad

on a level playing field. I commend the motion to the Assembly and thank Members for their support.

**Mr McGlone (The Chairperson of the Committee for Enterprise, Trade and Investment):** Go raibh maith agat, a Cheann Comhairle. Gabhaim buíochas leis an Aire chomh maith. I thank the Minister as well.

The purpose of the Small Business, Enterprise and Employment Bill is to introduce a wide range of measures designed to help fulfil the Westminster Government's commitments on transparency and trust made at the G8 Summit in 2013. The Minister has already covered quite a bit of this in her speech. In addressing these commitments, the Bill contains a number of provisions relating to company filing requirements, shareholding, transparency of ownership, company directors' conduct and insolvency.

The Bill provides for opportunities for small businesses to innovate and grow by introducing tougher rules to tackle misconduct by company directors and ensures a strong regulatory regime for those who administer insolvencies. The Committee sought and received clarification from the Department on two matters relating to the Bill during an oral briefing from officials on 2 December 2014. I thank those officials for their helpfulness to the Committee on this and related matters.

First, in response to a query regarding whether it would be more appropriate to include these proposed measures in the Insolvency (Amendment) Bill, which is currently at Committee Stage in the Assembly, officials confirmed that the Department could not have used the Insolvency (Amendment) Bill to make these types of amendments. This is because the scope of that Bill is limited to amending only the Insolvency (Northern Ireland) Order 1989.

Secondly, as the matter was raised during the Second Stage of the Insolvency (Amendment) Bill, members questioned officials on the reasons why the legislative consent memorandum does not contain provisions to legislate for the statutory regulation of insolvency practitioners in Northern Ireland. The Department informed the Committee that, as the Bill has already entered the House of Lords, it considered it too late to make a major amendment at this stage. Departmental officials, however, stated that they were actively looking at the possibility of including the provisions required in the Insolvency (Amendment) Bill by way of an amendment to that Bill at Consideration Stage. The Minister

subsequently wrote to the Committee on 12 December to confirm her intention to proceed with the amendment. The Committee is in agreement with that proposal.

Having carefully considered the proposals, the Committee is of the view that this legislative consent motion (LCM) is the most appropriate means of legislating in this area and that it will ensure that relevant law is updated in the North simultaneously with that in Britain, avoiding potential disparity between companies in Northern Ireland and Britain. It will also ensure that potential loopholes and inequalities will be avoided to prevent Northern Ireland from lagging behind in company legislation.

The Committee, therefore, supports the Department in seeking the Assembly's endorsement of the LCM.

**Mr Dunne:** I, too, support the legislative consent motion that the Minister has brought before us. It aims to bring greater trust and transparency to the small business sector in Northern Ireland. I believe that it is the most appropriate means of legislating in this area, as it will help to avoid any disparity between NI and GB companies and will ensure that Northern Ireland is not lagging behind the rest of the UK in company legislation.

The main things in the LCM relate to ownership and control of companies, company filing requirements, insolvency measures, company directors, and financial access. Those are all designed to boost productivity and business growth in our SME sector. That is so vital, as we want to see our economy here in Northern Ireland grow. I welcome the motion, and I am content to commend it to the House.

**Mr Kinahan:** I, too, am very pleased to see the Bill here, and I support the motion. It is excellent to see a Bill coming into place that keeps us in line with everything else that is happening in the United Kingdom. We see that it changes the legislation to ensure that employees are not disadvantaged by unacceptable practices, be they exclusivity clauses in zero-hours contracts or underpayment of the national minimum wage. We also welcome it because it ensures that companies are trusted and transparent so that they cannot conceal ownership or control and engage in good corporate behaviour.

The Bill will help small businesses to get access to the finance that they need to grow, export, compete in public-sector procurement and address some of the issues on late payment. It is good to see that it supports and brings us in

line with the Government's regulatory reform agenda, ensuring that ineffective, out-of-date and burdensome regulation does not hold back businesses.

As we know, all parties here support small to medium-sized enterprises, and it is good to see the Bill coming here, although it is sad to see that so few seem to have taken part in debates on it when it was in Westminster. I think that there was one two-sentence intervention and one speech. Some MPs voted on Opposition amendments, but, on the whole, most MPs were not there.

I am pleased to hear that the Department is dealing with this, and I congratulate it on the work that it is doing to go through everything in the Bill. I think that it is absolutely right that we work in line with Westminster and keep ourselves updated so that we are totally in line and there are no legislative gaps or loopholes.

I therefore support the Bill and look forward to seeing it go through.

**Mrs Foster:** I am grateful to the couple of Members who spoke on the legislative consent motion. The Bill is wide-ranging in its scope, and, as Members have seen, it deals with a number of matters for which the Department is responsible. It will have a direct impact on the lives of people in Northern Ireland. I know that the relevant measures in the Bill, which we have considered today through the legislative consent motion, will be of benefit to the public at large, who have felt the impact of issues addressed by those aspects of the Bill that I outlined.

I thank the Chair and the Committee members for their consideration. I also thank the officials who have worked on the Bill.

## 6.00 pm

In relation to another matter, at the end of Question Time, I was made aware that Mr Kinahan was not in the Chamber during the earlier statement on Tourism NI, because he was at a funeral. I want to apologise to him. I did not realise that at the time, and he knows that I spoke to him after Question Time and apologised in person. I have to say that it was remiss of his party leader not to inform him of the content of the tourism strategy, but that is a matter for internal party politics.

I commend the motion to the House and ask for its support.

*Question put and agreed to.*

*Resolved:*

*That this Assembly endorses the principle of the extension to Northern Ireland of the provisions of the Small Business, Enterprise and Employment Bill, as amended in Committee in the House of Commons, dealing with assignment of receivables contained in clauses 1 and 2; business payment practices in clause 3; liability of bodies concerned with accounting standards in clause 37; and companies transparency, company filing requirements and directors' disqualification in Parts 7 to 9 and schedules 3 to 6 and 8.*

## Private Members' Business

### Smoky Coal: Legislation to Ban its Burning

**Mr Speaker:** The Business Committee has agreed to allow up to one hour 30 minutes for the debate. The proposer will have 10 minutes to propose the motion and 10 minutes to make a winding-up speech. All other Members who are called to speak will have five minutes.

**Mr Wilson:** I beg to move

*That this Assembly notes that, on the basis of a flawed all-Ireland air quality report, the Minister of the Environment proposes to introduce legislation to ban the burning of certain types of coal in Northern Ireland in order to match similar legislation in the Republic of Ireland; expresses its concern that tens of thousands of households who rely on this cheap coal will be affected by the proposal through increasing levels of fuel poverty, especially in rural areas; believes that this measure would reduce competition in the market for domestic fuel to the detriment of consumers; and calls on the Minister of the Environment to reconsider his position on this issue.*

I want to, first, address two issues that have been raised by those who want to wriggle out of supporting the motion. The first is that, since the report has not been published, it cannot be described as "flawed". The second is that, since the Minister has indicated that he will receive the report and then make his decision, the motion is only scaremongering and is premature.

I want to deal with the issue of the report being flawed first. I accept that the report has not been published, but I know what its terms of

reference are, and it is flawed in a number of ways. First, if it is genuinely a report about air pollution, one would have expected that it would have addressed all the issues of air pollution. Oddly enough, the two forms of residential fuel that are more polluting than household coal, wood and peat, are exempt. They are not included in it. Of course, we know why that is; it is because peat is produced in the Republic by a state monopoly that produces about €51 million of income a year. It will never be included and, even though it is more polluting than coal, it is described in legislation as "smokeless". Wood is the same. Secondly, in all the reports and, indeed, even in the Minister's 2013 report on air quality in Northern Ireland, the emphasis for where air quality has deteriorated is not on the result of the burning of residential fuels but pollution from transport. However, transport is not included. If it was a genuine report about air pollution and concern about air pollution, one would have expected transport to have been included.

When it comes to the impact of any changes, there is only a passing reference to the impact on fuel poverty. Indeed, if one looks at the terms of reference under the "Impact Assessment", one will see that it is geared towards a Republic of Ireland agenda. Fuel poverty is mentioned, but the emphasis is on alternative fuels and, especially, manufactured smokeless fuels. Of course, we already know that CPL Fuels Ireland is making a substantial bid to the Government of the Irish Republic to set up a plant, and we also know the tax revenue and jobs that that would produce. So even the terms of reference will try to gloss over the impact of fuel poverty — and, of course, none of that is going to benefit people in Northern Ireland. When I say that the report is flawed, the terms of reference indicate that the report is flawed.

The second point that has been made is that I am assuming that the Minister has made his mind up. Well, the one thing that I do know is that the Minister in the Republic has made his mind up, because, on the day that the air quality report was announced, he said that the Government plan to extend the ban on smoky coal to every town and village in the country. On the same day, Alex Attwood was a bit more circumspect with his words, but he said, and you can see where the drift is going here, Mr Speaker:

*"Air pollution from smoky coal can have negative impacts on people's health. I can think of no better time than ... 2013 ... to address the issue"*

and that we would have to take the necessary steps.

While he did not come out as vocally and as transparently as the Minister in the South, we have a report that concentrates on one kind of fuel and ignores the important impacts that the ban might have, which is really directed towards a problem that exists in the Republic and ignores other sources of air pollution, and one of the people engaged in the decision has already made his mind up and said that a ban will be extended. Therefore, I do not think that the charge that the motion is premature is correct. I do not believe that the charge that I am scaremongering is correct. I want to look at the impact that going down this road is likely to have on Northern Ireland.

First of all, in answers to me, the Minister has accepted that the majority of people who use household coal — indeed, the term "smoky coal" indicates where the thinking is going — live in rural areas and cannot get connected to the gas grid or whatever. Secondly, the majority of people who use that coal are from low-income families. Thirdly, air quality in rural areas is not a huge issue. If this was going to affect only a few thousand people, one could say, "Well, it is not really an important issue", but 50,000 to 55,000 houses use household coal as their primary source of heating. Another estimated 110,000 households use it as additional fuel where they cannot afford, for example, to run the oil central heating all day, so they use household coal. The impact on those families of having to switch from a cheap form of fuel to a dearer form of fuel, since many of them already exist in fuel poverty, will be devastating and not something that the Assembly can ignore.

Although it is argued that the cost difference will not be all that much, the fact is that even to move — if you can — from household coal to smokeless coal is likely to put up the bill that households will face by anything from 20% to 50%. If they have to switch, and if they can switch — many in rural areas, of course, do not have —

**Mr Agnew:** I thank the Member for giving way. I have absolutely no idea where he gets the 20% to 50% figure from. Will he substantiate it?

**Mr Wilson:** A ton of household coal costs about £300. A ton of manufactured smokeless fuel costs between £350 and £450. The Member was not the best economics student, but an increase from £300 to £450 is £150; it is 50% of an increase on £300 a ton. Even if that were

the case, the appliance, in many instances, would have to be changed because not all open fires will burn smokeless fuel.

Fuel poverty will hit a substantial number of people, mostly in rural areas. We are not talking about a few thousand people; we are talking about tens of thousands of households on the basis that there may be a problem in the Republic and a desire to ban household coal. Of course, if you ban household coal, they do not want it being available in Northern Ireland and being transferred across the border. People who suffer from fuel poverty in Northern Ireland become victims of a policy in the Republic. For that reason, the Assembly should be addressing the issue. If we are serious about the issue of air quality, why does the report not include a whole range of other issues? Why has it zoned in on the one issue that is a fixation of the Department of the Environment, Community and Local Government in the Irish Republic? Fuel users in Northern Ireland should not be penalised as a result of a policy that originates in the Republic and that people want to be extended across Northern Ireland.

I would welcome it if the Minister is going to tell us today that he is not prepared to —

**Mr Speaker:** Will the Member draw his remarks to a close?

**Mr Wilson:** I will.

Will the Minister tell us that he is not prepared to disadvantage his own constituents? In Strabane, his predecessor was asked to lift the ban on the use of household coal because 80% of households in fuel poverty could not afford to heat their houses. Minister, do not turn your back on your constituents. Do not turn your back on —

**Mr Speaker:** Thank you.

**Mr Wilson:** — the people of Northern Ireland, and —

**Mr Speaker:** I call Mr Cathal Boylan.

**Mr Wilson:** — do not introduce the policy.

**Mr Boylan:** Go raibh maith agat, a Cheann Comhairle. I congratulate you on your new role. I certainly welcome the debate. The Member who proposed it was on fire earlier but he is only smoking tonight in presenting it.

