



# Official Report (Hansard)

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# Northern Ireland Assembly

Tuesday 22 June 2021

*The Assembly met at 10.30 am (Mr Principal Deputy Speaker [Mr Stalford] in the Chair).*

*Members observed two minutes' silence.*

## Assembly Business

**Mr Allister:** On a point of order, Mr Principal Deputy Speaker. Is it not beyond ridiculous that, in this, the centenary of the official opening of the Northern Ireland Parliament, that event is to go wholly unmarked in the Chamber today? Why is that?

**Mr Principal Deputy Speaker:** Thank you, Mr Allister. You know that Standing Order 24 relates to Matters of the Day. My understanding is that two such Matters of the Day were submitted to the Speaker's Office, one of which you have referred to. The Standing Order outlines circumstances in which Matters of the Day shall be called. Ultimately, that power resides not with me, Mr Beggs or Mr McGlone but with Mr Speaker, acting in conjunction with the Speaker's Office, and he has given a ruling on the matter. My understanding is that the Building is to be lit up to mark the important centenary. Speaking personally and outside my capacity as Principal Deputy Speaker, I think that it is appropriate and right that such a centenary be marked.

**Mr Allister:** Further to that point of order, I certainly welcome the fact that my application to have the Building illuminated tonight has been granted. This is the successor Chamber of the Northern Ireland Parliament. This is a momentous day. It is a slight upon all who value it that, within the Chamber, that event is consciously and deliberately being refused to be marked. Shame on the situation.

**Mr Principal Deputy Speaker:** Speaking as someone who does value it, I want to say again that the ruling was made by the Speaker of the Northern Ireland Assembly, not by the person presently occupying the Chair or any of the Deputy Speakers. We should move on.

## Ministerial Statement

### North/South Ministerial Council: Inland Waterways

**Mr Principal Deputy Speaker:** I have received notice from the Minister for Infrastructure that she wishes to make a statement. Before I call the Minister, I remind Members in the Chamber that, in light of social distancing being observed by the parties, Mr Speaker's ruling that Members must be in the Chamber to hear a statement if they wish to ask a question has been relaxed.

Members participating remotely must make sure that their name is on the speaking list if they wish to be called. Members present in the Chamber may do that by rising in their place as well as by notifying the Business Office or the Speaker's Table directly. I remind Members to be concise in asking their questions. This is not an opportunity for debate, and I will not allow long introductions to questions. I also remind Members that, in accordance with long-established procedure, points of order are not normally taken during a statement or the period for questions afterwards.

### Ms Mallon (The Minister for Infrastructure):

With your permission, Mr Principal Deputy Speaker, in compliance with section 52 of the Northern Ireland Act 1998, I wish to make a statement on the North/South Ministerial Council (NSMC) inland waterways meeting that was held in the North/South Ministerial Council joint secretariat headquarters in Armagh and by videoconference on 21 May 2021. The Executive were represented by me, as Minister for Infrastructure, and the Health Minister, Robin Swann. The Irish Government were represented by Darragh O'Brien TD, Minister for Housing, Local Government and Heritage, and Malcolm Noonan TD, Minister of State for Heritage and Electoral Reform. The statement has been agreed with Minister Swann, and I make it on behalf of both of us and the

Executive. I chaired the meeting, and the following is a record of what was discussed.

We noted the progress achieved in the activities of Waterways Ireland, including extensive restoration work to repair the Meelick weir on the Shannon, with a new 295-metre publicly accessible walkway on top of the weirs, and the commencement of enabling works to Carnroe weir on the lower Bann in January 2021, which are due to be completed in April 2021. The in-river works are due to commence in the spring of 2022, with completion expected by autumn 2023. Abandoned, non-compliant and non-live-aboard boats along the canals were removed, significantly improving by-law compliance rates across navigations from 56% to a percentage in the mid-80s. Work commenced on the 46-kilometre Barrow blueway in the late summer of 2020 in Kildare and Laois, with that stretch due to be completed in 2022. Ecology surveys and preparations for planning submissions for five-year long-term maintenance plans along the Barrow and south Shannon are ongoing and will be completed in 2021. Some €150,000 was awarded to Waterways Ireland in March 2021 under the urban regeneration development fund for development options, a viability appraisal and a master plan for Tullamore harbour.

Waterways Ireland, with support from Minister O'Brien and Minister Martin, launched the Shannon tourism master plan in March 2021. Over €70 million of investment will be injected into the Shannon river region by 2030. In March 2021, Waterways Ireland, with support from Minister Noonan and Minister Ryan, launched the Royal canal greenway, which is Ireland's longest greenway, stretching over 130 kilometres. Waterways Ireland is progressing plans on Dublin canals development opportunities and living communities. The Waterways Ireland heritage plan 2016-2020 concluded in 2020, having directly invested over €650,000 in the delivery of heritage projects. Work is ongoing on the formulation and delivery of a new 10-year heritage plan.

Waterways Ireland continues to work on its 10-year climate change adoption and mitigation plan, being one of the first organisations in the public sector to do so. Research by Waterways Ireland determined that over half of the population in both jurisdictions visited at least one of its waterways in 2020. Walking, cycling, commercial boating, rowing, angling, sailing and canoeing were just some of the activities that people engaged in. Progress to improve governance, risk and controls is ongoing. The 2021 internal audit plan and associated reports have been completed, and a business process review of Waterways Ireland's finance function

is ongoing, with an estimated target completion date in June 2021. The 10-year long-term plan is nearing completion. Final articulation of the plan is ongoing, and preparatory work is already under way in preparation for pre-public consultation engagement with key stakeholders, including sponsor Departments, in advance of appropriate screening and public consultation.

As part of our examination of our commitments in New Decade, New Approach, we noted the progress achieved on the restoration of the Ulster canal. That includes the ongoing work on phase 2 of the restoration, from Clones to Clonfad, the plans for phase 3, from Castle Saunderson to Clonfad, and the plans for the development of the Ulster canal greenway.

We discussed our response to COVID-19. We noted the response of Waterways Ireland to COVID-19 and the increase in user numbers along towpaths and trails during the period of COVID-19 restrictions in 2020. We also noted the increasing popularity of the inland waterways as a holiday destination for the domestic market, as has been demonstrated by the increase in bookings for the 2021 season.

The Council noted the impact of Brexit on Waterways Ireland in the context of its status as a North/South implementation body.

We approved Waterways Ireland's draft 2020-22 corporate plan. We noted that Waterways Ireland's annual report and accounts 2019 have been signed off by both Comptrollers and Auditors General and will be laid before the NI Assembly and both Houses of the Oireachtas in the near future. We also noted that Waterways Ireland's annual report and accounts 2020 have been submitted for audit.

On staffing and organisational matters, we agreed that options for an independent organisational review of Waterways Ireland will be considered by sponsor Departments and the body, and we noted that draft terms of reference will be submitted to the NSMC for consideration at a future meeting.

We agreed that officials will explore options for the establishment of a board to oversee the work of Waterways Ireland and noted that an update will be provided to the Council at the next NSMC inland waterways meeting. We consented to a number of property disposals. We agreed to hold our next NSMC inland waterways meeting in late 2021.

**Mr Buckley (The Chairperson of the Committee for Infrastructure):** Will the

Minister explain further the review of Waterways Ireland's finance function, as outlined in the statement?

**Ms Mallon:** I thank the Member for his question. I am genuinely pleased to see engagement on the statement from my colleagues across the Chamber.

The Member may be aware that the North/South implementation bodies were established under the North/South Co-operation (Implementation Bodies) Order 1999. Two of the six bodies, one of which is Waterways Ireland, were established without a provision for them to have a board. The board of any organisation forms part of its governance structure, and we should keep the absence of a board for Waterways Ireland under review. It is eight years since the options for setting up a board for Waterways Ireland were considered. Now is an appropriate time to review the position. At our meeting, we therefore agreed that officials will explore options for the establishment of a board to oversee all of Waterways Ireland's work. An update will be provided to the Council at the next NSMC inland waterways meeting. We need to look at this with fresh eyes, and I look forward to officials bringing forward recommendations on the matter for our consideration.

**Mr Boylan:** Gabhaim buíochas leis an Aire as a ráiteas. I thank the Minister for her statement. I know that she is keen on green and blue infrastructure. Waterways Ireland asked the Infrastructure Committee for additional funding for the Ulster canal greenway. Will the Minister give us an update on that and on what action she has taken to resolve the issue? As COVID restrictions ease, we are trying to encourage people to get back out and use the facilities.

**Ms Mallon:** As the Member is aware, the Ulster canal greenway is progressing. It is under consideration by the Special EU Programmes Body (SEUPB). The period required for construction has been extended, so there is a funding shortfall. I understand that that is under consideration by INTERREG. At this stage, it would not be appropriate for my Department to become involved, given its role as an accountable Department, but I am keen to see the outcome of INTERREG's deliberations and consideration. As the Member rightly points out, I am committed to the expansion of our blueways and greenways, and I will be keen to see what my Department may be able to do to advance that.

**10.45 am**

**Mr McGrath:** I thank the Minister for her statement. When we go through it, we see that it highlights 16 areas of cooperation and delivery for all citizens on this island. I understand that the NSMC plenary meeting was obstructed again last week and was not able to take place. That is totally unacceptable. What options are open to the Minister to ensure that the functions of North/South meetings are no longer allowed to be blocked by anyone or any party?

**Ms Mallon:** I thank the Member for his question. Yes; it was hugely frustrating, not least given the amount of work that officials had put in to prepare for the very important NSMC meeting last Friday, to discover that that meeting was obstructed from going ahead. As I have said many times in the Chamber, we overcome our challenges when we work across these islands, east-west and North/South. As Ministers, we also have legal obligations and responsibilities to uphold our duties, and that requires us to engage in the North/South Ministerial Council meetings. I hope that, with a new DUP leadership and whatever ministerial team at the Executive table that that leads to, all Ministers will live up to their legal responsibilities. I hope that we will see full attendance at all North/South Ministerial Council meetings. I very recently attended the British-Irish Council summit, which was of huge importance for shared learning and collaboration. It is equally important that we have the same level of engagement on a North/South basis.

**Mr Principal Deputy Speaker:** Before we proceed with the next question and on the theme of encouraging active travel, I will say that we have travelled quite some way from inland waterways to the DUP leadership. I urge Members to try to relate directly to the content of the statement. I am not saying that the DUP leadership do not use inland waterways; I am sure that they all do, on occasion. Can we try as far as possible to relate to the content of the statement?

**Mr Beggs:** In the Minister's statement, she indicated that discussions and considerations about establishing a new board for Waterways Ireland are ongoing. Will the Minister advise why that is needed on top of the civil engineers or the civil servants who presently have that responsibility and are directly accountable to the Minister?

**Ms Mallon:** I thank the Member for his question. He refers to the fact that auditing, finance and governance processes already

exist. This consideration lies in the fact that a board is a vital element in the governance structure of any organisation. As I said in response to the question from the Chair of the Infrastructure Committee, we should keep the absence of a board in Waterways Ireland under review. It is not clear to me why there is no provision for a board in the legislation that established Waterways Ireland. Therefore, it is right and proper that the issue is reviewed. I am in no way pre-empting the outcome of that review and what the recommendation will be, but, for governance reasons, it is important that we examine the issue closely and come to a considered conclusion on it.

**Mr Muir:** I thank the Minister for her statement. I will touch on the New Decade, New Approach section about the restoration of the Ulster canal. I welcome the progress on that. Does the Minister agree that it is important that we all, in the Executive and the Assembly, focus on the delivery of the commitments in the New Decade, New Approach agreement in the spirit of genuine partnership and trust, because that is the only way that government in Northern Ireland will work?