We are not trying to wriggle out of this. The motion is premature. We are waiting on a body of work to come forward and we will analyse it. It does not matter whether it is through the Committee or anything else; we will assess it and see what comes out of it. The Member mentioned the terms of reference. I thank the research team for bringing forward the report. I was trying to figure out where the Member was bringing his arguments from about a flawed report. Some things in the terms of reference hit the mark, which is why I would have preferred to have held off the debate until we receive the report in May this year. I have no qualms about dealing with it in the Committee.

The Member mentioned a few important things. I have been on the Committee for a number of years. I have not heard anything from the Minister to say that he intended to bring forward legislation on banning smoky coal at any point. Over the last number of years, some of my constituents who were under pressure because of the price of oil have reconverted to back boilers and open fires. The party certainly would not support any legislation that uses a big stick approach; we would not support legislation that would cause those people any undue economic problem.

If we are serious about all of that, that is why I would appreciate seeing what is in the report. We certainly could not bring anything forward unless there was an alternative and a way of supporting those people. Whether it is a subsidy or not, I do not know, but I would like to ascertain and assess all the information in relation to that. That is why I said to the Member that I was concerned about the issue.

#### 6.15 pm

I certainly take on board the Member's points, and I agree with him that, if we are to have a bigger debate on pollution, let us have it. Why then was there not any reference to it? He is correct: if you read the reports, you see that other forms of air pollution are a major issue for us. Out of 28 references in the research document, 20 relate to fuel, cars and transport pollution. I do not mind having the bigger debate on that, but the Member who moved the motion has talked particularly about smoky coal. That is the debate.

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

**Mr Boylan:** Yes, certainly.

**Mr Wilson:** Will he accept that I mentioned only this one form of fuel because that is what the

report restricts itself to? If it is genuinely a report about air pollution and not, as I believe, a first step towards meeting the stated objective of the Minister to ban this one form of fuel, why was the report not more inclusive?

**Mr Speaker:** The Member will have an extra minute.

**Mr Boylan:** Thank you, Mr Speaker. I accept the point that the Member is making. In continuing, I was going to say this to the Minister: why, then, Minister, is that the case? We are waiting for a North/South Ministerial Council all-island report. The previous Minister requested it. Maybe the Minister can indicate, as part of his contribution, why it has only been in relation to smoky coal. Maybe he will have something to say on that.

It is a good debate, and it is a welcome debate, but I cannot support the motion at this time. As I stated from the start, once we get all the facts, I will be happy to come back to the Chamber and debate it. Let us see what is in the report. Let us see all the things that are in the terms of reference. Let us bring it forward and see exactly what they say. I am happy to debate it again.

**Mr Eastwood:** I am very interested in the motion and in Mr Wilson's psychic powers, which have been on display today and in the writing of the motion. When I sat down to read it, it was kind of strange to understand how it even got to the Floor of the House. I know that he has pre-empted this attack, because he has obviously realised his mistake. I do not know how he can say:

*"on the basis of a flawed all-Ireland air quality report, the Minister of the Environment proposes to introduce legislation to ban the burning of certain types of coal".*

I am not sure how he can come to that conclusion. Maybe he was using the crystal ball that he used to write some of the Budgets that got us into the black hole that we are in. He has also called:

*"on the Minister of the Environment to reconsider his position on this issue."*

I am good friends with the Minister, and I am on the Environment Committee and have spoken to the Minister about this issue many times. I do not think that the Minister has a position on this issue yet, because, like the rest of us, like the proper organs of the House — the

Assembly Chamber and the Environment Committee — he is waiting for the results of this report. As any parliament, any assembly or any legislature should do, we should take the report and examine it and either take on its findings or throw its findings out without implementing them. We have to have some respect for the democratic institutions that we are all in, and let us make a decision in the proper way.

It is interesting that the Member has also said that the Minister in the Republic has made his mind up. Unfortunately for some of us, the Minister in the Republic does not have jurisdiction over this part of the world. I wish he did — maybe some day he will — but he does not. It is not a decision that this Minister or any other Minister from this Executive can be held accountable for. The whole premise of the motion is wrong. The idea that the Minister has made up his mind, made a decision and made a proposal — none of that is correct. It is good that we can have this debate, but let us have it in an informed way. Let us have it after the report has been published, when we can all have a proper opportunity in the Committee, the House and the Department to examine it and go through it. Then we can have a debate that might be a little bit more informed, rather than an hour and a half late on a Tuesday evening without even having a report that any of us can read.

I recognise that there are grave concerns. The Member obviously has concerns in his constituency. We all know that. We have concerns in ours. The Foyle Port in Derry is heavily reliant on the import of coal, and many people are employed in that industry. I do not think that anybody will take a decision that would jeopardise that. We are also very aware of fuel poverty issues. All of us deal with people every day who are in fuel poverty. I think that some of the Executive's decisions could do a whole lot more to alleviate some of those issues. However, we have to make a balanced decision; we have to make a decision based on all those factors, as well as factors of air pollution. We know that smoky coal, however you want to describe it, is not the only thing that contributes to air pollution, but we know that it does. We have to take all the evidence on board. High numbers of people across the North and across this island die because of air pollution every year. We need to examine that. I say it again: we need to examine the facts. Go ahead.

**Mr Wilson:** Will the Member also accept that far more people die from the cold than die from air pollution? If he is just going to take the air quality issue, the choice may well be that, if we

restrict the availability of household coal, many people will die because they will not be able to afford to heat their house.

**Mr Speaker:** The Member has an extra minute.

**Mr Eastwood:** Thanks. I will probably not need it, Mr Speaker. Thanks for your intervention, Mr Wilson, but I do not think that the terms of reference say that we are just going to take one part of it. They do not say that we are going to look just at fuel poverty or at air quality; they say that we are going to look at all of it. That makes perfect sense. It also makes perfect sense to do it in an all-Ireland way, as the air that we breathe and the water that we drink are all related. The air that we breathe is the most obvious, since the border makes no impact on it. Therefore we should examine it in an all-Ireland way. I for one am prepared to wait until May to make up my mind. I wish that the Member, instead of jumping up and down on his high horse, looking at his faulty crystal ball, would wait until May, examine the report and join all of us in a proper, informed debate about where we go next.

**Mrs Overend:** I welcome the opportunity to participate in the debate. The Ulster Unionist Party supports the broad principle of the motion. It is regrettable, however, that the flaws in the wording of the motion have diminished the value of the debate. We tried to rectify the inaccuracies with an amendment, but, bizarrely, it was not selected. No doubt the Speaker has his reasons, but, standing here today, they are difficult to see.

Whilst the air study is being taken forward by the North/South Ministerial Council, there is no doubt that the Republic of Ireland is really taking the lead on the issue. Northern Ireland has somehow been dragged into it, and it concerns me that, unless the Department starts speaking up on the issue and making its concerns clear soon, we could end up walking ourselves into a foregone conclusion. We understand the rationale and why it is important that whatever is being burned in our domestic properties is monitored. When the ban on burning certain fuels in many of our towns and cities was introduced in the 1960s, it had a major impact on smog and general air quality. That was something to be welcomed.

Over the years, that protection has grown to 16 councils, with well over 100 smoke-control areas. I support that. What I do not support is that, somehow, the next step has been assumed to be a widespread ban on certain types of fuel. Although the motion refers to

smoky coal, not even referring to its correct name of bituminous coal, the issue is broader than that. However, we accept that the study, by focusing on — I quote Minister Hogan, the former Republic of Ireland Minister for the Environment — "in particular, 'smoky' coal", was always compromised, and, as has been said, there are other fuels worse than coal.

In my constituency of Mid Ulster, we have a great number of people who dig peat and use it to heat their home. Although the study is deemed to be biased, singling out smoky coal or bituminous coal, which is the preferred title, it must be said that, as the proposer said, peat briquettes are classified as smokeless fuel in the Republic of Ireland but not here in Northern Ireland. I find that rather strange, since emissions are greater from peat than from bituminous coal. I am sure that the same can be said for other areas of Northern Ireland, in that there are a great number of installations of wood-burning stoves in Mid Ulster, in an attempt to save money on heating our homes.

At this stage, I thank the Minister for recently meeting me, my colleague Tom Elliott, who was the environment spokesperson before me, and members of the Coal Advisory Service. The Minister was open to listening to the concerns of people from the sector, and we requested that the Minister publish the interim report so that the industry can assess whether the study will be fair and unbiased.

If a ban were brought in, it would have immediate and significant consequences. Although air quality is an issue to be watched, banning fuels such as a bag of bituminous fuel will have a major financial consequence. Very often, people burn the cheapest fuel available to them, so, if it is banned, it is inevitable that costs will increase. Some officials scorn such a suggestion and try to claim that, in the longer term, other, smokeless fuels are cheaper, but we need to remember that the priority for most people is heating their home. That may not go hand in hand with environmental considerations —

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

**Mrs Overend:** — but that is the reality of it. Certainly.

**Mr Beggs:** Is the Member aware that, over Christmas, I visited a home in which there was clearly fuel poverty? The family could not afford to fill their oil tank, and there was a young child in that family. Their only option for heating their home was to use the open fire, which, of

course, is not suitable for smokeless coal. Therefore, there are great risks and a danger of fuel poverty if bituminous coal were to be banned.

**Mr Speaker:** The Member has an extra minute.

**Mrs Overend:** I thank the Member for his intervention. As the proposer of the motion said, to accommodate the change to smokeless fuel, appliances need to be changed. That is an additional cost in itself. Indeed, to convert all appliances in Northern Ireland would cost in the region of £210 million, I understand.

Before any decision is taken, I remind the Minister that any ban on bituminous coal will have a direct and immediate effect on people's pockets, especially those living in rural areas. I am sure that I do not need to remind the Minister that our rate of fuel poverty was last measured at 42%. There has been pitiful success over recent years in tackling our fuel poverty rate, and a ban similar to what is being proposed will only exacerbate it.

I conclude by asking the Minister to publish the interim report to provide reassurances that local householders and fuel merchants will not be disadvantaged.

**Ms Lo:** In May 2013, Ministers Attwood and Hogan, the Environment Ministers of Northern Ireland and Ireland respectively, commissioned a joint research study of the problem of emissions to air from solid fuel combustion, particularly from smoky coal. As the report has not been published and the Committee has not seen it, I shall speak as the Alliance environment spokesperson only.

Smoky coal is a significant source of particulate matter, which is microscopic solid or liquid matter suspended in the earth's atmosphere, and can adversely affect human health.

EU directives limit particulate matter; in fact, recent evidence has suggested that health problems occur even below the directive levels. Smoky coal also includes roughly 10 times as many various particulates as smokeless fuel.

### 6.30 pm

Places regularly deemed as having high pollution, or that are under air-quality management regimes as a result of particulates, include Derry, Strabane, Newry and Ballymena. Levels in Derry sometimes reach six times the limit, and Ballymena 10 times.

The ban on the marketing, selling and distribution of smoky coal was first introduced

—  
**Mr Wilson:** Will the Member give way on that point?

**Ms Lo:** Yes.

**Mr Wilson:** Would the Member also accept that the air-quality reports, from which she is probably quoting, that were produced by the DOE do not distinguish between the particulate matter that comes from, for example, diesel cars, lorries and the burning of fuel in households? Indeed, given the erratic nature of the measurements, it is more likely that it is related to transport rather than the burning of fuel?

**Mr Speaker:** The Member has an extra minute.

**Ms Lo:** All the same, smoky fuel plays a major part in contributing to air pollution.

The ban on the marketing, selling and distribution of smoky coal was first introduced in Dublin in 1990 in response to severe episodes of winter smog, which resulted from the widespread use of smoky coal for home heating. The ban proved effective in reducing smoke and sulphur dioxide levels, so it was extended to other areas, including Cork City, in 1995. Interestingly, research has since shown that air quality in smaller towns in the Republic is worse than in major cities because of the burning of coal.

There have been dramatic improvements over the years in urban air quality through the introduction of smoke-control programmes. As a result, we no longer experience the appalling smog of the 1950s and 1960s, but it is a frequent occurrence in cities like Shanghai and Beijing. I have seen it.

Under the Clean Air (Northern Ireland) Order 1981, district councils may make all or part of their district a smoke-control area. There are currently 16 district councils in Northern Ireland with smoke-control areas in operation. Since 1966, approximately 120 smoke-control areas have been declared. In smoke-control areas, residents are required to use authorised smokeless fuel. This means that it must produce less smoke than ordinary fuels when burned. Alternatively, they can install an exempted fireplace, such as a stove, heater or boiler that has been tested to show that it can be used for burning fuel other than authorised

fuels without producing any smoke or a substantial quantity of smoke. The Environment Committee has approved a number of these exemptions in the past year.