**Ms Mallon:** In short, I very much agree with the sentiment expressed in the question posed by Mr Muir. Look at the Department of Infrastructure and the remit of Waterways Ireland: we have seen a dramatic increase in the number of people who are accessing our blueways and greenways, particularly throughout COVID. In fact, local boat hire reported having 100% bookings for 2020 and seems to be on course to do exactly the same this year. There are wonderful areas of cooperation, particularly active travel, greenways and blueways, which can deliver multiple benefits, not just for people who live cheek by jowl with those but for the wider island and when we get many visitors coming to our shores once again.

**Ms Kimmins:** I thank the Minister for her statement. Will the Minister give more detail on the organisation's plans to promote its waterways, as I do not believe that enough people know the huge scope of what is on offer across our island. While we are on that topic, I will say that the plans for a city park at the Albert Basin in Newry aim to reconnect Newry with its waterways. Will the Minister outline how her Department may be able to tie in with that project? The inclusion of cycling and walking lanes would be a huge boost to it.

**Ms Mallon:** I thank the Member for her question. The Albert Basin park was not

discussed at the inland waterways meeting, but I have been engaging on it with local stakeholders in Newry, particularly the council. I recognise the importance of the proposals there and what they can do for our blueway offering for the community in Newry and further afield.

I agree with the Member in the sense that we can always do more to promote our natural assets. In Northern Ireland and across the island, we are blessed with wonderful natural assets that can not only bring huge benefits for mental health and well-being to those who live beside them but, as I said, will be a catalyst for change in our tourism offering. As elected Members, there is a responsibility on all of us to help to showcase that through our social media platforms. Waterways Ireland is also working with tourism bodies on the island to showcase and to promote what we have to offer. It is engaged in a lot of positive work, whether that is repairing existing facilities or making improvements along our blueways. We should have all shoulders to the wheel in selling that and encouraging as many people as possible to visit safely.

**Mr O'Toole:** Minister, a few years ago, in the wake of the Brexit referendum, the UK and EU undertook a joint mapping exercise to look at the scope of North/South cooperation. Inland waterways was one of those areas. A huge range of EU legislation that affects inland waterways is obviously not covered by the protocol. What work is going on to monitor the risks to the work of Waterways Ireland from EU and UK divergence and to mitigate that?

**Ms Mallon:** The Member raises an important point. While there was no outcome from Brexit that impacted solely on Waterways Ireland, there are some outcomes that will impact the organisation going forward. EU directives no longer apply to the UK and that may lead to an incremental divergence in legislation with the passage of time. As the Member will know, the UK no longer has to comply with EU procurement directives. Following Brexit, the UK's rules on procurement are likely to remain in the short term, but they may change in the medium term. The additional procurement regime will bring added administration. Waterways Ireland has considered the implication of the need to migrate to a new tender advertising portal and platform. I want to reassure the Member that ongoing preparatory work is taking place.

Of course, there is also the issue of funding. With the exception of PEACE PLUS money, which the EU has committed to continuing to allocate, EU funding will no longer be available

to the North. Historically, Waterways Ireland has been the beneficiary of EU funding, and it anticipates that future EU funding opportunities to develop infrastructure and to promote the recreational use of waterways in the North may become limited or cease. While any lost funding could potentially be replaced, at least partially, by the UK Government or other EU funding streams such as PEACE PLUS, funding changes will remain for the future development of infrastructural assets.

**Mr Lynch:** Minister, I want to go back to the restoration of the Ulster canal. That is a project on my doorstep that will be a major boost to the economy in the east Fermanagh/Clones area. Given that the Ulster canal greenway has missed its target date of 2021, what assurances can you give that the Ulster canal project itself will meet its delivery targets?

**Ms Mallon:** I thank the Member for his question. I agree with him about the benefits that will be derived from the Ulster canal project.

I can provide an update. The restoration of the Ulster canal from Lough Erne to Castle Saunderson has been completed at a total cost of £3.2 million. Waterways Ireland has already commenced work on phase 2 from Clones to Clonfad, and it is working on an update to the economic appraisal for phase 3 from Castle Saunderson to Clonfad.

The Member did not make reference to it in his question, but, obviously, there are the remaining plans to restore the Ulster canal from Clones to Lough Neagh. The restoration of that stretch remains a goal, and all parties have signed up to it and reiterated their commitment to it in the Stormont House Agreement, Fresh Start and New Decade, New Approach. It is a commitment that I am certainly keen to see honoured so that we can get full completion and restoration of the canal, so that we have that connectivity and it can deliver all the benefits that we know it will.

**Mr Blair:** I thank the Minister for her statement and the acknowledgement of the fact that more can be done to promote our waterways and their potential. In that regard, what work is being done by her Department and its agencies with local councils to assist and progress projects in Northern Ireland?

**Ms Mallon:** I thank the Member for his question. While it was not a specific issue discussed under the agenda items, the Member may be aware that I established the walking

and cycling champion at the heart of my Department, and also, last year, I established the blue-green infrastructure fund, which I have carried on with £20 million into the new financial year. The Department has written to local councils, encouraging them to bring forward their blue-green and active travel projects that are ready for construction. I am keen that, where I can, I provide capital funding to support construction, whether it is for active travel or greenway or blueway expansion. We will write again to local councils to encourage them to bring forward proposals, and I encourage Members, through their local councillors, to push and encourage them to bring forward proposals so that we are in a position to be able to better support them.

**Ms Anderson:** I am glad that the Chair of the Infrastructure Committee asked you a question this time.

I want to ask about Waterways Ireland. It presented to the Executive Office Committee, and I understand that it is one of the first organisations to have been successfully allocated funding from the shared Ireland fund. That being the case, how will your Department take full advantage of these potential funding opportunities, maybe to develop additional North/South infrastructure projects? I am quite keen to see the sewerage capacity [*Inaudible owing to poor sound quality*] Derry/Donegal border. Given that Waterways Ireland successfully got funding from the shared Ireland future fund, it would be good to get your read on that.

**Ms Mallon:** I thank the Member for her question. She will be aware, particularly in respect of the Ulster canal, of the very recent announcement by the Taoiseach of financial contributions to the advancement of that important North/South infrastructure project from the Shared Island Fund. In fact, the Irish Government have been stepping up funding for the Ulster canal in all the phases to date.

Of course, where I can, I will have discussions with my colleagues in the South to ensure that we are able to draw down funding from the Shared Island unit. The Member will be aware of another area of my portfolio around the all-island strategic rail review, for example. There are a lot of areas, particularly through greenways and blueways, where we can do so much more. Again, that is why it is very important that we have that engagement on a North/South basis as well, so that we have cooperation and partnership working. We can also avail ourselves of the funding that is available through the Shared Island Fund, given

that budgetary conditions here in the North are so constricted.

**Mr Allister:** What progress has been made in repairing the devastation of our east-west links? The answer is "none", which means that I want to register the view that North/Southern should not be proceeding so long as the east-west has been trashed. I trust that the new DUP leader will so ensure and wipe the smile off Sinn Féin, who take pleasure in the DUP's acquiescence in the current situation.

**Mr Principal Deputy Speaker:** I am not certain that there was a question in there, Minister. However, if you wish to respond, you may do so.

11.00 am

**Ms Mallon:** Mr Principal Deputy Speaker, I would like to respond. As Minister for Infrastructure, I have been extremely proactive in my engagement on an east-west basis. I have had multiple meetings with my ministerial counterparts in Westminster, in Scotland and in Wales. Every time we have our engagement, we talk about shared challenges, shared learning and cooperation and partnership working in the interests of all our citizens.

I am growing increasingly tired of this dance with Mr Allister. The truth is that I, as the Infrastructure Minister — I cannot speak for any other Minister — take my role very seriously. I am sincere in my engagement on an east-west basis, even on the UK connectivity review, about which I have huge concerns that are shared across the Chamber. I have engaged faithfully in that process as well. I sincerely hope that the way I approach that engagement on an east-west basis is the same approach as that adopted by other Ministers on a North/South basis.

**Mr Principal Deputy Speaker:** That concludes questions on the statement from the Minister for Infrastructure. Members will take their ease for a few moments, and we will move on to the Final Stage of the Budget (No. 2) Bill. Members, if you are leaving the Chamber, do not forget to sanitise the place where you were sitting.

## Executive Committee Business

### Budget (No. 2) Bill: Final Stage

**Mr Murphy (The Minister of Finance):** I beg to move

*That the Budget (No. 2) Bill [NIA 24/17-22] do now pass.*

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

**Mr Murphy:** Today's Final Stage debate concludes this part of the legislative process for the Budget (No. 2) Bill. The Bill provides the legislative authority for the expenditure of Departments and other bodies as set out in the Main Estimates, which were laid in the Assembly on Thursday 27 May 2021. Those Main Estimates are in turn based on the departmental spending plans set out in the Executive's Budget 2021-22, including the in-year allocations confirmed at that time. As Members will know, the Treasury's spending review provides an increased capital budget; however, the Executive's non-COVID resource departmental expenditure limit (DEL) settlement essentially represents a standstill Budget, once increased costs and service demands are taken into account.

With the limited resources available to us, the Bill provides funding for front-line Health and Social Care (HSC) workers to continue to roll out the vaccination programme and funding for waiting lists. It also provides funding for free school meals, special educational needs (SEN) and services to address the impact of COVID on the well-being and learning of children and young people. Funding has been provided to support business and jobs, including through the Job Start employer incentive and the economic recovery plan, which includes the high street voucher scheme. Support has been provided to individuals and families through the rates freeze and to businesses through the rates holiday. The Bill provides the legislative authority for that expenditure.

I remind Members that the Budget Bill was agreed by all Ministers and that no Minister proposed a single change to the allocations in the Bill. My Department continues to engage with all Departments to ensure that the Executive have an up-to-date picture of the pressures that they face and how the available resources are being used. As the year

progresses, the Executive will make further decisions on the allocation of resources, and I will bring those back to the Assembly through the spring Supplementary Estimates (SSEs) and a subsequent Budget Bill at the end of the financial year.

I express my gratitude, once again, to the Finance Committee for giving agreement to accelerated passage. I thank all Statutory Committees and, indeed, all Members for the scrutiny that they have been able to bring to the process.

This is the Final Stage of the legislative process for the Bill. I now look forward to hearing any final thoughts from Members on this important legislation.

**Dr Aiken (The Chairperson of the Committee for Finance):** I thank the Minister for his opening comments. My remarks on behalf of the Committee for Finance will address the Final Stage of the Budget (No. 2) Bill.

The Department kindly provided the Committee with oral and written briefings in respect of the Main Estimates in the Bill. The Committee was also provided with clarification on a number of process issues in respect of headroom [*Inaudible owing to poor sound quality*] and accrued resources. Additionally, officials helpfully explained particular Budget lines relating, for example, to the Executive Office and the Executive COVID task force, amongst other things. Statutory Committees also asked questions of their own Departments. Important issues have resurfaced in the House, including the victims' pension scheme, PSNI numbers, Northern Ireland Water and waste treatment capital spending, the delivery of universal credit and other matters relating to 'New Decade, New Approach' and to confidence and supply. I also thank the Committees and their Chairpersons, who have participated, often very eloquently, at the previous stages of the Bill.

Sometimes, in such debates, we have had clear answers and secured important assurances from the Minister. At other times, the issues have proved a little more intractable. In any event, I thank the Minister and his officials for the many responses that he has provided in plenary sittings and in exchanges with the Finance Committee; indeed, at many of our Committee sessions, we seemed to be permanently engaged, which is an appropriate place for the Committee to be with the Department.

The Main Estimates are several hundred pages long. The Bill has a number of detailed

schedules where the cash and capital figures are sometimes combined. The descriptors for the expenditure in the Bill schedules are lengthy and hard to understand, and some officials also found them particularly hard to explain.

Therefore, it was sometimes practically impossible to work out exactly what we have all voted for. It was also the case that, because of the way that the Bill Estimates are presented, it was difficult to work out, on some occasions, what questions we should ask; indeed, I would not be surprised if, lurking within the pages of the Estimates, there are unknown and undeclared problems that we have not properly understood. I also would not be surprised if the answers to those problems might be difficult for any Finance Minister to explain fully in this forum or for any officials to do the same for their Committee at the limited number of sessions at which the Budget is discussed.

We have heard a lot of complaints about the Budget process, many of which have been from me and members of our Committee. If it is so bad, why did we as a Committee support accelerated passage? Why have most Members voted in support of the Bill at its previous stages? The answer is simple: the Department has advised that, if we do not pass the Bill speedily, public services might just run out of money. The consequences of money running out for vital things like health and education and a myriad of other important things are too awful to contemplate, particularly in the midst of a COVID pandemic. Thus, we are where we are: at the Final Stage of the Budget Bill.

The way out of this may come from the independent Fiscal Council for Northern Ireland. That body may be able to analyse public spending, compare allocations in similar jurisdictions and forecast what would be required over a financially sensible period, that is, three to five years or more. It might also produce reports that we can understand and to a timescale that works not just for the House but for everybody in Northern Ireland who is interested in how we manage our Budget. If anybody does not think that that is important, I say that we are dealing with somewhere close to £13 billion of public money. That is public money for all the people of Northern Ireland, and it should be of interest to all of us.

In recent evidence to the Committee, the Office for Budget Responsibility (OBR) indicated that, with a one-year Budget, the legislature was simply along for the ride. I think that we are all tired, the Minister included, of being along for this ride for the Assembly. It is now time to

make a change and, indeed, to make a difference.

We now begin to see a new way forward for this new key governance moment: the passage of the Budget Bill. In the meantime and for the reasons that I set out, the Committee is content that the Budget (No. 2) Bill should pass its Final Stage.

**Mr K Buchanan:** First, I thank the Minister and his office for their kind words *[Inaudible owing to poor sound quality]* Committee. I do not know whether that is an elevation or a demotion. We will soon see, so thank you very much for that.

The Budget highlights the overwhelming financial contribution that the UK Government make to Northern Ireland. The financial benefits of being part of the United Kingdom are vital to the public services and economy of Northern Ireland, and additional funding contributions during the pandemic response underlined that. That highlights the need and importance of remaining an integral part of the United Kingdom. Without the financial input of Her Majesty's Treasury, and *[Inaudible owing to poor sound quality]* levels of support offered to the Executive to mitigate the worst effects of the crisis, many businesses would not have been able to stay afloat and there would not have been the assistance for employees across Northern Ireland. Those are the benefits of those elected to Westminster actually attending Westminster and lobbying Westminster.

There is a need to ensure that all Budget processes are *[Inaudible owing to poor sound quality]* and lend themselves to full scrutiny. The absence of a multi-year Budget continues to be of great concern. It is in the interests of all that a multi-year Budget be planned. The culture of in-year monitoring rounds and one-year Budgets needs to change, as such Budgets have only been stopgaps and temporary fixes. We must have a proper multi-year Budget that is delivered in a timely manner to allow for proper scrutiny.

When they exclude one-off COVID funding, it is clear that, for most Departments, the Budget outcome represents, in theory, a flat-cash settlement. The reality is that, given increased demand on services, it is likely to represent a reduction. That is extremely concerning. When considering the Budget, we must always be mindful that public money should be spent wisely and not wasted on vanity projects.

The need for a clear, continued Budget can be particularly seen in respect of the Department of Health and the need for transformation to

allow us to deliver for all constituents across all areas, as set out by the Health Minister only last week. It is hard to ignore the fact that health and social care account for almost half of day-to-day spending this year at just under £6.5 billion. We must ensure that any Budget safeguards allow for action to be taken to reduce waiting lists dramatically and provide treatment for the 330,000 people awaiting appointments and treatment. Given current estimates, it will take in the region of £750 million to £1 billion to tackle waiting lists alone effectively. It is clear that the funding impetus for the long-term change that is needed is simply not there at present.

Our economy needs a clear and decisive Budget. Many businesses are still impacted directly and indirectly by the restrictions. Many Departments still need to deliver support to businesses as they continue to feel the impact of COVID restrictions and their outworkings. We cannot predict the full extent of the pandemic on our economy, but it is clear that there will be a massive impact on Northern Ireland's rates income. We need to acknowledge the challenge and drive forward with an approach to the rates revaluation that incentivises jobs and growth and meets the needs of established and emerging sectors of our economy.

I await the outcome of the fiscal commission and the fiscal council's initial work. Maybe the Minister can touch on that in his remarks.

Independent advice sector funding needs to continue. In my constituency, workers for Advice NI work on a monthly contract, as there has been no confirmation regarding future funding for the sector.

It is clear that much has been done over the past 15 months to keep things afloat, but much more is to be *[Inaudible owing to poor sound quality.]*

**Dr Archibald (The Chairperson of the Committee for the Economy):** I will speak briefly as Chair of the Economy Committee, and I would like *[Inaudible owing to poor sound quality]* the Committee *[Inaudible owing to poor sound quality]* the Budget scrutiny.

Since I spoke in the Second Stage debate, the Committee has received a further briefing from departmental officials regarding the June monitoring round. The Committee remains concerned at the Department for the Economy's heavy reliance on in-year Budget allocations to pay for important programmes and projects. Additionally, the Committee hopes to see the

significant use made of ministerial directions during the COVID emergency reduced.

As I have said previously, the Economy budget has flatlined in 2021-22. However, officials have assured the Committee that they are confident that the Department's funding is appropriate to meet its expected requirements over the next number of months.

#### 11.15 am

The Committee remains alert to the fact that the economic recovery action plan has been allocated some £290 million by the Executive *[Inaudible owing to poor sound quality.]* The Committee repeats its call for better monitoring for that spend, as it will be vital that live analysis be undertaken regarding how well funds are being spent and the impact that they have. It is vital that the use of that money is maximised. We continue to engage with officials on that.

The Committee has concerns that the 10X Economy plans for innovation, trade and investment are non-Executive strategies and, as a result, are not funded. Members also have concerns about whether that means that they have not been fully aligned with other key programmes and strategies across Departments. The Committee is keen to see the Department's New Decade, New Approach commitments properly funded, and members have concerns that Treasury funding for Project Stratum etc is still not in the Department's bank account, so to speak. Officials have indicated that they are content with the Department of Finance's response to their June monitoring round requests. However, the Committee remains somewhat unclear on some of the detail and will continue to scrutinise the outcome.

The number of vacancies in the Department is another significant concern for the Committee as that must impact on the delivery of important work. Members ask the Finance Minister to ensure that recruitment competitions and the induction of new staff continue at speed to ensure that staffing in the Department for the Economy is at appropriate levels. I ask the Finance Minister whether there is any update on the recruitment processes.

Members know that we are entering a critical phase for our economy. It is likely that the British Government's COVID supports, such as the furlough scheme, will start to fall away, so we must be ready with our skills programmes and other supports to ensure that our people are not left without work or training opportunities. The Committee has a strong

focus on the skills agenda and wants to ensure that that is properly funded at a number of levels. As ever, the Committee will work tirelessly to advise and support the Department for the Economy to make the right decisions and seize the opportunities that are presented. The Committee is content to support the Bill.

I will make a couple of brief comments as Sinn Féin economy spokesperson. I will spare the Minister a repeat of my previous contribution. We heard at the briefing on June monitoring last week that some capital funding allocations that are not part of June monitoring are expected to be made along with it, including £42.3 million for Project Stratum and some capital DEL funding for the city deals and Magee medical school. Officials told the Committee that those allocations are from Treasury. Will the Minister clarify that? Does he expect those allocations to be made along with June monitoring?

I have put on record previously my concerns around the ending of furlough, so I will not go into those again. The situation two weekends ago with Stobart Air highlights the impact that there will be on certain sectors that are likely to see a prolonged negative impact from the pandemic. When it comes to aviation and aerospace, there are particular responsibilities for the British Government as those are reserved matters. Have there been any discussions with or representations from other Ministers in respect of support or calls to the British Government for support for our airports or air routes? The Irish Government also have New Decade, New Approach commitments on route development, and there is the issue of the travel sector more generally. I have raised that with the Economy Minister and will continue to do so. That also needs to be an important part of the economic recovery action plan and the tourism recovery plan. I will leave it there.

**Mr O'Toole:** I will try not to detain the Assembly too long. Most of us have said what we were going to say multiple times now in the Budget process. I am sure that the Minister *[Inaudible owing to poor sound quality]* more than once. A lot has happened since the initial Estimates were laid and the first Budget document on which they were based was laid. We have had accelerated passage of the Bill and accelerated passage of a DUP leader and a First Minister, so it has been a busy time. Other things have happened since the Main Estimates were first laid and since the Budget document was first passed. We have taken, we hope, another step forward in moving out of this phase of the pandemic, but we have also seen in stark relief

the position in which our public services will be left post the end of the pandemic.

It has been mentioned that we face a devastating waiting list crisis, with one in four of our population languishing on waiting lists in Northern Ireland, and it is critical that we deal with that. We have not yet been able to deal with it via our budgeting process, and, as I said, in the absence of an agreed Programme for Government, the Budget process is our default strategic policymaking tool. So, when we approach the multi-year UK spending review later this year, it is critical that we have a coherent plan agreed between the Finance Minister, the Health Minister and, yes, other Ministers, to confirm those priorities and make those allocations. Ideally, we would have that agreed before the UK spending review is published. I know that those conversations are happening already with the Treasury, and it would be helpful if the Minister could update us on those. We stand ready to do our part in delivering on those commitments, because where we are with waiting lists is simply unconscionable.

Another thing that has happened since we started the process of passing the Budget (No. 2) Bill is that inflation has risen again. We now face a situation where UK inflation is above the Bank of England's target. The Minister has talked about the fact that, when you strip out COVID spending, this Budget is broadly a flat-cash settlement for Departments. It is difficult to get a clear reading of where we are because of the unique situation of the COVID spending allocations, which I will go on to talk about. It is clear, however, that, given the spending review later this year — there is, probably, an internal tussle in Whitehall at the moment around allocations — and the fact that inflation and costs are rising across public services, we need to have a clear picture of how that will affect our public services. As we enter the next six months, it is critical that we have a clear approach from the Finance Department, the Finance Minister and all Departments to what the needs are and what the spending profile should be.

Others mentioned something else that is happening here, which is the creation of the fiscal council and the fiscal commission. My party has supported their creation. We called for them repeatedly, I lobbied hard for them, and I welcome the fact that they have been set up. In addition to the work that the fiscal council will do as a watchdog, I hope that the fiscal commission can give us a clearer picture than we have at present of the broad waterfront, if

you like, of revenue raised in Northern Ireland, because that is critical. At the moment, frankly, whatever your view of how we spend money, the long-term position or whether the block-grant funding model is a good thing — should we should simply be grateful to the UK Exchequer for its beneficence or seek to raise more of our own revenue? — ultimately, it does us all good to have a clearer picture of how much revenue is raised in this jurisdiction. We are simply flying blind in many ways. Of course, when I mention the word "flying", it brings me back to the subject of the £2.5 million that we spend every year subsidising non-existent long-haul flights. At least, when we are flying blind, we are flying — or maybe not even flying — for the cost of that £2.5 million a year.