The Republic's Environmental Protection Agency stated in an all-island report:

*"Local air quality is significantly impacted by solid fuel heating ... particularly in small towns without a 'smoky' coal ban."*

Professor Alan Lockwood from the State University of New York at Buffalo, who has written extensively on the issue and is an expert in nuclear medicine, said that up to 490 lives could be saved in Northern Ireland each year by the move. The Asthma Society of Ireland also estimates that up to 500 lives could be saved annually as a result of such a ban.

I recently met a representative from the coal industry. Whilst I understand that smokeless fuel is more expensive, I believe it is around £1 per 25 kg bag, which is perhaps a price worth paying to obtain better air quality for all.

It is worth noting that the carbon tax in the Republic —

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

**Ms Lo:** I am fine; thank you. I am running out of time.

**Mr Speaker:** I am sorry, but the Member's time is up, including the extra minute.

**Ms Lo:** — was increased —

**Mr Speaker:** Thank you. I call Mr Trevor Clarke.

**Mr Clarke:** I support the motion. It is difficult to follow on from Sammy's contribution, but it was interesting to listen to Cathal Boylan, and I listened attentively. He said, "Let's see what's in it". The difficulty that we on these Benches have is that we already know what is not going to be in it. That is the inclusion, or, in our case, the exclusion, of other types of fuel. As mentioned, let us look at two forms of fuel: peat and wood. In one of those cases, the end result is almost double the impact of smoky coal. It is difficult to see how we can have a report that focuses on one area. If it is all about air quality and trying to get the best arrangements to prevent air pollution, I think that everything should be included.

It seems that, whilst Mr Eastwood has not got his wish for an all-Ireland policy, his Minister seems to be a puppet for the Republic. As Sammy read into the record, on 22 April 2013, it was announced that the Government plan to extend the ban on smoky coal to every town and village in the country. What part of that does Mr Eastwood not understand? That is the direction that his Minister, and indeed the Minister in the Irish Republic, wants to take this. As I said at the outset, if the whole purpose of this is to improve air quality, everything should have been included in the report.

I listened to what Sandra Overend said, and I support it. Someone like myself, who is from a rural constituency, knows that many people in rural constituencies have turned to a form of fuel that they can afford to heat their home. Not this Christmas but the Christmas before, I was involved in a case where the council put a threatening letter through a pensioner's door. That woman was living on her own, and the only form of heat that she could use was "smoky coal", if that is the term that we want to use. She was that fearful that she chose not to heat her house over the Christmas period because she was scared of the rigours of the law.

It was interesting listening to Ms Lo when she said that it is only £1 a bag dearer, given that, only yesterday, her party suggested that we should increase the domestic rate and introduce water charges and everything else. The Alliance Party is really showing its hand as being a party for high taxation in Northern Ireland. Heaven forbid that it ever gets its way, because we are all familiar with fuel poverty in our constituencies.

**Ms Lo:** Will the Member give way?

**Mr Clarke:** I will indeed.

**Ms Lo:** We were suggesting that it not just be cut, cut, cut. We want to think of revenue increases and of getting income from different streams, rather than just having 100% cuts.

**Mr Speaker:** The Member has an extra minute.

**Mr Clarke:** Thank you for that, Mr Speaker.

You made my point for me. The whole idea is that raising revenue is an additional cost to households. The purpose of the debate, and I think the direction that Sammy wanted to take it when he tabled the motion, is to think of the 50,000-plus homes that people have difficulty heating. The Alliance Party policy is to

increase, increase, increase the contributions that individuals have to make.

Back in October, Sammy Wilson put a question to the Minister. He asked what are:

*"the main sources of problems with air quality in rural areas."*

The answer was:

*"Air quality is, in general, better in rural areas than in urban areas."*

Mr Speaker, you are from the same constituency as me, and, as someone who represents a rural constituency, I am worried that, if this Minister and his counterpart in the South get their way, there will be a very negative impact on people in rural constituencies. For that reason, I support the motion.

**Mr Milne:** Go raibh maith agat, a Cheann Comhairle. I congratulate you on your position as Speaker of the House.

Cathal and Mr Eastwood already covered lots of stuff that I am going to say, and what I have to say is very similar. However, I want to carry on and present for the record what I prepared earlier.

While the recent weather conditions no doubt make coal as an alternative heat source a very topical debate, voting on the issue without having had sight of the final report being prepared by the North/South Ministerial Council seems somewhat premature. There are many factors to be taken into consideration, not least, as the motion points out, the impact on those experiencing fuel poverty. In the North of Ireland, 43.7% of households were reported to be in fuel poverty in 2014, making it the highest percentage in Europe.

In my constituency of Mid Ulster, I know of many households that had converted to oil a number of years ago but have since reinstated the open fires and back boilers. That is not due to personal preference but simply because it is practical, affordable and fuel can be bought in small amounts as needed, making it easier on the budget. For many, that is the only viable option in the current economic climate. The price of oil has risen significantly over recent years, gas infrastructure is not widely established and reliance on electric sources can leave people without heat during power cuts.

Smokeless manufactured fuels certainly have a role to play, but, like everything, their quality and environmental credentials vary. While they may burn for longer, they are generally more expensive than coal and are not always compatible with the traditional fireplace. That means that, for some people, switchover would involve a greater cost than just the fuel.

That said, air pollution remains a problem and a responsibility for us all. There are targets to be met, but of more importance is the effect on human health, particularly for those suffering from conditions such as lung cancer and asthma. While I recognise that the burning of coal is not the only cause of poor air quality, current available evidence shows that it is a significant factor, and smoky coal, as it is commonly known, is the most pollutant coal for particulate matter PM10 and PM2.5 and is very high for PAH emissions.

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

**Mr Milne:** Yes, go ahead.

**Mr Beggs:** Will the Member accept that there is not a pollution issue in rural communities where there is plenty of fresh air and the countryside? Not only that, but if he were to support a Northern Ireland-wide ban on bituminous coal, he would also have to support a ban on the burning of peat, because it is even more pollutant. Would he support a ban on peat burning?

**Mr Speaker:** The Member has an extra minute.

**Mr Milne:** First of all, I am not supporting a ban, because we are waiting on further reports, as was articulated earlier this evening.

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

**Mr Milne:** Yes.

**Mr Clarke:** I know from your answer to the previous intervention that you are not supporting a ban. However, in response to the question that has just been asked, how are you supporting a report that is not inclusive of peat and wood?

**Mr Milne:** We are dealing with the motion that is before us tonight. That report is incomplete.

In areas deemed smokeless zones, the air quality has improved, and positive health impacts are backed up by the studies around the world, not just in Ireland. Legislation of this

kind therefore warrants consideration. Where there are environmental and health benefits, it is our duty to work towards them. It would be unthinkable not to do so. Equally, if the health of people who cannot afford alternatives will be impacted, solutions have to be found before any change could be considered.

In short, there are still too many questions on which there is limited information, and there is no proposed legislation before us to focus the debate. If a ban on certain types of coal were to be proposed, would it be based on the population of an area or in places where air quality is poor or would it be an outright ban across the North? What measures would the Minister bring forward to alleviate the fears and concerns of households that depend on that source, and how would he propose to mitigate any negative impact of such a decision?

Until we have all the information before us, and until we have seen the final report of the North/South Ministerial Council, all we can do is merely speculate. Therefore, I feel that I cannot support the motion and will reserve judgement until I can make a fully informed decision.

**Mr Speaker:** I call Ms Pam Cameron. I call Ms Pam Cameron. Sorry for waking you.

**6.45 pm**

**Mrs Cameron:** Thank you, Mr Speaker. I also thank my party colleagues for bringing this motion to the House today. Sammy Wilson has already highlighted a number of important issues. I feel that it is prudent to add my concerns about the Minister's proposals to the record.

Whilst a solution to air quality issues is in all our interests, I believe that the all-Ireland air quality report contains fundamental flaws and lacks locational context. The impact of traffic pollution has not been taken into account in the study, which therefore ignores the bearing things such as the impact of HGV traffic will have on levels of airborne pollutants in a given area. I trust that the Minister will take the many dozens of HGV lorries that will bear down on Mallusk into consideration should he decide to approve the Arc21 proposal in South Antrim. Of course, he would already have been aware of residents' concerns had he bothered to turn up for the debate on that issue.

That is not to mention the effects on pollution levels of other environmental factors like topography and weather systems, which also appear to have been overlooked in the study.

Whilst the proposals focus solely on bituminous fuels, they notably exclude the burning of peat and wood, which are equally as polluting through polycyclic aromatic hydrocarbons (PAHs). Indeed, examining the levels of nitrous oxides that are emitted during the burning of so-called smoky coal shows that they are equal to those of oil and gas. In neglecting to consider other solid fuels, the Minister appears to be incredibly naive and is, I suspect, being led down the garden path by his Southern counterpart, Mr Hogan, who, whilst aiming to ban smoky coal, is actively encouraging the Republic's lucrative peat and wood local and export businesses. Any changes to the current legislation will have a major impact on Northern Ireland's coal importers, resulting in job losses, and will have huge implications for the local economy.

Around 40,000 homes in Northern Ireland use smoky coal as their only source of home heating. Those households are typically in rural areas and not on the gas network. They are often elderly people or those on low incomes. For many who use coal, it is simply not a choice but a necessity. Coal provides a key source of affordable energy for many homes across Northern Ireland and allows those people to purchase fuel in small, budget-friendly amounts. For these people, the banning of smoky coal would most certainly lead to increased levels of fuel poverty and financial uncertainty.

I believe that the argument that the burning of smoky coal is detrimental to health is far outweighed by the counterargument that fuel poverty will cause far more health problems, with many not being able to afford the expense of upgrading their heating system or indeed the energy source itself. It has been recognised that the majority of households that use coal are in rural areas of Northern Ireland. It is therefore absolutely unnecessary to introduce legislation banning coal, as rural areas of Northern Ireland do not suffer any air quality issues.

Current legislation enforcing smokeless zones is more than adequate to deal with more urban and built-up areas. It is widely accepted that the proposed ban would be entirely unworkable and almost impossible to police. Currently, smokeless zones are enforced by local councils, but in bringing forward a ban on smoky coal, the Minister will undoubtedly force increased rates on already financially stretched households. The cost of implementing such a proposal would be significant, but, in real terms, it would be of little benefit to the majority of people.

In closing, I implore the Minister to rethink his plans on this proposal, which is erroneous and fundamentally flawed in many areas. With levels of tyres being illegally dumped at a record high, many of which end up being burnt on bonfires and causing toxic gases to be released into the atmosphere that are much worse than those created by smoky coal, I encourage the Minister to focus his efforts on legislation in this area rather than chasing the vanity project of his Southern counterpart.

**Mr A Maginness:** Mr Speaker, I congratulate you on your elevation and wish you well in your term of office.

First of all, this motion is clearly ill-judged and premature. It has also given rise, I believe, to substantial scaremongering and fear in many communities throughout Northern Ireland. I think that it is deeply regrettable, but it is also irresponsible coming from the Member for East Antrim.

The Member has raised a number of issues. He did so with great ingenuity, in order perhaps to divert attention from the self-evident flaws in the motion and perhaps to distract from his own failure in his term of office as Finance Minister. Mr Eastwood referred to the creation of a black hole in public finances. Perhaps if Mr Wilson had applied himself with the industry that he applied to this issue, we would not be in the position we are in.

There has been a sudden conversion on the part of the DUP to the prevention of fuel poverty. The DUP was the most obstructive of all parties in the House to the green new deal, which would have introduced measures that would effectively have eliminated fuel poverty by giving people fuel efficiency in their own homes, whether in urban or rural areas.

**Mr Wilson:** I thank the Member for giving way. Perhaps he would bear in mind that it was Nigel Dodds, as Social Development Minister, who first introduced the warm homes scheme, and it was during times when Peter Robinson, Nigel Dodds and I were Finance Minister that more money was given to warm homes schemes, window insulation and so on. Rather than not dealing with fuel poverty, our record on dealing with fuel poverty is fairly good.

**Mr Speaker:** The Member has an extra minute.

**Mr A Maginness:** I will let the public judge them by their record on the green new deal. The green new deal would have transformed the situation for many thousands of homes

throughout Northern Ireland by giving people energy efficiency in their own homes.