Part of the reason why we will need that clarity from the fiscal commission is that as well as costs rising and inflation increasing, the most significant revenue that is raised here is from the regional and local rates. During the COVID pandemic, those rates have, in large part, been subsidised, which was a good thing, but we do not know what their long-term durability will be. We do not know how, in the medium to long term, the huge and significant shift in economies everywhere that has happened as a result of COVID-19 will affect that revenue base. We are looking at a Budget (No. 2) Bill today — I will come back to the Bill, Mr Principal Deputy Speaker, before you take the opportunity to make me do so — that is predicated on a revenue picture that may well be out of date. We need an update on how all of that works.

I come back to the immediate short term. This year, part of the problem with our budgetary process is that we end up debating out-of-date Budget Bills. As the Minister said, this Budget (No. 2) Bill and the Main Estimates did not incorporate all the allocations that have been made in-year. That is understandable, given the fast-moving nature of the picture, and subsequent allocations have been made by the UK Treasury. However, we need to see the June monitoring round. I know that individual Committees have had briefings from their respective Departments. If the Minister could confirm today that he expects to make a statement to the House before we go into recess, that would be helpful. There are specific areas in which, given the volume of outstanding COVID-19 funding, we will want to know exactly how the money is moving around in and between Departments. One obvious area is the high street voucher scheme, for which the Department's permanent secretary sought a ministerial direction at a very early stage of the process. We therefore need to understand

whether the Executive are confident that all the money will be allocated this year; and, if not, we should have a clear understanding of whether and how it will be reprioritised.

In conclusion, let me say that there is a chance, given the political volatility of this place, that this will be the last Budget Bill that we debate in this mandate. I hope that it is not. I hope that we go to our full term. It is worth saying, however, that one of the things that has marked out the past year and a half of this mandate, although, yes, civil servants moved at speed to deal with unprecedented circumstances, is a mistiness, a vagueness and a lack of strategy that has plagued the Executive overall.

Let us all pledge, as we create the new fiscal institutions and as we move, hopefully this time next year, into a new mandate and a refreshed sense of purpose for whatever Executive emerges afterwards, to do budgeting better, more strategically and with more clarity. I will spare the Assembly further words. We support the Bill at Final Stage.

**Mr Muir:** On behalf of the Alliance Party, I support the Budget (No. 2) Bill at Final Stage. Like others, I do not intend to repeat the remarks that I made at Second Stage. There would be little point in doing so, given that nothing in the legislation has changed since it was presented. The entire process feels like going through the motions rather than an opportunity for genuine scrutiny, but, as someone recently said, "That's life".

The initial allocations for this financial year have been agreed. A key role for Members will be to scrutinise how Departments allocate their settlement. That a Minister has received a similar settlement to last year does not necessarily mean that that Minister has to spend it in exactly the same way. The Minister for Infrastructure recently confirmed to me that she has a budget of just over £200 million of capital to spend on her ministerial priorities. We will continue to press the Minister to do more to deliver a green infrastructure in Northern Ireland rather than accept that the underfunding of walking and cycling infrastructure in particular in Northern Ireland is an inevitability. It is not.

We will continue to scrutinise in-year COVID funding and monitoring rounds. I agree with Mr O'Toole's point on the high street voucher scheme. If the scheme is to be reviewed and we are not to proceed with it, we need to take that decision early to ensure that the money can be used wisely. The Executive should prioritise supporting our economic recovery

from COVID, but they must be sure to spend wisely to ensure that money that could be spent on rebuilding public services is not wasted. That is a key test in this financial year.

We will also continue to challenge the Finance Minister and others in the Executive to push forward a policy and legislative agenda that will enable better financial scrutiny and decision-making in Northern Ireland, such as on the work of the fiscal council, which needs to progress its efforts at pace. It is important that the fiscal council be given appropriate resources and, in due course, statutory authority to fulfil its role effectively and independently in this financial year and beyond.

The Finance Minister must lead the response to the Northern Ireland Audit Office (NIAO) report on the capacity and capability of the Northern Ireland Civil Service (NICS) in order to make sure that the Civil Service has the skills and experience to spend a sizeable capital budget effectively and develop schemes that catalyse a green economic recovery.

Finally, I turn to the role of the recently established fishcol, fishcal — easy for me to say —

**Dr Aiken:** It is not. *[Laughter.]*

**Mr Muir:** — fiscal commission, which will identify ways in which the Assembly can utilise tax-varying powers. It is important that the fiscal commission set a pathway for the significant work that needs to be done before Northern Ireland is granted greater fiscal devolution.

### 11.30 am

The spectre of RHI still looms large over this place. Despite the Functioning of Government (Miscellaneous Provisions) Act (Northern Ireland) 2021, we still need to see the final report from the Executive subcommittee on the RHI inquiry. I ask the Finance Minister for an update on that. Until we can show that the lessons from RHI have been learned — I am not sure that they have — and that there has been a fundamental change in the culture of Stormont and the Civil Service, I fear that the fiscal powers devolved to Northern Ireland will remain totally unchanged. Yet there is a significant amount that the Executive could do if there was a political consensus to do it. Everyone in the Assembly agrees —.

**Mr Principal Deputy Speaker:** I ask the Member to resume his seat briefly. I have shown considerable leeway with Members

because it is a Budget debate, and historically that is the case. However, I will say to the House that, whilst Members may wish to consider the Budget process more generally, lengthy discussions on the wider process are likely to be beyond the scope of the Bill, unless the contribution can be related directly back to the principles of the Budget (No. 2) Bill.

**Mr Muir:** I have one more comment, which is significant and relates to the Budget as it is on the non-domestic rating system. The Alliance Party has consistently called for an independent review of the non-domestic rating system, which could bring forward proposals for how we can ensure that we support local retailers while shifting the burden from bricks-and-mortar businesses to online retail and increasing the rates revenue to pay for public services. We need to address this key issue in this financial year, in the context that the reliefs that are in place as part of this Budget will end at the end of this financial year, leaving many businesses facing a cliff edge.

In conclusion, my party supports the passage of the Budget (No. 2) Bill. We record the need to reform the budgetary process and call on the Finance Minister to continue with the large body of work that can be done in this financial year to improve Northern Ireland's financial position and the institutions overall.

**Mr Gildernew (The Chairperson of the Committee for Health):** I will speak on behalf of the Committee and then make some brief comments as my party's spokesperson on health. The Department of Health has been allocated almost half of the entire resource budget, with a resource allocation of almost £6,451 million. There is no doubt that this is a significant amount of resource funding for the Department. However, the Department has indicated that, despite the large allocation, this is a standstill budget and there is no funding space available to tackle backlogs and waiting lists.

There is no doubt that the 2021-22 budget allocation for the Department of Health is challenging. While all Departments are under considerable pressure, we are all too aware of the real-life experience of our constituents in accessing healthcare and treatments. We hear news stories every day about the size of waiting lists and the length of time that people are being told that they will have to wait for a first consultation, never mind for whatever treatment they may require.

While we welcome last week's statement from the Minister on the elective care framework,

considerable investment is needed in the health system to not only address the waiting lists but bring forward the important transformation agenda to ensure that the health system is both efficient and provides effective treatment when it is needed most. It was for that reason that the Committee wrote to the First Minister and deputy First Minister to request that an Executive meeting be held to consider the issue of waiting lists. We hope that that will happen as soon as possible and that an update will be provided on the outcomes of the meeting. Waiting lists have to be one of the Executive's priorities over coming years.

I will reiterate some of the comments that I made in the last Budget debate about the scrutiny of spending plans and priorities. I have to say that, in the Department of Health, it is very difficult to identify spending on priorities and, then, to track that spending over the financial year. With such a large budget in the Department of Health, we tend to get a headline figure, with no real detail of the total spend to tackle waiting lists and health inequalities and spend on mental health. That is further complicated by the differing approaches and reporting in the Department, the Health and Social Care Board (HSCB) and health and social care trusts. That can make it complicated and confusing to follow the funding and, importantly, to track outcomes to see what is working and what could work better.

The Committee is keen to ensure that there is transparency in the spending plans and that it is able to follow the funding across each of those organisations. We need to be able to identify and track spending, especially on priority issues such as how much is being spent to address waiting lists, to reduce inequalities, on mental health, on autism diagnosis and follow-on services, and to support unpaid carers. We need to see how much is being spent on those priorities and the outcomes of the funding. I note that the Department has been very good at identifying and tracking COVID spending and pressures, and we need to see a similar approach to those priorities over the coming years. The Committee will continue to engage constructively with the Department to ensure scrutiny of its spending over the coming year.

I will now add some brief remarks as Sinn Féin spokesperson. I want to acknowledge the work that has gone into elective care plans to tackle waiting lists. I also acknowledge the work and the additional resource that the Department of Finance and the wider Executive —.

**Mr Principal Deputy Speaker:** I ask the Member to resume his seat briefly. I know that

no offence was intended by Mr McHugh, but it is not the done thing to walk directly behind a Member when he is on his feet speaking. I am sure that Mr Gildernew will give you a stronger reprimand afterwards than I did.

**Mr McHugh:** Apologies.

**Mr Principal Deputy Speaker:** That is OK. It is grand.

**Mr Gildernew:** Mr Gildernew is not as exercised as the Principal Deputy Speaker, but thank you. *[Laughter.]* I acknowledge the work and the additional resource that the Department of Finance and the wider Executive have provided to help already. However, as we have seen with the waiting list plans, there is a considerable ask, amounting to an estimated £700 million over the next five years. More detailed plans, however, are now needed to address health. We have yet to see a detailed costed plan to address the crippling workforce shortages and pressures, and, without those pressures and shortages being addressed, we will not deliver on the ground the change and the increased service that are needed. We need to see how much is needed to provide for new training places, to upskill health and social care workers and to provide the safe staffing that was agreed with the unions, and we need to know what a fair rate is for domiciliary care workers and providers in the future.

I could go on, but those are the details that I will be seeking from the Department of Health in the time ahead. It goes without saying that, without multi-year budgeting, the task becomes increasingly difficult. I will end by reiterating my support and that of Sinn Féin to addressing the health emergency before all of us today.

**Mr McHugh:** Again, I apologise to my colleague. I did not know that there was a difference in that respect.

Ba mhaith liom fosta buíochas a ghabháil leis an Aire as a ráiteas. I thank the Minister for his statement today, and I welcome the opportunity to contribute to the debate on the Final Stage. During the debates that have happened over different days in the Chamber, we have focused quite a bit on Health and the like. The Budget has committed over £6 billion to Health. That is over 50% of the block grant, which is to be expected. We all know, however, that that is still insufficient to deal with the long-term issues and problems in health at present, in particular, as alluded to by Mr Gildernew, the long waiting lists, which would not be tolerated in any other part of the UK. I know that that would not be

tolerated in England in particular, but here, in the North of Ireland, we are confronted with that. We know that the situation requires more resources and a reorganisation of the health service itself to resolve its difficulties and problems.

It is the case that some Members in the Chamber from one party often end up pointing the finger at those from another party about who is responsible for what. However, this is a major problem that we have all struggled with before COVID and during COVID, and, in fact, it has been exacerbated as a result of COVID. Much of it is a reflection of underfunding by the Tory Government, and that has created a situation in which our Finance Minister and the other Ministers have had their hands tied in many respects. They know that it all requires additional funding. Minister Swann has already announced an immediate comprehensive review to tackle waiting lists in particular. He has stated that that will require over £700 million over a five-year period. In fact, at one time, I saw it stated that it would require £2 billion over a 10-year period. His requirement is £300 million less over the five-year period, but he feels that that is what is required to address that whole issue. Yet and all, the question remains: where is that money to come from? There has been an offer in the Chamber from one Minister when confronted with the question of whether they would be prepared to sacrifice funding from their Department in order to assist Health. Maybe all Departments might be expected to do that down the line. However, even with that, we know that it would still be totally and absolutely insufficient to meet the requirements of the budget that is needed to deal with those issues.

At present, rates raise £580 million, I think, per year. As we know, that needs to be complemented in order to provide the present services and make all other provisions for society in addition to the health service. We need more funding. One of the ways in which we can actually achieve that is to have greater control over raising our own tax, perhaps through income tax or value added tax, in such a way that we can also then control how we spend that budget. I welcome the fiscal commission's being appointed to look at those issues and the devolution of tax to the Northern Ireland Government per se, just in the same way as it is at present in Scotland, where at least they are able to approach many of those issues and have greater control over the funds that they have at their disposal. We need that in the North of Ireland too. We need those funds at our disposal. Hopefully, through our own taxation, we will be able to raise those funds.

One can think immediately of some of the multinationals and the types of returns that they are experiencing at present as a result of the way in which they have conducted their business during COVID and so on. Once again, it highlights the very same issue that there are multinational firms that get away — I cannot say totally and absolutely, but relatively scot-free in comparison with what other people have to pay in tax, and so on. If we had that control —.

**Dr Aiken:** I thank the Member for giving way. On the issue of corporation tax, large corporations and the rest of it, is the Member then advocating for increased corporation tax, well within the OECD level of between 22% and 25%, across this island?

**Mr McHugh:** In fact, the latest suggested level of corporation tax is 15%. Those who earn more should pay more, and those who have the ability to pay should pay, rather than it being left as a burden all the time on working-class people. Once again, through the likes of the fiscal council and so on, I hope that they will arrive at conclusions and decisions that will support the Minister and allow him to then approach the likes of the British Government and demand greater taxation powers for Ministers in the North of Ireland.

**Mr Chambers:** I acknowledge that it has been a difficult time for all Departments with regard to funding this year. I wish to speak about a few issues in the Budget that relate to the Department of Health. The additional £450 million for COVID and the post-Budget exercise is hugely welcome. However, because so little of that funding is actually recurring, and so much will be spent on the vaccination programme, COVID response, rebuild programme etc, it actually falls far short of what is needed to meet inescapable pressures and maintain key existing services.

Given that the allocation also fell short of the overall requirements to continue funding all ongoing transformation projects at 31 March 2021, COVID-19 rebuild funding had to be used to fund additional prioritised transformation projects. That is totally unsustainable.

#### 11.45 am

The elective care framework, which the Health Minister published last week, indicates that £707.5 million of additional investment will be required over a five-year period to reduce the backlog of patients on waiting lists and to build Health and Social Care capacity to meet ongoing annual patient demand for services.

For every £1 million allocated to tackle waiting times, approximately 1,000 assessments and 350 treatments are expected to be delivered. Economies of scale associated with larger contracts would be expected to increase that return, subject to case mix, and that would surely represent better value for money.

Multi-year funding would allow Health and Social Care departments to secure long-term, large-scale contracts with the independent sector, allow for greater strategic planning and avoid the historical stop-start contracting arrangements associated with the one-year funding allocations. I look forward to a time when we can have multi-year Budgets brought to the House.

**Mr Carroll:** In some ways, it is ironic that, on the 100th anniversary of the Northern Ireland Parliament's first sitting, when there was a Government and an Assembly that attacked working-class people's conditions whilst proclaiming to uphold an all-class alliance, today, 100 years on, a multiparty Executive containing people designated as unionists, nationalists or others support and push through another Budget that does nothing to enhance pay, conditions or the experience of working-class and deprived communities beyond [*Inaudible owing to poor sound quality*] as usual.

The Minister has stated repeatedly, maybe at every stage of the Budget Bill, that, in reality, this is a standstill Budget. In real terms, in translation, that means a deterioration of conditions, pay and finance for people who are not connected to Stormont and are not wealthy as it is. A harsh reality during COVID has been that those who do not have as much as it is have found it difficult to weather the storm of the pandemic. Meanwhile, organisations that likely have large resources, such as sports organisations with well-financed bank accounts, get bailed out or profiteer from the pandemic while other people are failed. That is scandalous and a real, horrible legacy of COVID in this place. The Budget does not address those issues; it just exacerbates them.

We heard from the Health Minister last week or the week before about a road map for tackling waiting lists, and the reality is that the resources required to tackle waiting lists are not detailed in the Budget. As some Members have said, there is fuel and support for continuing the two-tier health model. That is the approach of the Department and, seemingly, the Minister. There is no plugging of the gap of the 7,000 nurses that we are short, as people know. There is no extra money set aside for nurses' pay beyond

what is expected or what will be announced by the pay review body, so we are effectively subject to its decision. What an insult to people who worked through hell and high water to protect and save lives during COVID.

Of course, the truth is that things did not and do not have to be this way. Even in the belly of the beast of capitalism in the US, there has been, if not a break, certainly a sidestep in how government is operated. Joe Biden, who is by no means a socialist or a radical, is investing \$2 trillion in infrastructure, in the US economy and in people's pockets, whereas this Executive continue to adopt policies of neoliberalism, attacking public services and implementing pay cuts whilst passing them off as increases — a classic, textbook Tory policy.

In looking back over 100 years, the only time when people's conditions improved was through mass demonstrations, strikes and protests such as the 1919 general strike, the 1932 outdoor relief riots and recent water charges campaigns. The Budget does not reflect the pain and suffering that people have gone through in the past year, and, for that reason, I will vote against it. The solution to that is to organise our communities to protest, to put pressure on the Executive for their failed policies.

**Mr Principal Deputy Speaker:** I call the Minister for Communities — I beg your pardon. The word "communities" was used at the end of Mr Carroll's speech, and it was still ringing in my ears. I call the Minister of Finance, Mr Conor Murphy, to conclude the Final Stage debate.

**Mr Murphy:** I know that there have been quite a lot of changes to keep up with. *[Laughter.]* I am pleased to say that I am still where I was: in Finance.

I thank all the Members who have contributed to the debate today and those who contributed to the debates at the Bill's earlier stages and in the debate on the associated Supply resolution a number of weeks ago. I have listened to their remarks and am sure that I have answered some of them before. Nonetheless, the Chair of the Finance Committee knows that I share his view on the simplification of the Budget process and a desire to get to a space where we give the information that is required in an accessible way and conduct the process in a much more accessible way for Committees, Members and the general public. That has to be our objective. We have started the process to begin that change, and it is my intention, whether I am in the Department or not, that the Department will

continue that change over the next number of years to get to the point that the Chair and others rightly identified.

A number of Members, including Mr Keith Buchanan, made reference to the fiscal council and the fiscal commission and asked where they were. The fiscal council is consulting a range of stakeholders and taking their views on the initial terms of reference that we provided it with before they are finalised. That may include legislation, whether it is in this mandate or the next, to confirm that. That will include engagement with the Finance Committee, which, I think, is coming up soon, perhaps this week. By the end of the summer, I expect to have the final terms of reference in place. We are looking at a possible legislative timetable to underpin that. That would be challenging, but the Committee is keen and has offered its assistance to do that. We will certainly look to do that in the time ahead.

**Mr O'Toole:** I thank the Minister for giving way. On the point about legislation happening in this mandate, there is broad consensus in the Committee to do things quickly to help achieve that. We have a degree of instability here. Most of us hope that the mandate runs to its end, but is there any way that the Minister can use his office to ensure that, whether he is in the same office in the next mandate or not, we get an agreed commitment at Executive level about the legislative footing? It would be a real shame if it were to drift or fall?

**Mr Murphy:** The Member will know that the establishment of a fiscal council was agreed by all the Executive parties; it goes back to the Stormont House Agreement and was repeated in NDNA. There is an Executive commitment to establish the council. It is recognised that, in the first instance, initial terms of reference should be given to the council for consultation and analysis. Then, the council should work with us to finalise the terms of reference. In other places, that has been followed by legislation. If that can be done in this mandate, I am willing to try to do it, although we have been told by the Office of the Legislative Counsel that any legislation should have been tabled in the spring to ensure its passage. I understand that the Committee is keen to help us with that, and certainly, if it can be done, we will do it. I would not be concerned that the work will drop, because it is a full Executive commitment, and I expect that whoever occupies the Department of Finance will take it on if it is not done during this mandate. I would certainly like to be able to do it.

Unsurprisingly, a number of Members addressed the issue of health waiting lists. We have the issue of addressing the waiting list backlog plus future health transformation and workforce planning. All of those things are interlinked, complex and financially challenging. Nonetheless, that is what the Executive have committed to do. As Members have said, the Health Minister has produced the elective care framework, with an identified price tag of more than £700 million over five years. There will be an Executive discussion on that in the near future. We need to be in a position, as a number of contributors have said, to set a multi-year Budget, because the predicted finance that the Health Department will require to address waiting lists is recurrent. This year, we have been able to give COVID money, which is helpful to the Department. However, the Health Minister and I have had the conversation, and we both understand that the Department needs recurrent funding so that it can employ staff to enable it to target waiting lists. We are committed to doing that.

Caoimhe Archibald raised issues regarding the recruitment of civil servants. There is a programme ongoing in relation to that. We also have apprenticeship programmes. We are trying to recognise the need to change the make-up and age profile of the Civil Service and ensure that it is more representative of society. That process is ongoing.

A number of Members mentioned the June monitoring bids. I hope to bring a statement to the Assembly next week. Yesterday evening, I sent proposals to the Executive, and I am hopeful that those can be resolved by Thursday. That will allow me to bring a statement next week. Of course, Members will know that, when statements and allocations go to Ministers, people often have issues to raise with them. Nonetheless, that is the intent. It is my intent to do it before the month is out — hopefully, next week.

Caoimhe Archibald also raised the issue of support for airlines. The Economy Minister has written to me regarding proposed support for the airline industry and about air connectivity in particular. When I was in London a number of weeks ago, I spoke to Grant Shapps about support for connectivity here. We have also raised it with Dublin, particularly in respect of the City of Derry Airport, its air routes with Dublin and the possibility of supported air routes. We had intended to raise the issue on the margins of the North/South Ministerial Council on Friday, but the meeting did not happen. However, I hope that it will happen

soon. We will continue that dialogue with Dublin.

I will go through some of the other issues. Matthew O'Toole raised issues relating to prioritising again. We have been through the argument about the one-year Budget many times and discussed the fact that the short-notice and standstill nature does not allow Departments to come up with anything new, other than to continue to tread water in challenging circumstances. However, we anticipate a multi-annual Budget. We have been told directly by the Chancellor of the Exchequer that that will be the outcome. I am in the process of writing to Executive colleagues inviting them to come together to have a more strategising session before the summer is out so that we can start to look at the priorities that the Executive will want to take forward over the next number of years. I am sure that health will feature at the top of everyone's list, but we will have to look at other priorities. We will do that in the context of not knowing what the Budget outcome will be, but, as the Member has suggested, it is important to begin that planning exercise now. In the autumn, when we find out what the Budget outcome will be, we will have to adjust Departments' spending accordingly. Whether that means that we will have to surrender some money in order to meet those priorities will be a call for the Executive in the time ahead. However, it is important to begin that planning process as soon as possible.