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

**Ms Lo:** Will the Member give way?

**Mr A Maginness:** I will indeed.

**Mr Attwood:** Will the Member also confirm that, contrary to what the former Minister of Finance said, it was at the insistence of Social Development Ministers that more money went into the warm homes scheme. When Mr Wilson was Finance Minister, it so happened that Margaret Ritchie and I were Ministers, and the green new deal was repeatedly derailed by Mr Wilson and DFP making the argument that the business case somehow did not stack up. Some £175 million that could have gone into the warm homes scheme and the green new deal was denied by that former Minister and DFP.

**Mr A Maginness:** Not only is his —

**Ms Lo:** Will the Member give way?

**Mr A Maginness:** No, I will run out of time.

Not only is his motion defective but so is his memory. I thank Mr Attwood for bringing that to the attention of the House. Scaremongering is irresponsible. I know that elections are imminent but descending to the level of frightening people in their own homes about a source of heat and fuel ought to be rejected by the House.

Air pollution is insidious. There are carcinogens in air pollution that affect people's health. According to a 2010 UK report, 500 people died in Northern Ireland as a result of air pollution. It is not something academic: smoky coal is a problem. It will not be resolved easily but it has to be addressed sensibly. That is why the Minister is right to wait for the report. It is right that it should be done on an all-Ireland basis because the problems are common to both jurisdictions. It is right that the research be carried out. It is correct for the Minister to say that Mr Wilson's motion is utterly premature and ought to be rejected by the House.

**Mr Elliott:** I welcome the opportunity to speak in this debate. While I accept that the wording of the motion is presumptuous in areas and is maybe not the best, I understand the reasoning for bringing it forward, and I support the principle of bringing it forward. I suppose I

should declare an interest because I have a relative who sells coal. Whether it is smoky coal or not, I am not sure.

**Mr Kennedy:** You do not buy it.

**Mr Elliott:** That is a good point. Mr Kennedy says I do not buy it; I do buy it. We have heard a lot about smoky fuel and smoky coal. Can anybody give me a real definition of smoky fuel and smoky coal? I see Mr Wilson shaking his head; he brought the motion forward, and I am not sure whether he can tell me what smoky fuel or smoky coal is.

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

**Mr Elliott:** I am not sure whether the Minister will be able to tell us, when he gets to his feet, what smoky fuel or smoky coal is.

**Ms Lo:** Will the Member give way?

**Mr Elliott:** Mr Wilson was first, and then I will take Ms Lo.

**Mr Wilson:** According to the definitions that have been used so far, all coal, apparently, is smoky unless it is manufactured smokeless fuel. That seems to be the only kind of coal that is deemed as being non-smoky, but, of course, it is much more expensive than all other kinds of coal.

**Mr Elliott:** Ms Lo.

**Ms Lo:** The smokeless coal is the smaller, round coal. They have been treated. The ordinary coal is big lumps of any size, and you burn it in the open fire. That is my understanding of it. *[Laughter.]*

**Mr Speaker:** The Member has an extra minute.

**Mr Elliott:** I am not sure which definition to accept because both seem to be getting out of proportion.

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

**Mr Elliott:** OK, go on ahead; everybody else is.

**Mr Kennedy:** It might be useful for the Member to cut a bit of slack on this issue. *[Laughter.]*

**Mr Elliott:** I think I will try to get back to the motion, if that is reasonable. There is a huge divergence of opinion. The difficulty is that, in the past, coal has been banned in some areas

for smokeless fuel. That has happened in cities in the Republic of Ireland, and it has happened in some areas of Northern Ireland where it cannot be used. Is it a good thing? If it is a huge pollutant, maybe it should be banned in some areas, but the reality is this: has anything been put in its place? One of the reasons why I reject the report coming forward is that it has not looked at other aspects. It has not looked at the fuel poverty that we have heard about; it has not looked at the cost of the alternatives that may be required if it goes out of business; and overall alternatives have not been looked at. Are people going to burn more sticks and peat, which pollute the air more, as somebody else mentioned? We have not got that information, as I understand it. I will listen to the Minister. Maybe he will say, "Mr Elliott, you are totally wrong". If I am, I will hold my hands up, but, as I understand it, this report will not include any of those aspects. If we are doing a report, it needs to be comprehensive and all-inclusive.

Mr Maginness said that pollutants are bad for your health and affect people. Hypothermia affects people. If you cannot heat your home or your house, or if you cannot keep the room warm, that will affect people in a negative way. In fact, it can kill people. That is the reality. So, unless reasonable alternatives are looked at within the report, I will not accept or support the report coming forward in the first place, irrespective of what it says in the end. It must be a much more comprehensive report. Many in the coal industry see the report as an attempt to get at them. They see it as an attempt to reduce their business and to stop the importation of that coal or product into Northern Ireland or, indeed, the Republic of Ireland — both jurisdictions.

I heard Mr Eastwood say that he has concerns about the Derry port and what comes in there. I call it Londonderry port, but I will not argue with him about that today. *[Laughter.]*

## 7.00 pm

The reality is that, yes, there are significant concerns not just about the pollutants that can be brought about but about many other aspects of fuel burning in Northern Ireland. Do we really want to say to people that soon they will not have an alternative? Let me tell you that pressure will be coming on the burning of oil before too long; that will be the next thing. There will be coming pressure, especially on heavy oils. We have heard about the potential of fracking; people do not want that either. We accept that renewable energy sources have

some potential, but they are not all they are made out to be either. There is a huge lobby group against wind energy production, but I will not get into that with Mr Wilson today at all.

**Mr Agnew:** The Assembly is used to hearing nonsense from Sammy Wilson as, indeed, are the people of Northern Ireland. *[Interruption.]* I have to say, however, that what he has brought us today is nonsense of the highest order. The motion refers to a flawed all-Ireland report, and, of course, that report has not been published.

I should apologise to the House because, when Mr Wilson tabled the motion I tackled him and asked him why he was putting this nonsense in. I told him that the report had not even been published. He has had a couple of weeks to come up with a few answers, and now it is the terms of reference and other such things that are flawed. However, that is not what the motion says; it says that the report is flawed. He has not read the report, and I do not see how the Assembly could stand over such an assertion. It is a perfect example of a Member and a party that have no interest in evidence-based policymaking. Instead, we have a Member who, at the mere hint of possible environmental regulation, has an instinctive knee-jerk reaction and forms an ill-conceived and ill-considered motion.

I want to address some of the points that Mr Wilson made. He said it when we were on the radio today and again in the House that Northern Ireland does not have the same problems with air pollution as the Republic of Ireland. That is true. We have only 500 people dying each year because of air pollution. That is not a serious problem; it is not something that we should investigate or take measures to tackle.

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

**Mr Agnew:** I will not give way for the simple reason that Mr McCrea is restricted to two minutes, and we have only two non-Executive parties speaking in the debate. Otherwise, I normally do give way.

It is a health problem that we have to face. Within the last week or so, the Chief Medical Officer attributed the spike in A&E demand to air pollution, so we do have a problem in Northern Ireland. We have evidence that we have a problem in Northern Ireland, and we need evidence on possible solutions as to how we tackle it.

The other issue that has been raised is fuel poverty. The Member states that insufficient focus has been put on fuel poverty in the report. Again, I say, how does he know? He has not read it. Indeed, specific reference is made to fuel poverty in the terms of reference where it says:

*"The report will assess potential impacts of policy proposals on vulnerable sections of the population including fuel poverty issues."*

So, fuel poverty is in the terms of reference and we do not know how much focus it is given in the report because we have not read it because we have not seen it because it has not been published.

Mr Wilson also made the argument about the price; he came out with figures that the price of smokeless coal is 20% to 50% higher. That is not the case in the figures that I have; it is certainly not as much as 50% higher, but I accept that he is in the right ballpark. However, he does not mention that smokeless coal burns for 40% longer and one third hotter. It burns hotter and longer and, if he does the maths, the consumer gets a better deal.

The other thing that I will say on fuel poverty echoes what Mr Maginness said. It was Mr Wilson's party, the DUP, that rejected the green new deal. I suppose that I should give some credit to Mr Wilson, who budgeted for the green new deal when he was Finance Minister. However, his colleague the Social Development Minister, then Nelson McCausland, decided that he would instead spend the money on a boiler replacement scheme, when all the evidence shows that, no matter how efficient your heating system, if you are burning any type of fuel for the heat to go out the roof or the window, it is inefficient and does nothing to tackle fuel poverty.

So, we had an opportunity in the Assembly to take serious action to tackle fuel poverty. Indeed, we had an opportunity to bring in investment from the private sector as well as the public sector to address fuel poverty.

I am not calling for a ban on smoky coal today. I am simply calling for evidence-based policymaking and that we read the report before we condemn it.

**Mr Speaker:** I call Basil McCrea, and I hope you will rise to the challenge of two minutes.

**Mr B McCrea:** Yes, two minutes. Thank you for all the hot air. You want to wait for a report

to come out. All that I can offer you on this is that I am a chemical engineer by background, which means that I do study such things as particulates, but for this contribution I rely on National Energy Action, which some of you will know. It is a national charity that aims to eradicate fuel poverty and campaigns for greater responsibility in heating.

It provides some statistics, which I will summarise, because I do not have long. Yes, coal is cheaper, but coal is inefficient. The statistics that Mr Agnew brought out prove it. If you really want to heat your home properly, you use other fuels. Where possible, if you are really serious about fuel poverty, you also get better insulation.

Coal is cheaper; coal is also a bigger pollutant. It makes a nonsense of this place to say we are going to carry on burning coal, when you have only to look at the amount that we recently spent on Ballylumford. This part of Northern Ireland spent £17 million to reduce the emissions coming out of Ballylumford just to keep the lights on.

That was to do with pollutants and NOx. Read the report: coal is not good for your health. In the long term, coal is not the solution. Yes, it is cheaper, but coal is the fuel of the past. We should be investing for the future. This is a spurious argument based on electioneering, and it does not do the people of Northern Ireland any good.

**Mr Speaker:** Well done.

**Mr Durkan (The Minister of the Environment):** Go raibh maith agat, a Cheann Comhairle. Comhghairdeas leat faoi do phost nua. Congratulations, Mr Speaker, on your recent elevation.

The motion has presupposed that I have decided to introduce a Northern Ireland-wide ban on smoky coal. That is not true.

Having had to answer several questions on the subject after my recent North/South Ministerial Council (NSMC) statement, and another during topical questions today, this would certainly seem to be a burning issue.

The motion has been brought before the Assembly because of my Department's engagement in a joint study with the Department of the Environment, Community and Local Government (DECLG) in Dublin. That joint study was commissioned by the NSMC in July 2013. The project commenced in February last year, and a presentation providing

an update on progress with the study was made at the NSMC meeting on 8 May 2014.

At the last NSMC environment meeting, in November, the Council noted that officials are considering an interim report, which will be presented to Ministers in the near future. I have not yet seen the interim report.

I have already engaged extensively with representatives from the solid fuel industry and with other key stakeholders and Departments across the North to ensure that their views are taken on board during the research. That includes engagement with Minister Storey's Department.

Let me be absolutely clear: my being against the motion in no way disregards the very serious impacts of fuel poverty that we all see here. Nor will I be doing anything that will exacerbate fuel poverty here.

It is simple. The reason I am against the motion is that it is premature. It is pure speculation and, worse than that, it is scaremongering. It is based on an assertion regarding a policy that I have not put forward and on the outcomes of a report that has not yet been completed. I have not made any decision to ban the burning of any types of fuel across the North. Maybe Mr Wilson thinks that there is no smoke without fire, but let me assure you that there is no fire here. The motion asks me to reconsider my position on the issue, but my position is, and always has been, as follows. When this research is concluded, I will consider its findings and recommendations. Any recommendations that I consider worthwhile will be put forward for consultation with ministerial colleagues, Committees and key stakeholders.

I will now address some of the points raised by contributors to the debate. I will start with the proposer of the motion. Mr Wilson stated at the outset that the report is flawed. He pointed to the absence of wood and peat. It is no secret in this Chamber that Sammy would love to get rid of Pete. *[Laughter.]* I do, however, have to say that some of the points he made were not dissimilar to points that I have made about the report. I understand that Mr Wilson may not be as close to politics in the South as some of us, but I should point out to him that there is now a new Environment Minister there, Alan Kelly, who may not be quite as wedded as his predecessor was, and as Mr Wilson anticipates, to this report or the policy.

It is great to hear Saint Sammy, defender of the disadvantaged — I do not know what happened to Sammy, the champion of the Tory cuts —

make all these arguments on behalf of those suffering fuel poverty. There is not a word about the big business interests of those in the coal business or, indeed, the interests of Larne port in his own constituency. His claims about the intentions of the Southern Government actually border on paranoia. Perhaps he wants to start his own "coal war". He is right when he says that our citizens should not suffer as a result of policies drawn up in other jurisdictions. I just wish that he shared my sentiment that they should not suffer as a result of policies here either.

Mr Boylan lamented the timing of this debate and concurred with some of Mr Wilson's more sensible remarks; I did not say that they were sensible, just more sensible. It is clear that any policy development in this area needs to take account of pollution from the residential burning of all solid fuels. The report is, therefore, examining evidence relating to air pollution as a result of residential heating from all sources. Any policy options that I actually consider will also have to address emissions from these other solid fuels.

Mr Eastwood stated the sensibility of an all-island approach to this and many other environmental initiatives.

Let me assure Mrs Overend and the House that I have spoken up on this issue with my Southern counterpart; I am sure that her colleague Mr Kennedy could vouch for that. *[Laughter.]* One of the points that I did speak up on was the one that she made about the anomaly around peat briquettes and the different classifications in both jurisdictions. The Member referred to a meeting that I had with representatives from the sector. I have to say that I thought that those representatives actually left that meeting quite content with my approach to this issue. In fact, I actually undertook to share with them and other interested parties any report prior to publication. This makes Mr Wilson's motion seem even more ridiculous. While we can sympathise with much of its content, bringing the motion at this stage has been a huge mistake or, as he might put it, a faux pas.

Ms Lo spoke of existing smoke-control zones. She also drew on recent published figures outlining the real damage caused to human health by airborne pollution, to which emissions from burning solid fuel certainly contribute.

Mr Milne also referred to the health risks of pollution, and Mr Beggs, quite rightly, identified that coal is far from being the only causal factor. Mr Maginness saw many of Mr Wilson's points

as a distraction from the paucity of his motion: smoke and mirrors, perhaps. Mr Maginness spoke of how the green new deal could and should have done so much to tackle fuel poverty. Although that great opportunity has been missed, we in the Chamber must all remain focused on tackling the scourge of fuel poverty.

In conclusion, a Cheann Comhairle, I urge Members to oppose the motion, which is not much more than an ill-timed, ill-informed and ill-judged attempt to grab headlines. I implore Members to at least wait until I have a position before asking me to reconsider it.

### 7.15 pm

**Mr Dunne:** I welcome the opportunity to speak on what has been a good and thorough debate, although a lot of Members are somewhat reluctant to give their real opinions and thoughts. I am happy to support my good colleague Sammy Wilson, a former Minister, who calls on the Minister to ensure that any change to the legislation has no adverse impact on levels of fuel poverty.

Since the early 1990s, coal sales have reduced dramatically. In fact, domestic coal sales through the members of the Coal Advisory Service have reduced from over 1.2 million tons to 100,000 tons, which is a reduction in excess of 90%. That trend in coal usage is largely due to the availability of cheap North Sea oil since the 1990s and, in the early 2000s, the introduction of natural gas, which, although somewhat limited in Northern Ireland, continues to be an attractive option for many householders. That will continue to be the case with gas, particularly with the extension of the network to the west of the Province.

There is no doubt that, with the very significant decrease in the use of coal, there has been a great improvement in air quality in Northern Ireland. Northern Ireland has come a long way since the 1950s and 1960s, when smog was the norm across the city of Belfast in particular, until the introduction of smoke-control legislation. However, there remain thousands of households that rely on this relatively cheap form of coal to heat their home. With the ever-increasing cost of energy, it is vital that we encourage competition, especially in the domestic sector, and ensure that consumers are not thrown into fuel poverty. A household is said to be in fuel poverty if it needs to spend more than 10% of its income on fuel to maintain an adequate level of warmth. It is widely agreed that the rate of fuel poverty in Northern Ireland is among the worst in northern Europe.

The most recent official estimates put the rate of fuel poverty here at 44% of households, and it is widely accepted that fuel poverty can disproportionately affect those on a low income, the ill, families with children, other young families and older people.

I will now focus on Members' comments, many of which were wide-ranging and entertaining. Sammy Wilson vigorously opened the debate and registered his concerns about what he sees as a flawed report. The terms of reference do not include wood and peat, which are exempt. That, I think, is a major flaw. Sammy also made the point about air quality in Northern Ireland, which in many ways is influenced by transport. However, transport is not included in the report.

Sammy is convinced that the Minister responsible in the Republic has plans to ban smoky coal in every town and village. He believes that the debate is not premature and that it is only a matter of time until the Minister enforces that ban in Northern Ireland. Sammy also made the point about the cost differential, which is significant. He believes that it costs between 20% and 50% extra to move away from bituminous coal to smokeless fuel.

Cathal Boylan made the point that he is waiting for the report and thought that we were premature in tabling the motion. He is very opposed to the big stick approach — that is new from Sinn Féin. He welcomed the debate but said that he could not support the motion at this time.

Colum Eastwood was not sure how Sammy was able to make a decision at this time. He said that he is convinced that his colleague the Minister is not in any position to make up his mind at this time. He also said that he has many concerns about air quality and pollution.

Sandra Overend, I think, supported the principle of the motion. She is obviously concerned about fuel poverty and is aware of the ban in many council areas, which is enforced by the councils. She said that she was concerned about the major impact that a ban on smoky coal would have on people on a low income and the significant increase that there would be in fuel poverty.

Pam Cameron also made the point about peat and wood being excluded from the study. She spoke about the effect that a ban will have on low-income families, especially those in rural areas.

Alban Maginness said all sorts of negative things about the DUP and our former Minister.

He mentioned the green new deal. There are too many green new deals, and we need to move on. He also accused the DUP of not moving forward on the green new deal but going for the alternative warm homes scheme. That seems to me to be a positive thing.

Tom Elliot was supportive of the motion in principle. He made a good point, even as an Ulster Unionist, about there being no real alternatives in place. That is significant. He also said that he thinks that there is a major move to stop the importing of coal to Northern Ireland.

My other colleague from North Down, Mr Agnew, who, I know, has major issues with the motion, made various points. He said that he felt that the motion was a knee-jerk reaction. There is no way that that could have been a knee-jerk reaction from Sammy. He was also concerned about the lack of evidence about the issue and felt that there is a health issue. Despite being a great champion for those in fuel poverty, he seems to have forgotten all about that. He also accused the DUP of going down the route of supporting the boiler replacement scheme.

Basil McCrea summed it up by saying that coal is not good for your health and is not a fuel for the future.

I think that that is most of it. Anna Lo expressed her concerns about health issues. She said that the ban in Dublin came in in 1990 and that she believed it was effective. She said that she was very much aware of the Clean Air Order 1981 and that the councils in Northern Ireland are responsible for enforcing the clean air zones. She said that that, in itself, had saved many lives.

The debate has been worthwhile. I trust that the Minister will, in all seriousness, listen to the genuine concerns of Members. It is important that we keep the cost of heating to a minimum and ensure that we keep the home fires burning. *[Laughter.]*

**Mr Speaker:** You did not disappoint.

*Question put.*

*The Assembly divided:*

*Ayes 40; Noes 43.*

**AYES**

*Mr Allister, Mr Anderson, Mr Beggs, Mr Bell, Ms P Bradley, Mr Buchanan, Mrs Cameron, Mr Clarke, Mr Craig, Mr Devenney, Mrs Dobson, Mr Dunne, Mr Easton, Mr Elliott, Mrs Foster, Mr Frew, Mr Girvan, Mr Givan, Mrs Hale, Mr Hilditch, Mr Humphrey, Mr Irwin, Mr Kennedy, Mr McCausland, Mr I McCrea, Mr D McIlveen, Miss M McIlveen, Mr McQuillan, Mr Moutray, Mr Newton, Mrs Overend, Mr Poots, Mr G Robinson, Mr Ross, Mr Spratt, Mr Storey, Mr Swann, Mr Weir, Mr Wells, Mr Wilson.*

*Tellers for the Ayes: Mr McQuillan and Mr G Robinson*

## **NOES**

*Mr Agnew, Mr Attwood, Mr Boylan, Ms Boyle, Mr D Bradley, Mr Brady, Mr Byrne, Mr Dallat, Mr Dickson, Mr Durkan, Mr Eastwood, Dr Farry, Ms Fearon, Mr Ford, Mr Hazzard, Mr G Kelly, Ms Lo, Mr Lynch, Mr McAleer, Mr McCallister, Mr F McCann, Mr McCartney, Ms McCorley, Mr B McCrea, Mr McElduff, Ms McGahan, Mr McGlone, Mrs McKevitt, Mr McKinney, Ms Maeve McLaughlin, Mr McMullan, Mr A Maginness, Mr Maskey, Mr Milne, Ms Ní Chuilín, Mr Ó hOisín, Mr Ó Muilleoir, Mr O'Dowd, Mrs O'Neill, Mr Ramsey, Mr Rogers, Ms Ruane, Mr Sheehan.*

*Tellers for the Noes: Mrs McKevitt and Mr Milne*

*Question accordingly negated.*

*Motion made:*

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

## **Downe Hospital/Daisy Hill Hospital: Future of Services**

**Mr Speaker:** The proposer of the topic will have 15 minutes, and all other Members who are called to speak will have approximately four minutes [*Interruption.*] Order.

**Mrs McKevitt:** Thank you, Mr Speaker. I take this opportunity to congratulate you on your new post, and I wish you all the best for the future. I am very thankful to the Business Committee for allocating time to this debate, thus giving an opportunity to discuss the future of services at Downe Hospital and Daisy Hill Hospital in the Chamber this evening. I welcome the Health Minister to the debate and look forward to his contribution, because it is from him that my South Down and, indeed, Newry and Armagh colleagues and I seek support. My party colleague Margaret Ritchie,

the MP for South Down, is a champion for both hospitals, as the Minister will know from speaking to her, and she too supports the debate this evening.

Minister Wells knows exactly what the issues and risks are for the services at Downe and Daisy Hill hospitals, being a representative for the South Down constituency. He is aware that the people right across south Down, from Downpatrick to Newry, are angry with the Department of Health, Social Services and Public Safety. They are angry because they feel that decisions about their healthcare are being made to save pennies and not lives. They are angry because they are being told to travel further for healthcare treatment, to wait longer for consultations and essential treatment and to be happy about these changes. They have seen before their eyes beds and services stripped from their local hospitals, and I am here today as their voice to say to the Minister that we need to reverse the trend of reducing services in our local hospitals and focus on increasing and improving the services that they provide and the number of beds made available.

The Minister will no doubt quote statistics in his contribution in an attempt to convince us that the removal of services from Downe Hospital to Ulster Hospital or from Daisy Hill Hospital to Craigavon hospital were made in an attempt to improve the provision of healthcare for everyone, even the people of Newry and south Down. He might even try to convince us that it is working, but he will fail. The issue is that both of these hospitals are having their services stripped away to the advantage of the Ulster Hospital and the Craigavon Area Hospital but to the detriment of the people living in south Down.

People from Downpatrick and surrounding areas have travelled to the Ulster Hospital for accident and emergency treatment at the weekend, a service removed from the Downe Hospital in January 2014. People tried the new system and witnessed at first hand the long waits and pressure on hospital staff. I am told that elderly patients sat for hours and hours waiting for examination, and while, yes, they may have been triaged inside some target time frame to make the statistics look good, they then sat and sat and sat, waiting in pain.

The people from Newry and surrounding areas have attended Craigavon Area Hospital for treatment, and this is becoming very common practice as more and more services are moved from Newry to Craigavon. Two weeks ago, Craigavon Area Hospital had 54 outlying

patients. These were patients who required medical beds, but none were available. This figure rose to 60 last week. While a crisis meeting was held by the senior management of Craigavon hospital team to tackle this urgent matter, a sticking plaster approach to fixing our healthcare system will not sustain. Craigavon Area Hospital cannot cope with the demand, and it is clear that the Minister now needs to develop and enhance Daisy Hill Hospital. It makes no sense to persist in concentrating services into larger hospitals when, in England, the National Health Service is reverting to local hospitals for service provision. The Department of Health and trust boards need to explain why they are persisting with this misguided policy.