The Member also raised the issue of inflation. That is a growing concern, particularly in relation to construction costs. It is a concern generally, but construction costs and the indicative allocations for some significant construction projects may have to be revisited. That is a challenge [*Inaudible owing to poor sound quality.*] We hope that it might be a temporary increase. There are indications that there are problems with supply chains that may rectify themselves, but there has been a significant and growing increase in the costs of material. That has a knock-on implication for projects. We will keep a close watching brief on that, as we are concerned about how it plays out.

**Dr Aiken:** I thank the Minister for giving way. One of his other roles is chairman of the Procurement Board. The concern that he has just raised has significance for projects such as the A5 and its viability, considering the increased costs and the fact that construction work has not started. Is the Minister talking to other Ministers to make sure that value for money is applied to all projects? There are real

issues with the growing 2.5% or 3% inflationary costs. We need to keep a careful eye on that.

### 12.00 noon

**Mr Murphy:** There are real issues for all projects. I have not been talking to any Ministers about specific projects, but officials will talk across Departments about the implications of this. They will need some time to see whether that is a permanent or temporary rise in costs. There have been indications that there is an expectation that some of the supply chain issues will resolve themselves, which may bring costs down. Nonetheless, we will have to keep a very close eye on that, and I am sure that it will inform our planning sessions when we get down to them over the summer and early autumn. We will have more information about Executive priorities in the time ahead, but that will affect every budget because, if costs go up, they go up for everything.

Issues were raised about the high street voucher scheme. The allocation for economic recovery has been given to the Department for the Economy in full. Part of that allocation — £140 million, I think — is for the high street voucher scheme. This morning, I spoke to officials in the Department about keeping in regular contact with all Departments about the spending out of COVID money. If there are any issues about schemes proceeding, we want the earliest possible indication. If they are not going to proceed, the money will have to be surrendered and reallocated. I can assure you that there are schemes and projects that would like to take up any underspend. As we did last year, we will ensure that any COVID money that we have, albeit reduced this year, is spent out. We have no indication from the Department for the Economy that there is any issue with that scheme, but we will continue to ask questions about all the COVID allocations that we have made and ensure that we get regular updates over the summer and into the autumn so that we can make sure that those are spent as intended.

**Dr Aiken:** Will the Minister give way?

**Mr Murphy:** Yes.

**Dr Aiken:** You touched on quite an important point, because that £140 million is subject to ministerial direction. Now that we are moving out of quarter 2 and beginning to look at quarter 3, there are real issues. I see that the Chairperson of the Economy Committee is sitting behind you. At what stage will we realise

that the Department for the Economy is not able to utilise that money for what it is supposed to be for? Once we do that, we can reallocate it. We are running out of time again for this money to be allocated and put forward. In particular, the Assembly should be concerned about the money being there under ministerial direction.

**Mr Murphy:** A huge amount of money has been allocated under ministerial direction this year because of the sudden nature of the injections of cash and the need to respond very quickly to the pandemic. There have been a number of ministerial directions in relation to schemes over the last year, so it is not unique in that sense. We will keep a close eye on that, however. The Department has plans in place that it is rolling out. From my understanding, it intends to have this scheme rolled out in the early autumn, when it believes that there will be a fall-off in spend compared with what people experience over the summer months. If there are any indications that the scheme will not go ahead as planned, we will want to know that from the Department as soon as possible. If that has an implication for the amount of money that was allocated, we will want that money to be returned as quickly as possible so that we can reallocate it. The Department has indicated that the scheme is going ahead, however, and that is what the Executive agreed to. With all the COVID allocations that we have made, we keep a tight watching brief on all the Departments to make sure that, if money is not to be spent — whether that is at all or in full — we get very early notice to make sure that we get returns as early as possible.

Andrew Muir asked about the RHI subcommittee report. That has been with the Executive Office for a substantial period, and I want to see it brought through the Executive, agreed and put into place as soon as possible. He also asked about the review of non-domestic rates. We are having ongoing discussions about that. Last week, I had a discussion with business organisations. One of the demands was for more frequent revaluation exercises, and we have now brought those forward. The shortest turnaround for revaluation is planned for 2023. That will take account of the pandemic and its impact on business rates. We are keeping in close contact, and there are reviews. Last year, there was an 18% reduction in non-domestic rates. That was kind of lost in the fact that we have used up about £520 million through affording people rates holidays. There has already been significant change, but we will continue to engage with businesses in the time ahead. As I said, one of the key demands was for the more rapid turnaround of

reevaluation, and we will deliver that in the time ahead.

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

**Mr Murphy:** Yes.

**Mr Muir:** I appreciate the Minister's update on the reevaluation. It is important, and he has outlined that some of those issues were not caught because of the reliefs that were in place. Can he indicate why the RHI subcommittee report is sitting in the Executive Office and has not been before the Executive?

**Mr Murphy:** The short answer is no. It has not come through. There was some back and forth on presentational issues, but those were resolved some time ago. We have not heard anything since. I know that there has been a lot of turmoil in one half of the Executive Office, but I hope that we can get the report through quickly and get it done. The subcommittee completed its work some time back. I am sure that it was a number of months ago. We produced the report and gave it to the Executive Office, and I want to see that come through as quickly as possible.

Colm Gildernew, on behalf of the Health Committee, asked a question on staffing levels. In 2020-21, £5 million was invested in key priority services to strengthen the nursing workforce in district nursing, mental health nursing and emergency care nursing. The Executive allocated a further £20 million of funding for 2021-22 to honour their commitment to provide £60 million over five years to progress the safe staffing agenda and strengthen the nursing and midwifery workforce.

Gerry Carroll made a number of points. On many occasions, I have agreed with a lot of the points that he has made, such as that on our broader aspiration for a different and better outcome. The pay awards here broke from the approach that had been taken in London on recent pay awards, and I am pleased that the Executive managed to do that. I did not have at my disposal as much as I would have liked to give. Nonetheless, it was as much as we could afford at the time. I share Mr Carroll's view on President Biden's approach in the United States. Regardless of the overall economic policies of the United States and Great Britain — they seem to be moving from a tax-and-spend approach to a spend-and-tax approach — I hope that, when it comes to the spending review in London, we do not go back to the austerity approach that severely damaged all

our public services over the past number of years. We are still struggling to play catch-up in the provision of public services, proper wages for public servants and all the issues that flow from a reduction in the Budget.

I have tried to respond to as many issues as I could. Undoubtedly, many of them were raised in previous debates. It is imperative that the legislation completes its passage through the Assembly to provide the legislative authority for the Executive's expenditure as we emerge from the COVID-19 pandemic and continue to support our economy through the recovery phase. I ask Members to support the Bill.

**Mr Principal Deputy Speaker:** Before I put the Question, I advise Members that, as this is a Budget Bill, the standing convention in the House is that cross-community support is required.

*Question put.*

**Some Members:** Aye.

**Some Members:** No.

**Mr Principal Deputy Speaker:** I see that Mr Allister and Mr Carroll are indicating No. That will be recorded in Hansard.

I remind Members that we should continue to uphold social distancing and that Members who have proxy voting arrangements in place should not come into the Chamber. Before I put the Question, I remind those Members present that, if possible, it would be preferable to avoid a Division.

*Question put a second time.*

**Some Members:** Aye.

**Some Members:** No.

**Mr Principal Deputy Speaker:** Before the Assembly divides, I remind Members that, as per Standing Order 112, the Assembly currently has proxy voting arrangements in place. Members who have authorised another Member to vote on their behalf are not entitled to vote in person and should not enter the Lobbies. I remind all Members of the requirement for social distancing while the Division takes place. I ask you, Members, to ensure that you maintain a gap of at least 2 metres between you and others when moving around in the Chamber or Rotunda and especially in the Lobbies. Please be patient at

all times, observe the signage and follow the instructions of the Lobby Clerks.

*The Assembly divided:*

*Ayes 72; Noes 3.*

## **AYES**

### **NATIONALIST:**

*Ms Anderson, Dr Archibald, Mr Boylan, Ms S Bradley, Ms Brogan, Mr Catney, Ms Dillon, Ms Dolan, Mr Durkan, Ms Ennis, Ms Flynn, Mr Gildernew, Ms Hargey, Ms Hunter, Mr Kearney, Mrs D Kelly, Mr G Kelly, Ms Kimmins, Mr Lynch, Mr McAleer, Mr McCann, Mr McCrossan, Mr McGlone, Mr McGrath, Mr McGuigan, Mr McHugh, Ms McLaughlin, Mr McNulty, Ms Mallon, Ms Mullan, Mr Murphy, Ms Ní Chuilín, Mr O'Dowd, Mrs O'Neill, Mr O'Toole, Ms Rogan, Mr Sheehan, Ms Sheerin.*

### **UNIONIST:**

*Dr Aiken, Mr Allen, Mrs Barton, Mr Beattie, Mr Beggs, Mr M Bradley, Ms P Bradley, Mr K Buchanan, Mr T Buchanan, Mr Buckley, Ms Bunting, Mr Butler, Mrs Cameron, Mr Chambers, Mr Clarke, Mrs Dodds, Mr Easton, Mr Frew, Mr Givan, Mr Harvey, Mr Hilditch, Mr Humphrey, Mr Irwin, Mr Lyons, Miss McIlveen, Mr Middleton, Mr Nesbitt, Mr Newton, Mr Poots, Mr Robinson, Mr Stewart, Mr Storey, Mr Swann, Mr Weir.*

*Tellers for the Ayes: Ms Brogan and Mr K Buchanan.*

## **NOES**

### **UNIONIST:**

*Mr Allister.*

### **OTHER:**

*Mr Carroll, Miss Woods.*

*Tellers for the Noes: Mr Allister and Mr Carroll.*

<i>Total Votes</i>	<i>75</i>	<i>Total Ayes</i>	<i>72</i>	<i>[96.0%]</i>
<i>Nationalist Votes</i>	<i>38</i>	<i>Nationalist Ayes</i>	<i>38</i>	<i>[100.0%]</i>
<i>Unionist Votes</i>	<i>35</i>	<i>Unionist Ayes</i>	<i>34</i>	<i>[97.1%]</i>
<i>Other Votes</i>	<i>2</i>	<i>Other Ayes</i>	<i>0</i>	<i>[0.0%]</i>

*The following Members' votes were cast by their notified proxy in this Division:*

*Ms Bunting voted for Mr M Bradley, Ms P Bradley, Mr K Buchanan [Teller, Ayes], Mr T Buchanan, Mr Buckley, Mrs Cameron, Mrs Dodds, Mr Easton, Mr Frew, Mr Givan, Mr Harvey, Mr Hilditch, Mr Irwin, Mr Lyons, Mr Middleton, Miss McIlveen, Mr Newton, Mr Poots, Mr Robinson, Mr Storey and Mr Weir.*

*Mr Butler voted for Mr Aiken, Mr Allen, Mrs Barton, Mr Beggs, Mr Chambers, Mr Nesbitt, Mr Stewart and Mr Swann.*

*Mr O'Dowd voted for Ms Anderson, Dr Archibald, Mr Boylan, Ms Brogan [Teller, Ayes], Ms Dillon, Ms Dolan, Ms Ennis, Ms Flynn, Mr Gildernew, Ms Hargey, Mr Kearney, Mr G Kelly, Ms Kimmins, Mr Lynch, Mr McAleer, Mr McCann, Mr McGuigan, Mr McHugh, Ms Mullan, Mr Murphy, Ms Ní Chuilín, Mrs O'Neill, Ms Rogan, Mr Sheehan and Ms Sheerin.*

*Mr O'Toole voted for Ms S Bradley, Mr Catney, Mr Durkan, Ms Hunter, Mrs D Kelly, Ms Mallon, Mr McCrossan, Mr McGlone, Mr McGrath, Ms McLaughlin and Mr McNulty.*

*Question accordingly agreed to.*

*Resolved (with cross-community support):*

*That the Budget (No. 2) Bill [NIA 24/17-22] do now pass.*

**Mr Principal Deputy Speaker:** I ask Members to take their ease for a few moments for a change at the top Table. If you are leaving the Chamber, be sure to sanitise the place where you were. Thank you very much.