The people of Newry are actively arranging a public meeting in the town hall to highlight the threats to Daisy Hill. The people of Down want to send a strong message to the Minister and have organised a march and rally for St Valentine's Day, aptly called "Love the Downe". Be assured that there will be a large turnout, because their hospital, which was so hard fought for and opened only five years ago, is truly under threat. I remind the Minister at this point that it is his duty to protect the asset. The Downe Hospital cost £64 million to build between 2004 and 2009. I also remind those here today of the Minister's words to Jim Allister in the Chamber on Tuesday 13 January 2015 during a ministerial statement on the North/South Ministerial Council in relation to health and food safety. The Minister said, with reference to Altnagelvin Hospital:

*"it is absolutely vital that you use those assets to the maximum. There really is no sense in spending millions of pounds on a new facility to have it lying empty for several hours a day or at weekends." [Official Report, Bound Volume 100, No 6, p7, col 2].*

As more services are transferred to the Ulster Hospital and Craigavon Area Hospital, patients from south Down and Newry have seen a significant increase in their travel time for medical appointments. For those inpatients, it may remove or reduce family support, as family or carers may not have convenient or affordable access to transport. Perhaps they cannot afford the extra petrol. The problem is multiplied for families or loved ones who may not have a car and have to take three bus journeys to get to Craigavon Area Hospital. Was that impact considered prior to the change being made? Has the Minister even met the Minister for Regional Development to discuss the prospect of introducing a direct bus from Newry to Craigavon Area Hospital?

An added effect of increased travel time to hospitals is the expense of ambulances travelling between Belfast and Downpatrick or Rostrevor and Craigavon. I have many questions about the systems. For instance, is it up to the ambulance driver to determine which hospital to drive the patient to, depending on symptoms and necessary treatment required, or is it simply determined by where the person lives? Perhaps the Minister can tell us if the cost of the Ambulance Service has drastically increased since our local hospital services have decreased. Can the Minister also advise if the changes have resulted in longer waiting times for ambulances for the people of south Down?

The 'Down Recorder' reported a worrying story last week. A six-month-old baby girl who had suffered a heart attack in Downpatrick had to wait around 40 minutes for an ambulance to be transported to hospital. The six-month-old baby was with her mother at a GP surgery at the Downe Hospital when she suffered a cardiac arrest. The irony of that baby having a heart attack at the Downe Hospital, where coronary care had been reduced, then waiting 40 minutes to be taken to another hospital for treatment, has not been missed by the people of south Down.

That was not a one-off incident. Just this morning, my office was contacted by a lady whose son was in a serious car crash in Kilcoo on 26 October 2014. I know many of the young men involved personally. It took 50 minutes for an ambulance to arrive, and it had to come from Newtownabbey. The incident was so serious that the mother has recently been told that her son might never walk again. I will, of course, keep those young men in my prayers, along with the little baby from Downpatrick, but, Minister, you need to take action.

The stroke unit at Daisy Hill is going to close; that is the word on the ground. That is despite overwhelming opposition to the move at the public consultation. The public said no to the move, as they know that it is at least a 40-minute drive, at the very best, to Craigavon Area Hospital from Newry, 55 minutes from Warrenpoint, if there is no traffic, and approximately one hour from Rostrevor. I could not even imagine what the poor people of Kilkeel, if they ever needed an ambulance to take them to any hospital, would have to endure in waiting times, because I know that the optimal time for treatment with clot-busting drugs is one hour. Minister, removing the unit will put lives at risk.

Minister Wells was mistaken last week when he said that there was not a problem and that the

public should feel reassured after almost 200 operations were postponed due to the pressures on emergency departments. We have overworked staff and a major issue of bed-blocking due to the lack of resources available to care for our elderly and sick at home. Now, just this morning, we heard that daily meals on wheels are to cease and that, instead, the most lonely and vulnerable people in our society will be given a 14-day supply of frozen meals. Minister, there was a problem, and there is a problem. The problem was caused internally, and the solution to that problem lies in your hands.

Finally, I ask the Minister why the Health Department and trusts will not protect, safeguard and honour the principles of local access to services at the point of delivery and equity of access to those services, particularly in south Down, where they are obviously being so badly affected.

**7.45 pm**

**Mr Irwin:** As a representative for Newry and Armagh, I have to say that Daisy Hill Hospital is a very important and vital resource for thousands of residents across Newry and the surrounding districts. Daisy Hill Hospital is a cherished facility that has provided a superb service for decades. Therefore, it is easy to understand why the public would be concerned at any potential loss of service.

There have been many concerns raised of late regarding the future of services at Daisy Hill, and the latest plans to see stroke services at Daisy Hill relocated to a specialist unit at Craigavon have created anxiety.

For someone living in Newry or the surrounding district who has suffered a stroke, Craigavon is a considerable distance away, especially in the already difficult situation for elderly people who are leaving their home and are unsure of how things will unfold. There are also issues for the family in travelling, visiting and supporting the stroke victim. The changes proposed for Daisy Hill's stroke services are significant. While they are not immediate, the changes represent a significant shift in provision, and, in reality, it is the physical removal of a very important resource.

I recognise and welcome the fact that, in the Health and Social Care estate, Daisy Hill Hospital continues to feature strongly as a key provider of care in the region. That is illustrated by the investment made in the 24-hour emergency department and a consultant obstetric unit, and includes other significant

upgrades in the building. Plans have also been proposed for the centralisation of paediatric services at the hospital. So, it is clear to me that the Department sees Daisy Hill as continuing to play a key role in providing care across a number of specialisms.

The Minister represents South Down, so he will be very well aware of the concerns expressed by all Members this evening, and I, too, will be interested in his views on the subjects raised and to hear his vision for Daisy Hill in the future. I know that he will take on board my concerns on the issue of the relocation of stroke services and the views of people in the Newry area in response to the phased change.

The Minister is facing unprecedented financial pressures on his available spend for health. That has been made very clear in recent weeks. The pressures on the health service budget are significant. I feel that it is important for the Minister to refer to the wider financial picture in his remarks to the House.

The Transforming Your Care strategy is also at the heart of the matter. I have taken many representations on the plan and its implementation, especially as it has already impacted on my constituency through the reorganisation of various services.

Care for the elderly is a sector in our health service that is growing in significance as our population lives longer. With that, we expect pressures to continue to build on the types of services that older people rely on.

Stroke services are so important. It is absolutely critical that people in the Newry area are not unduly inconvenienced or their health jeopardised as a result of further reorganisation.

**Mr Brady:** Go raibh maith agat, a Cheann Comhairle. I also take the opportunity to congratulate you on your elevation.

It is good to see the Minister here. In fairness to him, over many years, he has been very supportive of Daisy Hill. I have attended many meetings at which he has questioned issues surrounding the hospital, and I hope that, as Minister, he will continue to do that and give it the attention that he gave it previously.

At the meeting in November, the board of the Southern Trust proposed the development of a single specialist inpatient stroke unit in the trust at Craigavon. I have to say that that caused great disappointment in Newry, because, for many years, Daisy Hill has been a model of

good practice. It has probably one of the best records in Europe of dealing with strokes.

We were told that centralising the stroke unit in Craigavon would provide enhanced access to brain imaging for stroke patients. That was explicitly an MRI scan. However, CT brain imaging, which is available at Daisy Hill, is highly sensitive for detecting haemorrhage. That is the reason that brain imaging is performed for suspected stroke patients initially admitted to hospital. If a haemorrhage can be excluded, the patient may be eligible for thrombolysis and get a clot-busting drug.

When I was visiting Daisy Hill Hospital with the Health Committee in December 2011, we were told that the record for someone coming in, being assessed and having thrombolysis was eight minutes. That is a fantastic record. We were told that by the people in the hospital. That cannot be bettered. It is so disappointing that people are then having to move to Craigavon.

**Mr Wells (The Minister of Health, Social Services and Public Safety):** Will the Member give way?

**Mr Brady:** Yes, sure.

**Mr Wells:** Before this line goes any further, I want to point out that nothing will change in that respect under the proposals. The person from Newry and Mourne will still be taken to Daisy Hill and will still have the clot-busting drugs within eight minutes or within the quickest time possible. He or she will then move on to Craigavon for more intensive care. The Member is tilting at windmills. That is not going to happen.

**Mr Speaker:** The Member has an extra minute.

**Mr Brady:** I thank the Minister for his intervention. I was going to explain further why people are so disappointed. If you consider that stroke beds are being centralised to Craigavon, then stroke patients will be admitted to Daisy Hill to be assessed initially for thrombolysis or otherwise; however, if they are not eligible for the treatment, they will then transfer from Daisy Hill to Craigavon. Obviously, there are logistics involved in getting them from Daisy Hill to Craigavon, including having to wait in an ambulance etc.

It is worth making the point that 75% of stroke patients are over 65 years of age. Moving Newry and Mourne stroke patients to Craigavon will have a significant physical and financial

impact on the older population. We are talking about the family and the extended family. I do not know if you have tried to get to Craigavon by bus from Newry, but it can be quite difficult. So, if people do not have access to public transport, they are going to have problems. Often, the spouses of stroke patients are old and may also have health problems, poor mobility and general frailty. They would have to make an approximately 40-mile journey from Newry to Craigavon, which is an 80-mile return journey. If you do not have access to a car or do not have a family who are going to take you there, you will have difficulties.

In 2011-12, Daisy Hill's length of stay for stroke patients was significantly better than Craigavon's. The average length of stay for stroke patients — acute and rehab — was 17 days in Daisy Hill. For Craigavon Hospital, for acute and rehab, it was 46-8 days. Minister, with respect, that is a huge difference.

I will make some points about Daisy Hill. We in Sinn Féin have been very positive in promoting the good work in essential services that the staff carry out in Daisy Hill. I commend them for the tremendous work they do and have done over many years for our community. Conor Murphy, Martina Anderson and I visited Daisy Hill before Christmas, getting a tour of the facilities and meeting staff. One of the things that struck us was the commitment that staff at all levels have to that hospital. It is commendable; they have a genuine interest in it.

Some of Mrs McKeivitt's colleagues, particularly some of her councillor colleagues —

**Mr Speaker:** Will the Member bring his remarks to a close?

**Mr Brady:** — have been extremely gloomy about the whole issue. When Transforming Your Care came out, we had people standing and pointing at the sign, saying that Daisy Hill was going to close. That simply has not happened. We need to project a positive image of Daisy Hill. I have constituents coming to me on a regular basis. If it was not for Daisy Hill Hospital, they would not be here.

**Mr Speaker:** Thank you.

**Mr Brady:** It is as simple as that.

**Mr Kennedy:** I thank Mrs McKeivitt for bringing the issue forward for debate. I acknowledge your appointment as Speaker. Of course, I am

speaking as a Back-Bench Member for Newry and Armagh.

At the outset, I want to say that I believe that, in Daisy Hill and Downe, we have two excellent hospitals. Both are very fortunate and blessed to have the staff that they do. Even in the most difficult and challenging circumstances, they are both managing to keep their heads above water. That cannot be emphasised enough. As many of our hospitals have come up against the wall, an excellent standard of care locally has been maintained. Only last week, for instance, it was revealed that, whilst the average number of patients being seen within four hours in type-1 emergency departments across Northern Ireland was 73.5%, the figure for Daisy Hill was 86%. That is a credit to the doctors and nurses in that A&E. I have benefited personally from their care.

In addition, the performance at the Downe type-2 emergency department was at an impressive 91.6%. However, on that latter point, I reiterate my party's opposition to the downscaling of the Downe A&E. Whilst I appreciate that the minor injuries unit will have mitigated the worst of the reductions, I will say that it is open only from 9.00 am to 5.00 pm at the weekend. So, the point still stands that, after 8.00 pm during the week and after 5.00 pm at weekends, there is no service, whether emergency or minor injury.

At the time, we were told that the changes were coming about as a result of the trust experiencing difficulty staffing the unit, especially in recruiting middle-grade doctors. I ask the Minister, who I know is very well aware of the issues facing his local hospital, to provide an update on that issue in his response.

Of course, while much of the focus has been on the emergency departments, we must not lose sight of the patients needing surgeries. I was pleased to see that relatively few surgeries in Daisy Hill were cancelled. Nevertheless, just because a condition —

**Mr Wells:** I thank the Member for giving way. In the entire Southern Trust area, there was only one cancellation out of the 179 in Northern Ireland. Such a magnificent performance is a credit to the staff in the Southern Trust.

**Mr Speaker:** The Member has an extra minute.

**Mr Kennedy:** Thank you, Mr Speaker.

I accept entirely that that is indeed a very impressive record, particularly when it is looked at against that of other hospitals. Nevertheless,

just because a condition may not be life-threatening, it may still cause debilitating discomfort. That is why cancelled or delayed surgeries cause so much frustration. I accept that the hospitals and their local population may be smaller than those elsewhere in Northern Ireland, but we must understand that they still deserve no less quality of service.

On a wider note, no one will have missed the swathe of cuts to hospital services across Northern Ireland. I know from experience the very real difficulty of having to make swingeing in-year cuts to make available emergency funds. Each of our trusts had to do something similar, albeit that that was to try to balance the books rather than provide additional funding. The Southern Trust was not immune from that and has to make £2.9 million savings by the end of March this year. Nevertheless, decisions such as those to close the minor injuries unit in Armagh and to reduce care in the community for our elderly were still counterproductive. Indeed, those decisions will have placed only further pressure on the likes of Daisy Hill.

In drawing my remarks to a close, I take the opportunity to place on record my thanks to Mairead McAlinden, chief executive of the Southern Trust, as she prepares to move to the new challenges as chief executive of South Down — South Devon Trust in England. Mairead was a very effective and excellent leader. She always established and maintained good relations with local representatives, and that allowed us to address the issues from constituents coming through our offices.

Mr Speaker, I am afraid that, due to other pressures, I am not able to remain for the completion of the debate. I apologise for that and hope that you and other Members will accept that. I will look very closely at the Hansard report of this important debate.

**Mr Speaker:** Thank you. You did notify the Chair that that was the case.

**Mr Hazzard:** Go raibh maith agat, a Cheann Comhairle. I thank my South Down colleagues for bringing forward the Adjournment debate this evening, and I share others' sentiments in welcoming you as Speaker of the House.

Mrs McKeivitt used the word "angry" to describe the feelings of people in and around Downpatrick. I will focus solely on the Downe Hospital, as my colleague talked about Daisy Hill. "Angry" is definitely the right word. It is the reason why people have come onto the streets in Downpatrick, Ballynahinch, Newcastle and

elsewhere to protest at the ongoing cuts and attacks to the Downe Hospital. It is why, as has been pointed out, there will be a rally in Downpatrick on Valentine's Day, 14 February, to show that the community love our local hospital and want to see it enhanced. It is why more than 20,000 people gave their signatures in the wake of the decisions on the A&E closures last year.

Even the Minister's party colleagues in Down have stood side by side with all parties in the local area to say that this process has to stop and that services at the Downe Hospital must be restored to the level that was envisaged when the new hospital was opened by Bairbre de Brún.

Whilst the South Eastern Trust may be running down available services at the Downe in conjunction with successive Ministers, every single political party, every local sporting organisation, every local school and the entire South Down community is opposed to the reductions. Political and community representatives continue to meet the trust and the Minister. Today, my party colleagues met the chief executive of the health board, and we will continue to champion the virtues of an enhanced local hospital at the Downe.

### 8.00 pm

The most important question remains, and this is perhaps the third or fourth debate that we have had on this issue. Where does the Minister stand on the Downe? We need to hear what the Minister's vision is for the Downe Hospital. We cannot somehow get it out of the South Eastern Trust. There is too much confusion and too much smoke and mirrors. We need to hear what the Minister's plan is for the Downe going forward. The Minister is a South Down representative. There is an onus on him to be transparent, upfront and very public on this. Will you stand with the public and the community on this? Will you help us protect our local service?

The status quo is simply not an option. Indeed, I would argue that the ongoing attacks on the sustainability of the Downe Hospital have created an intolerable situation in which the rights of local residents in Downpatrick are seemingly worth less than residents in, for example, south Belfast, who have, in all reality, a plethora of hospitals and services to choose from. Last week, as my colleague pointed out, a baby at the Downe Hospital was forced to wait for 45 minutes before being transferred to hospital in Belfast. Why should a baby's life in

Downpatrick be worth any less than a baby's life in Belfast? If one incident does not awaken the health chiefs to ongoing failure to oversee a fit-for-purpose Downe Hospital and the attached services, I fear what it will take to make them do so.

Another issue that we raised today with Valerie Watts is ambulance cover, and this ties in neatly to the debate. Again, it eats away at the very logic of the trust's centralisation policies and, indeed, is counter-strategic to whatever strategy is being employed. We are a constituency without one inch of dual carriageway or any sort of carriageway at all. Our public transport system simply is not what it should be. If somebody in, for example, Minerstown in the Lecale area had to go to the Ulster Hospital, it would take six buses before they were home. It is simply not feasible to make that person travel to the Ulster Hospital. Look at some of the contingency measures brought into place in autumn last year. In November, the Minister suggested that some of the contingency measures were counter-strategic.

**Mr Speaker:** Will the Member start bringing his remarks to a close?

**Mr Hazzard:** It is incumbent upon the Minister to lay out what he will do now and in the future to make sure that the strategy is brought into place. In recent times, we have had the maternity expansion at the Ulster Hospital site and a £250 million phase B development of the wards.

**Mr Speaker:** Thank you.

**Mr Hazzard:** The people of Down would love even a tenth of that investment for the Downe. I ask the Minister to come out publicly and say what his plans for the future are. Let us end the confusion and the drip, drip of bad news. Let us publish a comprehensive road map for the way forward.

**Mr D Bradley:** Go raibh maith agat, a Cheann Comhairle. I thank Mrs McKeivitt for bringing the debate to the Floor. Down through the years, the SDLP has been to the fore of efforts to ensure that Daisy Hill Hospital in Newry retained its status and that important services were not removed from it. Despite what Mr Brady says, I want to pay tribute to my colleague Councillor John McArdle of Newry, who has fought long and hard on many occasions to protect services in Daisy Hill. I mention him today because he retires from public life at the end of March and I may not

have the opportunity to do so again in the House.

As I said, at various times, efforts were made to remove services from Daisy Hill and those were strenuously and successfully opposed. There was a proposal to remove the laboratories; we fought that and won. Orthopaedic patients were being taken out of the hospital; we stopped that move. Switchboard services were to be centralised; they are still in Daisy Hill. The hydrotherapy pool was to be closed; it is still there and has been refurbished. While some administrative services have left the hospital, the important services have been retained. I welcome the developments and the investments in the hospital and the cross-border services that it provides. I am proud of the hospital, and I fully support the staff.

As Mr Brady mentioned earlier, there is concern about the plan to centralise stroke beds outside of Daisy Hill. The proposal is that Craigavon Area Hospital will be the centre of excellence for stroke patients. After initial stabilisation in Daisy Hill, patients will travel to Craigavon and spend 16 days being treated there before returning to Daisy Hill. The question arises as to what they will return in Daisy Hill. Will it be a general ward or a general rehabilitation ward? The existing unit in Daisy Hill is considered to be excellent, and Daisy Hill has access to brain imaging. On this occasion, we should remember the old adage: "if it isn't broke, don't fix it." Certainly do not dismantle it.

At the moment, Daisy Hill meets the Royal College of Surgeons national clinical guidelines, but if these changes are made, it will no longer meet those criteria. As Mr Brady said, Daisy Hill has the best record for rehabilitation — 17 days, which compares very favourably with other hospitals, some of which have a stay length of 47 days. The geographical relocation of the unit to Craigavon presents huge difficulties for people in the areas that are served by the hospital, particularly the rural areas of south Down and south Armagh. The A27 is not a road which facilitates speedy transfer of patients by ambulance or easy access to visits by family members, not least because it is one of the roads that has the most bends on it. I do not know whether Mr Kennedy — he is gone now — can do anything about that: probably not. It is difficult to access it from Newry; much more difficult from Crossmaglen, Annalong, Forkhill, Attical, Killeen, Hilltown, Cullaville or indeed Cabra.

As we know, 70% of stroke patients are over the age of 65. As Mr Brady said, many of their spouses and family members may be of similar

age, with poor mobility and health in some cases.

**Mr Speaker:** Will the Member bring his remarks to a close?

**Mr D Bradley:** Is this improving accessibility? I say no, it is not. I ask the Minister to look again at this decision. If the centre of excellence is needed, it should be where the excellence is, which is at Daisy Hill Hospital in Newry.

**Mr Rogers:** The debate on local National Health Service services is being brought to the House when significant change is taking place at every level. The worrying reports of EU and US trade agreements, transatlantic trade and investment partnerships make us believe that possible privatisation of the health service is under way. Meanwhile, closer to home, the closure of many critical services such as the A&E at the Downe Hospital and the removal of stroke services from Daisy Hill serve as indicators of the direction of travel that the health service is taking.

Patients who are unable to secure appointments via GP surgeries are presenting at already overstretched A&E departments. Cost savings in one department are leading to chaos in others. At this stage, I would like to commend the staff in both of our hospitals and wish Mairead McAlinden all the best in her new role in the South Devon Healthcare NHS Foundation Trust.

Patients who rely on services at Daisy Hill and Downe are being denied access to vital care. South Down constituents are now possibly the most disadvantaged citizens in Northern Ireland when it comes to accessing hospital services. It is quite ironic that the Minister represents that constituency as well. We have heard a lot about stroke services at Daisy Hill. The key point that I want to add is the importance of time when it comes to suffering a stroke. Getting to hospital and getting sorted is of key importance. Daisy Hill's stroke and rehabilitation unit has, to date, returned excellent results for stroke victims, as we have heard from other people. The decision to remove stroke services from Daisy Hill is simply a bad one.

I understand that a very small number of patients may require non-urgent access to an MRI scanner, which cannot be facilitated at Daisy Hill, and they have to be moved to Craigavon. I understand that side of it. With the added value of telemedicine, I have yet to hear a valid reason why stroke services in the

form of the specialised stroke unit in Daisy Hill cannot be maintained there.

It has been a litany of downsizing at the Downe Hospital ever since it opened in 2009. The planned short stay unit never materialised following the new build. The 10-bed medical unit was closed around the time it officially opened. Accident and emergency changed from consultant-led at night-time to a GP out-of-hours service. There was the seasonal closure of medical beds, with a 25% reduction over the summer, the temporary removal of nine beds from coronary care, a reduction in domiciliary care, and now, to make things even worse, there is the introduction of car parking charges. Such is the level of cuts at the Downe that the Ambulance Service now takes many patients directly to the Ulster Hospital.

This drastic reduction in services has led to an inevitable reduction in the number of patients presenting at the Downe. In recent correspondence with my colleague Margaret Ritchie MP, the trust made it known that the decision to remove coronary care beds was due to a drop in admissions — a drop in admissions that was itself due to the fact that patients were being diverted elsewhere. Furthermore, at the same time as cutting access to local services, worrying cases — my colleagues talked about them — are surfacing of access to the Ambulance Service. Quite simply, centralisation does not work. There is a place for local services and local hospitals.

**Mr Speaker:** Will the Member bring his remarks to a close?

**Mr Rogers:** As the new chief executive of the National Health Service said recently, there is a place for smaller hospitals and a shift away from the bigger central hospitals.

Finally, I urge the Minister, if he will not listen to Members of the House, he needs to listen to the people of South Down and the many groups, such as the Ulster Farmers' Union, which felt the need to become more vocal —

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

**Mr Rogers:** — about the attack on rural communities.

**Mr McCallister:** Am I getting four minutes, Mr Speaker? Usually small humble Back-Benchers are hard done by on these occasions.

We are probably fortunate that our Health Minister is a Member for South Down, and I

hope that we are not placing too much trust and hope in him, but that is something we are depending on. I know that, in his time not only as Minister but as Chair and Deputy Chair of the Health Committee, he has been to the Downe and Daisy Hill on many occasions.

I will start with Daisy Hill and associate myself with Mr Kennedy's remarks in paying tribute to Mairead McAlinden as she moves on to new challenges. Certainly, she has led the Southern Trust in an exemplary manner. Colleagues spoke about the stroke unit at Daisy Hill. My late father suffered a stroke and received excellent care there. The stroke unit would be a huge loss. It goes to the core of why the public — the citizens whom we serve — get so concerned. We seem to remove services without explaining the rationale or what the changes are going to mean. The trusts are sometimes not good at communication. When they do public consultations, the vast majority assume that the decision has been made and that they are only meeting some sort of legal requirement to do a public consultation, so trust in the whole process goes out the window. That is one of the big challenges for the Minister as he tries to reform health. He also faces the challenge that so much that has to be done ends up as firefighting and counter to his long-term aims and strategies.

The Minister is tied to the Transforming Your Care policy, and yet we have no idea in the Downe, Daisy Hill or, indeed, in other hospitals whether it will be delivered. Has it stalled? Has it only slowed down? Is it over? We were told by the Finance Minister yesterday that the OECD is also looking at health. Where is the strategic vision of the Northern Ireland Executive and the Minister on health? I have some sympathy for the Minister, who probably does not get the support from Executive colleagues that he should, so that it is not always about health responding.