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

**Mr Deputy Speaker (Mr Beggs):** I propose to suspend the sitting for 15 minutes until 12.45 pm. The sitting is, by leave, suspended.

*The sitting was suspended at 12.30 pm and resumed at 12.45 pm.*

## **Local Government (Meetings and Performance) Bill: Accelerated Passage**

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

*That the Local Government (Meetings and Performance) Bill proceed under the accelerated passage procedure.*

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

**Ms Hargey:** I welcome the opportunity to address the Assembly on this matter. Accelerated passage is not a route that we would normally take, but I am sure that Members will understand the circumstances in which we use it. I know that there has been some discussion about it outside the Chamber. As Members are aware, under Standing Order 42(4), when a Bill is being progressed by way of accelerated passage, the Member in charge of the Bill will explain the reasons for it and its consequences when moving the motion for accelerated passage in the Assembly.

In April 2020, my Department made the Local Government (Coronavirus) (Flexibility of District Council Meetings) Regulations 2020 under the powers in the Coronavirus Act 2020. However, because of the restrictions included in the Act, the legislation permitting the holding of remote meetings ceased to have effect in May 2021. Extending that will require primary legislation. Until the Local Government (Meetings and Performance) Bill comes into effect, there will be a gap in legislative cover in respect of council meetings that are held remotely. Even with the COVID situation improving, it is considered prudent to extend those provisions to allow councils to hold meetings by remote means. I have also received representations from the local government sector asking for the provisions to be extended. The Bill will remove the restrictions in the Coronavirus Act 2020, thereby ensuring that the provisions are extended until 6 March 2022.

I now want to alert the House to the fact that, as we move to the next stage beyond accelerated passage, I will give a commitment to remove clause 2 from the Bill. The Bill will enable councillors to follow public health advice on social distancing while continuing to participate in democratic local government programmes. It will also extend the provisions on the manner in which persons may attend, speak, vote or otherwise participate in meetings. We are also aware that councils have put a number of contingency arrangements in place in the meantime to enable council decision-making to continue.

NILGA has helpfully collated information on the contingency arrangements that each council has put in place. However, those arrangements are suitable only for a short interim period. Therefore, accelerated passage of the Bill, extending the existing regulations, which run out at the end of May, until March 2022 and

taking out clause 2 will be needed in the time ahead.

**Ms P Bradley (The Chairperson of the Committee for Communities):** The Committee was, of course, aware that, in April 2020, the Department had made regulations under powers in the Coronavirus Act 2020. Those regulations had allowed councils in Northern Ireland to hold their meetings remotely and to allow remote access to meetings, which included access for the public.

Earlier this year, Committee members became increasingly concerned when we realised that the regulations would cease to have effect on 6 May 2021. Although the COVID-19 situation is improving, we know that councils may not be able to resume full public meetings for some time to come. At its meeting on 15 April 2021, the Committee considered the matter further and subsequently wrote to the Department for clarification on how the issue was to be remedied. The Department's response to the Committee was that it had received legal advice that indicated that the changes could be made only by way of primary legislation and that it intended to bring forward legislation at the earliest opportunity to ensure that powers to operate remotely were extended by way of provisions in a local government amendment Bill.

Towards the end of April, the Committee wrote again to the Department requesting information on the detail of the Bill and querying the financial support for councils to enable them to meet in person in venues large enough for social distancing until the issue of remote meetings is resolved. In the middle of May, the Committee received a response from the Department outlining the provisions of the Bill. The Department highlighted the fact that the timescale might require the use of accelerated passage and that, even then, the Bill would not receive Royal Assent by 7 May.

That need for accelerated passage has come to pass. On 20 May, the Committee was briefed by the Minister on why the Bill was required to proceed under accelerated passage. Committee members accepted that it was necessary for legislation to be in place as soon as possible to allow councils to legally resume remote meetings. The Committee noted that the Bill also proposed to set aside three key statutory duties of the local government performance improvement framework for 2020-21 and to provide an enabling power to allow council performance improvement duties for 2021-22 and 2022-23 to be modified to aid recovery, should that be necessary. I will go

into more detail on some of that at the next stage.

While accelerated passage is never the procedure of choice, the Committee, in this instance, supports the motion. As the Bill is proceeding under accelerated passage, we received it in our pigeonholes only yesterday. On further examination of the Bill, we had some discussions.

I cannot speak on behalf of the Committee, but I thank the Minister for deciding to remove clause 2, because, as a party, we could not have supported it. I will speak further about that at the next stage.

**Mr Durkan:** I am on record here many times expressing my concerns about the use of accelerated passage. The Committee was aware of the intent of the Bill and of the urgency required. At the time, I again expressed reservations about the use of accelerated passage, but the Committee reluctantly accepted the need for it in this instance.

The Committee was not aware of the full contents of the Bill until members received it, as the Chair said, in their pigeonholes yesterday. This procedure has almost gone beyond accelerated passage and become turbocharged passage. As we looked at the detail, it became clear that many parties are not happy with it. However, I thank the Minister for swiftly responding to those concerns in the foyer outside the Chamber. As I do not believe that they are insurmountable, I will support accelerated passage with the proviso that clause 2 is removed, as the Minister has pledged.

**Mr Butler:** I echo the words of the Member across the Chamber. Accelerated passage has been talked about, probably by all parties, and, at times, there is fear that we do not have the time to scrutinise legislation and ensure that it is fit for purpose. We have to be mindful that, whilst the motion is a reaction to the COVID-19 pandemic, with regard to some of the measures in the Bill, when we need to put the brakes on and come to an arrangement about what to do about the Bill, we need to be mature enough to do that.

The Ulster Unionist Party certainly has a few issues with clauses 2 and 3. We feel that those can be amended and worked with, and I thank the Minister for not moving clause 2. We intend to speak on the Bill in the coming weeks to ensure that there is provision for the good and effective use of local government at council level. We know that local government, which is

very much at the interface with our communities, provides an essential function. We need to ensure that we empower our local government institutions to deliver on their mandate and their promises. That is not in any way to put a spoke in their wheel, but we have oversight to make sure that any legislation that we enact is fit for purpose, that it is given time to be scrutinised and that it adds value rather than taking it away.

We will support accelerated passage only for the parts of the Bill that are appropriate.

**Mr Allister:** Any legislature should feel averse to the very concept of accelerated passage.

A matter that further troubles me is that I have heard no explanation of why this was left to be rushed. Why, when it was known that the regulations had an expiry date in May, was action not taken sooner? Why was it left until the last minute? Who was asleep at the wheel? The House is due a proper explanation of why the matter evolved in this manner.

Clause 2 could not be permitted by any self-respecting House to pass on accelerated passage. It is a shameless power grab that, from what I listened to, does not even seem to have been foreshadowed to the Committee. The Committee seems to have been advised that the legislation was necessary for the COVID situation, yet, cloaked within it, we have a shameless power grab in clause 2. I will also say more about that later.

Clause 5(2) also concerns me. Right up until the end of the financial year 2022-23, we will give powers to remove Part 12 of the Local Government Act (Northern Ireland) 2014. Part 12 has some critical powers. It has the power in section 98 of special inspections of councils. It has the power in section 100 to issue directions to councils. Under the cloak of COVID, there is a severe danger that there will be much corner-cutting by some councils. The Department should not surrender powers way into the future to hold councils to account on those things.

I am glad that the Minister has accepted that she will not move clause 2, but I would like to know why we ever got to a position of having to progress this legislation in such haste in the first place.

**Ms Armstrong:** Thank you, Minister, for your swift reaction today. To be clear, while the accelerated passage process is being brought to the House today, that does not mean that we do not scrutinise and review the legislation. As

other Members have said, we got the legislation very late, and, in looking at the detail, we could see that it was not satisfactory. We know, however, the impact that delaying any of the Bill will have on our councils. Again, as others have said, the councils have not been able to use their hybrid digital online meeting places since 7 May. While some councils have put some helpful considerations into place to allow them to continue to meet safely, in line with the COVID rules, we want something that is a lot more fixed and permanent. We can do it here in the House, so we should do it for our councils

I am glad that clause 2 will be removed. I ask the Minister this, however: if clause 2 is removed, what does that mean for hybrid working? Our councils need hybrid working, and that is why accelerated passage was requested. There are concerns with other parts of the Bill. Thank you for coming to the Committee on Thursday, Minister. There is a lot in the Bill to be discussed. It is a detailed Bill. Although it is proceeding by way of accelerated passage, there needs to be time to talk about it. I ask the Minister to clarify what happens, when clause 2 is removed, to hybrid meetings for our councillors across Northern Ireland, who have been doing sterling work throughout COVID.

**Mr Deputy Speaker (Mr Beggs):** The Business Committee has arranged to meet at 1.00 pm. I therefore propose, by leave of the Assembly, to suspend the sitting until 2.00 pm. The first item of business when we return will be Question Time. This debate will continue after Question Time.

*The debate stood suspended.*

*The sitting was suspended at 12.59 pm.*

*On resuming —*

**2.00 pm**

## **Oral Answers to Questions**

### **Communities**

#### **Social Housing: South Antrim**

1. **Mr Clarke** asked the Minister for Communities how her Department plans to meet the need and demand for suitable social housing for people aged 55 years and above in South Antrim. (AQO 2268/17-22)

**Ms Hargey (The Minister for Communities):**

Thanks very much for the question. I am aware that the South Antrim constituency has a need for suitable accommodation for those aged 55 and over. The Housing Executive does not hold a waiting list for the over-55s, and the elderly cohort is normally measured by those aged 60 and over. Housing need is met through the reletting of existing social housing and through the contribution of new build homes under the social housing development programme.

In the last financial year, 42 properties suitable for elderly tenants were allocated in the South Antrim constituency. Last year, 11 homes that meet the needs of elderly residents were completed in the constituency. Currently, there are 28 homes under construction in the South Antrim constituency that meet the needs of elderly residents. I recently approved the new three-year social housing development plan from 2021 to 2024. That contains a further 45 social homes that will meet the needs of elderly residents in that area. Staff in the place-shaping team in the Housing Executive continue to work with registered housing associations to highlight the gaps in supply and identify opportunities to address those needs.

**Mr Clarke:** I thank the Minister for her detailed answer. Does she accept that, whilst houses are being built, they do not necessarily meet the needs of the elderly? On many occasions, the houses designed for the elderly or for those who are 55-plus are eventually allocated to others because of the design and the type of housing that it is. The elderly population do not want to live in flats or apartments; they want to live in quality build properties that have a front door and a back door and that are more akin to the earlier schemes that the Fold Housing Association embarked on. Will the Minister work on the needs of the elderly? This is not unique

to South Antrim. Across the Province, there is a real need for quality housing for our elderly population. If that were provided, some of the housing stock would be freed up for general housing needs.