When it comes to local hospitals, such as Daisy Hill and the Downe, I hope that many, many thousands of people turn out on 14 February. I, for one, hope to be there. I hope that many people turn up to show their support and their solidarity with the staff and, more importantly, support for the services that the Downe provides. They are vital to our local community. I look forward to the Minister's response in setting out that vision.

**8.15 pm**

**Mr Wells:** At the outset, I concur with all that has been said about Mairead McAlinden. The

honourable Member for Newry and Armagh Mr Kennedy made a slip of the tongue when he said that she had been appointed the new chief executive of the "South Down" health trust. If only. If that was possible, I would be producing the contract document now. She has made an outstanding contribution to health in Northern Ireland over the last 29 years, and she will be sorely missed. However, I say to all those who paid such glowing and deserved testimony to Mairead that she went to Newry and Mourne District Council and made a very strong and articulate case for the changes to the Daisy Hill that they oppose. When you respect someone and their judgement as much as we do with Mairead, it is interesting that you then say that she, her management board and her senior clinicians have got it wrong when it comes to Daisy Hill. You have to bear that in context.

I thank — well, I do not know about that. I note that Members have proposed the Adjournment debate tonight, and I hope to respond to as many of the points raised during the debate as time allows.

This debate is slightly unusual in that we are debating the future of services at two hospitals that are administered by two different trusts, against the background of the current financial pressures. I need to set the context and begin by commenting on the financial pressures faced by the health and social care system. Following that, I will make a few general observations about the necessary beneficial, strategic change that, we know, is needed in all our smaller hospitals. Then I will move on to the specific issue of the two hospitals.

As I have stated previously, given the financial challenge I face, it is simply not possible to maintain current levels of service provision in the absence of all the required funding. Members will certainly hear more of that in the incoming weeks. My priorities are to ensure that the services provided are safe and effective and that my Department achieves financial balance, as is required of all Ministers. In order to achieve financial break-even, each trust has produced a range of contingency plans for this year — 2014-15 — and each trust has provided assurances that its services will remain safe and effective. That includes the Southern Trust and the South Eastern Trust. I have, therefore, had to make difficult choices in allocating resources and determining the measures needed to secure break-even this year, and the same will be required of me for 2015-16. I have no doubt that we will return to this important matter in the House in the weeks and months ahead. That is guaranteed.

It is important that we should not confuse the current financial context with the need for strategic change in how we deliver health and social care in Northern Ireland in order to further improve the quality of services provided and to use the available resources with maximum efficiency. The strategic change has been set out in 'Transforming Your Care', and it will affect local hospitals such as Daisy Hill and the Downe, bringing challenges and opportunities.

The greatest challenge we face — you are all aware of this — is increasing demand. We have an increasingly elderly population, which, obviously, leads to a rise in demand for services and an over-reliance on those services. Added to that, we have a population that has growing expectations of the quality and accessibility of service. We also have an environment of fast-growing opportunities in technology and medical interventions. That latter development is having an important effect on how we provide services. As knowledge of treatments and interventions grows, it has become obvious — this is backed by all the statistical and clinical evidence — that many of the treatments delivered in the acute sector achieve better results for patients if they are delivered in larger and better-resourced hospitals. That means that we have seen a centralisation of services across a range of specialities. This has had a number of benefits. First, it means that, in clinical terms, patients are being treated by specialists. Secondly, those teams are larger and therefore more resilient and sustainable in terms of recruiting and retaining staff. Thirdly — this is a legitimate concern — it allows services to be provided more efficiently and more cost-effectively. That is particularly important, given the scale of the financial difficulties that we face and to which many of you have already referred.

The out-turn of this process and the need to ensure stability has been that there has been some reduction in the number of services that can be sustained in smaller hospitals. I fully understand Members' concerns. Of all the people in this Building, I have maybe been around South Down and the Daisy Hill Hospital longer than most, and I perfectly understand where Members are coming from. I also understand how difficult it is for local communities and their representatives to see the reduction or removal of highly valued services that have provided excellent care to local people for many years. I understand those concerns because I questioned similar decisions when in another role. However, faced with the evidence and the pressures that I have

outlined, significant change in the way we deliver services is required. We simply cannot continue as we are.

We should and do continue to deliver as many services as close to patients as possible, and that is consistent with the direction of travel of Transforming Your Care. However, there will be occasions, whether for reasons of sustainability or safety, that some acute services will need to be changed. This may mean that they are centralised as part of a wider clinical network in order that they can deliver up-to-date, modern services. That is something not to be feared but rather to be welcomed because it provides the opportunity to deliver safer, better and more sustainable services up to the standard that we would like to see for all our constituents.

I will now move on to the two hospitals because I know that those are the main interests here.

**Mr D Bradley:** Will the Minister give way?

**Mr Wells:** I certainly will.

**Mr D Bradley:** I fully accept the Minister's point that the centralisation of services gives the opportunity for the best possible treatment in a certain speciality. None of us would disagree with that. However, the fact is that, in relation to Daisy Hill Hospital and stroke services, a centre of excellence exists there at the moment. To our minds, the best course of action would be to build on the excellence that has grown and developed there.

**Mr Wells:** The honourable Member will find that all the trusts are moving to one centre of excellence for stroke services in each of their areas. It is not possible to provide the full range of skills and facilities at every hospital.

I will go off-message a bit here and say that I read with great interest what Mairead told Newry and Mourne District Council about this important issue. Councillor John McArdle was there. There is absolutely no doubt that all the empirical and scientific evidence says that what the Southern Trust is doing is absolutely right for patient outcomes. I know that this is a very difficult argument for the folk who live in the Newry area, but the reality is that, in terms of survival and outcome, the best option is to have the highest quality in one centralised unit, in this case Craigavon. Remember, also, that we are asking the Dungannon people to make the same difficult decision. Their patients will also be going to Craigavon.

Let us nail this absolutely: when you have a stroke in the Newry area, you will go to Daisy Hill Hospital. You will be taken by ambulance to Daisy Hill, and, if you require the clot-busting drugs, as they are known, for thrombolysis, you will receive that treatment immediately in Daisy Hill Hospital. The phrase is "door to needle within an hour", and that will almost certainly be achieved by that process. If you require more intensive care, you will be taken for 16 days to Craigavon Area Hospital. After that, you will be brought back to convalesce in Daisy Hill. The message that is going out that they are removing stroke services from Daisy Hill Hospital is simply not true. It might make a good headline, but you will still have your first point of contact at Daisy Hill. You will then be taken to the more intensive facilities that are available in Craigavon Area, and that is exactly what is being done in every other part of Northern Ireland and throughout the United Kingdom and western Europe. All the evidence says that that is the best way to do it.

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

**Mr Wells:** I will, certainly.

**Mr Brady:** Minister, if there is this centre of excellence in Craigavon, and the point has been made, by Mr Bradley and others, about the logistics of getting from Newry to Craigavon. You yourself made a point about the whole strategic issue of Transforming Your Care, which has been much talked about since December 2011.

Will the Minister accept that, at this time, Transforming Your Care is a vision without action?

**Mr Wells:** Can I make it absolutely clear that the decision on Daisy Hill is not being taken as a result of Transforming Your Care or the contingency savings? It is being done purely on the clinical assessment of what we need to do and what is best for the stroke patients of the Southern Trust area.

The science is absolutely overwhelming. Therefore, you have a choice. You can maintain the present service in Daisy Hill, knowing that that is not the best model for the people of Newry and Mourne or south Armagh, or you can opt for a central model in Craigavon, where the outcomes are quite clearly of a much higher standard.

To put it crudely, you have more chance of surviving a stroke if you go into one of the more

modern, central units than if you stay at your local hospital.

**Mr D Bradley:** Minister, thank you for giving way. You are telling us that a non-existent unit in Craigavon will have better outcomes. We already have an excellent unit in Daisy Hill in Newry, which, to our minds, and the statistics prove it, produces excellent outcomes.

As I said earlier, if it ain't broke, why fix it? Certainly, there is no reason to dismantle it.

**Mr Wells:** The Member is right when he says that the unit does not exist at the moment in Craigavon, and there is no question of any transfer of services until it does. However, if he takes time to read the literature, he will see that it shows that, throughout the world where this has been done and the measurements have been taken, people recover more quickly, live longer and have a higher chance of survival in a centralised unit.

This is not rocket science, because it is the same for cancer, for instance, in the City Hospital. We have concentrated services in Northern Ireland for cancer sufferers at the City Hospital, where we can have a large team of expert cancer surgeons and consultants to deal with a full range of conditions.

It is now accepted that people will travel from Strabane, Enniskillen, Ballymena, or wherever, to that centre, because they know that there is where they will get the best treatment. If you were to suggest that we dissipate that level of care around the country, there would be uproar. Therefore, it is not rocket science as far as strokes are concerned.

Yes, Members are absolutely right: we opened Downe Hospital in 2009 at a cost of £64 million. That was an indication of our commitment to the people of Downpatrick. There have been difficulties referred to in this debate, with the temporary closure of some capacity, but there is still a range of services provided, including acute medicine, cardiology, stroke and fracture rehabilitation. Those continue to be provided in the hospital.

Mr Kennedy, Mr Hazzard and several others from the Down district raised the issue of the removal of A&E cover, particularly out-of-hours cover, at Downe Hospital. That was not a cutback. That was simply the reaction to the fact that we did not have the staff to provide it. We were finding it impossible to attract middle-grade doctors to take on those shifts. Legally, you cannot provide that level of service without the expertise.

**Mrs McKeivitt:** I thank the Minister for giving way. Would that also be the case for Daisy Hill? The hospital advertised for two senior consultants for the accident and emergency department, and not one person applied.

**Mr Speaker:** Minister, we have about a minute and a half left of the allocated time.

**Mr Wells:** Thank you for your indulgence, Mr Speaker, but the point that she is making is a valid one. We are having great difficulty in the rural hospitals in attracting staff. I will give one recent example. Belfast City Hospital advertised for three consultants. Six people applied, and the hospital took all of them on, because it realised that the supply of consultants for A&E was so finite that if it did not, it would be causing problems down the line. Altnagelvin needed an extra consultant in A&E, but none was any longer available.

We are having trouble throughout Northern Ireland, away from the teaching hospitals, in attracting middle-grade doctors and consultants in many fields. Again, that lends itself to the concentration of services into particular specialisms in major hospitals. That does not

**Mrs McKeivitt:** Will the Minister give way?

**Mr Wells:** I wish that I could, but I am really running short of time.

### 8.30 pm

That does not mean that there is not a very effective role for hospitals in other fields. Indeed, we have been moving services to Downe Hospital to compensate for the fact that we have been forced, for other reasons, to reduce some services. If patients are transferred to the Ulster for clinical reasons, they are often transferred back to the Downe Hospital at the quickest possible opportunity.

We are committed to delivering a comprehensive range of assessment, diagnostic and treatment services for the local population, including inpatient beds providing 24/7 care for patients with long-term conditions and for the frail elderly close to home. We have a very successful day surgery across a range of surgical specialties. Indeed, the trust is keen to maximise day surgery services. We have a GP out-of-hours service that will continue to operate a seven-day-a-week service. We have a comprehensive range of assessment, diagnostic and treatment services, outpatient,

mental health, children's assessment, midwifery-led maternity, therapy and older people's services.

I hope that that indicates that there is still a commitment to Downe Hospital, that some of the services that have been removed have been taken out of our hands in the sense that we had absolutely no choice, and that the decision on Daisy Hill is based on the best clinical assessment of the situation. Now, am I going to ignore the stats and the science and say, with my GCSE biology, that I know better? When all the clinicians and medical experts are telling me that the best way forward for stroke patients in Northern Ireland is centralised specialist units with a wide range of clinical —

**Mr Speaker:** The Minister's time is up.

**Mr Wells:** — teams available, do I ignore that and say that I know better? The answer is that I do not.

**Mr Speaker:** Thank you very much. You were very good to take interventions.

*Adjourned at 8.31 pm.*





Published by Authority of the Northern Ireland Assembly,  
Belfast: The Stationery Office

and available from:

Online  
[www.tsoshop.co.uk](http://www.tsoshop.co.uk)

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ISSN 1463-7162

Daily Editions: Single copies £5, Annual subscriptions £325  
Bound Volumes of Debates are issued periodically during the session: Single copies: £90

Printed in Northern Ireland by The Stationery Office Limited  
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ISBN 978-0-339-50746-3



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