**Ms Hargey:** The needs test that is done in order to get points for the points system takes into account the needs of those who need a home. All of that is assessed. That is fed into the social housing development programme to identify standards and what will be needed in following years. In addition, all new build homes are built to lifetime homes standards to ensure that, as people get older, the house adapts to their needs.

We have made a statement on the huge changes that we need to make in housing. The system is broken; I have already said that publicly. We are doing the biggest shake-up in housing in 50 years, since the creation of the Housing Executive. Part of the work that will be done to implement that is the housing supply strategy, which will be presented to the Executive before the end of the mandate. That looks at the supply issues to make sure that we meet the needs. It also recognises that we have an ageing population, that people live longer and that they may want to live differently. There are new opportunities to work through local councils, as you will be aware, and the local development plans; indeed, the councils will look at those in the time ahead as they reimagine their town and city centres and how people will potentially live in the future. As part of that revitalisation agenda, we want to make sure that housing meets the growing needs. The housing supply strategy is open for consultation. I ask the Member to make sure that anyone with whom he is engaging, such as communities and activists involved in that sector, engages with that supply strategy consultation.

**Dr Aiken:** The Minister will be aware that one of the biggest concerns is about the Northern Ireland Housing Executive's ability to keep a lot of the social housing for the over-55s up to standard. She will be fully aware that we have real concerns about ongoing issues with properties across South Antrim that were to go across to housing associations. The residents, quite rightly, did not want that; they wanted to go back to the Housing Executive. However, there seems to have been a failure on the part of the Housing Executive to catch up with its responsibilities and to maintain the properties, particularly those for the most vulnerable and those over 55.

**Mr Deputy Speaker (Mr Beggs):** Can the Member ask a question?

**Dr Aiken:** What is the Minister doing to make sure that the Housing Executive stands up to its responsibilities?

**Ms Hargey:** Again, that feeds into the huge challenges for the Housing Executive and, particularly, its financial viability as it stands. It was pointed out to the House in the November statement, when Carál was in my position, that, unless changes are made now, the Housing Executive could lose nearly half its stock because it cannot maintain the stock that it has. It does not have the finances to do that. We would need over £8 billion overall to look at that in the time ahead. Fundamentally, that means finances coming from the block grant or looking at my Department's budget over an eight-year period and just putting it into rectifying existing properties. Therefore, there are huge challenges. That is twinned with high levels of fuel poverty due to the standards and conditions of housing. The shake-up from the revitalisation programme for housing is desperately needed, because change is needed.

The Housing Executive has engaged in a process. My Department, working with the Housing Executive, has set up a programme board to take forward that work. Obviously, the supply strategy is part of that, looking at what the Housing Executive model will be going forward to make sure that it can borrow, because that is one of the restrictions. We have removed the corporation tax issue. I am glad that that was in the British Chancellor's statement earlier in the year. We are looking at the clawback.

Through the budget, by way of in-year underspends and COVID money, I have been able to direct extra resources into the Housing Executive, which it can then put into its reserves to start to deal with maintenance issues. I know that, soon, at its board meeting, it will come forward with contracts to deal with the maintenance backlog. However, it is a huge problem. That does not get into looking at the green agenda and trying to retrofit properties as we start to go forward. We need to deal with the fundamentals. It is not fit for purpose in its current form. Obviously, I want to keep it as close to its current form as possible. Work is ongoing.

As regards the timescale for that, I will present a way forward to the Executive before the end of the mandate. The programme board has

been established. We are putting contracts in place —.

**Mr Deputy Speaker (Mr Beggs):** I remind the Minister that she has two minutes in which to answer a question.

**Ms Hargey:** Sorry. We are putting contracts in place to continue that work. I will update the Assembly when we progress.

**Mr Blair:** Can the Minister give the House further information on her Department's assessment of community plans for housing and how finance will be allocated to ensure that all constituencies have a fair allocation of social housing going forward?

**Ms Hargey:** As the Member will know, one of the fundamentals of social housing and the reason why the Housing Executive was formed — it is why I will ensure that it is kept — was to ensure that housing is allocated on the basis of equality and where there is need. Fundamentally, any public housing needs to be allocated on that basis going forward. Of course, there are differences in urban and rural areas. Indeed, I understand and reflect that, when you look at the list of areas of need, understanding the differences between the urban and rural context is not a clear picture.

As we continue to go forward, I am keen that we build more social homes and upgrade the stock that we have, because it is recognised that the stock is falling apart and the Housing Executive does not have the finances to deal with it. Obviously, a critical part of the revitalisation will be to make sure that existing stock is maintained. For example, I want to get the Housing Executive building again. That is part of the revitalisation programme. We have had a bigger number of social homes this year. We can be more ambitious if the budget allows and build houses on the basis of where they are needed.

**Mr Deputy Speaker (Mr Beggs):** I should have advised Members that question 4 has been withdrawn.

## COVID-19: DFC Response

2. **Mr K Buchanan** asked the Minister for Communities for her assessment of her Department's response to the COVID-19 pandemic. (AQO 2269/17-22)

**Ms Hargey:** I have detailed previously how my Department has worked in partnership across

central and local government and with its arm's-length bodies and stakeholders to provide financial and practical support across a range of sectors.

Since March 2020, my Department has put in place a range of measures to protect the most vulnerable people in the community, to try to put in place safeguards, and to work with the organisations that they depend upon as a consequence of the unprecedented pandemic that none of us could have foreseen at the start of last year. We have given, and continue to give, practical and financial assistance, and, by the end of the financial year, my Department had provided more than £314 million in financial support and assistance, which I have previously spoken about in the Chamber, through a range of schemes. There has also been, and continues to be, a significant demand for our services and for ongoing assistance, and I believe that a range of measures that I put in place to mitigate the social, economic and well-being effects of the pandemic on our communities have provided a much-needed safety net and paved the way on the journey towards our recovery from the pandemic.

**Mr K Buchanan:** Thank you, Minister, for the answer. Minister, what learning has your Department taken from this, and have you plans on the shelf for future support if — hopefully it is not needed — the need arises?

**Ms Hargey:** Obviously, there is ongoing learning. We are still in the midst of responding to the pandemic. Members will remember that, last year, ongoing emergency meetings were called to make sure that, first, we could pay social security payments. Some services were stood down to ensure that that was prioritised, particularly when we saw double the number of people needing those benefits. We stood up the emergencies leadership group, and that worked with the community and voluntary sector at a grassroots level and a strategic level across the North. We want to keep that group going and, indeed, develop it in the time ahead.

We are working with the Executive in looking at a social recovery going forward, and that will pick up on lessons learned. Are there things that we can be doing? One of the areas is working with the community and voluntary sector to ensure that we are responding to its needs. We worked very well with local government over this last year and worked very closely on revitalisation schemes. We tried to get the food support out quickly, and there is a model of good practice. There was also legislation. I accept that it was done very quickly through accelerated passage, but

changes were made to, for example, discretionary support, where we increased the income threshold. We also removed certain barriers around that, and that was done at pace. Indeed, there is learning from that, not just for the Department but for the Assembly as a whole, in how we respond to those situations.

**Ms Dolan:** Minister, can you give an update on the establishment of the cultural task force?

**Ms Hargey:** Yes. I launched the culture, heritage and arts recovery task force just over a month ago. Rotha Johnston is the chair of that task force, and it is made up of a number of representatives from all those sectors right across the North. I wanted to make sure that there was an urban and rural balance in all the organisations that are represented. The task force started work right away in looking at the needs of those sectors going forward. I was glad, obviously, that, in the Budget and through the COVID moneys, I was allocated the amount that I requested to support this work in the time ahead. We are working with the task force to design ongoing supports for the sectors that are still being impacted. We know that the music industry, in particular, and freelancers — that is an issue that has always come up — are still being impacted now because of the restrictions. We are working with them to look at what immediate supports we can give, but we are also looking at recovery and what can we do, and they are coming up with recommendations and suggestions as well. Freelancers have also been given a place on that task force to ensure that we are listening to their concerns.

**Mr Durkan:** Minister, what is your response to the Audit Office report on the sports sustainability fund and do you still regard it as having been an appropriate and prudent use of public money?

**Ms Hargey:** Obviously, I welcome the prompt publication of the Audit Office report. It was important that it was produced as soon as possible. The delivery of all the COVID financial assistance, including the sports sustainability fund, was undertaken in a really fluid situation, under extreme time pressures and on timescales in which organisations and elected Members were saying that urgent issues needed to be addressed. Of course, there are lessons that can be learned from the development and delivery of COVID funding schemes across the board, and our review of those is under way.

2.15 pm

The societal and economic value of sport is well-documented and understood, and that was reflected in the funding that was provided to 452 beneficiaries. It is also important to add that I welcome the letter from the Chair and members of the Committee for Communities, which was sent after representation was made to the Committee by my departmental officials and officials from Sport NI on 2 April. The Chair wrote to express confidence in how the scheme was being administered and reiterated the Committee's praise for officials. Learning is being taken on board. I welcome the Audit Office's report and will continue to engage on those issues in the time ahead.

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

3. **Ms Ennis** asked the Minister for Communities for an update on the progress of the Licensing and Registration of Clubs (Amendment) Bill [NIA 10/17-22]. (AQO 2270/17-22)

**Ms Hargey:** Members will be aware that the Licensing and Registration of Clubs (Amendment) Bill passed its Further Consideration Stage yesterday. The Bill has taken a long time to get to where it is today, and I am happy with the progress that has been made on it in the Assembly in the past seven months. I am particularly happy with the work of the Communities Committee in scrutinising the legislation and working with me on amendments. I am also happy with the work that other Members have done over the past few weeks to help make the Bill better. Members will be glad to hear that Final Stage is scheduled for 29 June, which is next week. Having the Final Stage before the summer recess means that Royal Assent will, hopefully, take place over the summer months.

**Ms Ennis:** I thank the Minister for that. I think everybody will agree that modernisation of our liquor laws was long overdue. I know that the hospitality sector is supportive and appreciative of the Minister's attempts to get the Bill passed as quickly as possible. The Minister referred to amendments that have been made, and she tabled a few herself, so will she reiterate the main benefits in the Bill for the sector?

**Ms Hargey:** The hospitality industry has suffered during the pandemic. It will benefit from the removal of restrictions at Easter time, which will come into effect next Easter. The industry has said that that measure will see an estimated £20 million going into the local economy each year. I know from my time on

Belfast City Council that easing the restrictions is a critical factor in attracting visitors to our towns and city centres over that period and in our ability to take advantage of it.

The industry will also benefit from pubs and hotels being able to open to 2.00 am, with an extension to drinking-up time, and from the creation of new categories of licence for local producers and cinemas. Those provisions are a result of the iterations of the Bill as it passed through the Assembly. The changes will better enable the hospitality sector to cater for changing customer behaviour and to support it as we grow our tourism sector.

**Mr O'Toole:** I agree that the Bill is a step forward. As the Minister knows, I have worked with her Department on a specific amendment that provides for an independent review of our licensing system. The Bill has limitations, and the reforms are relatively modest in getting our craft beer sector to where it needs to be, so does the Minister agree that local producers should participate in the review and make their voices heard along with existing licensees? Will she also commit to appointing that independent person as quickly as possible, ideally before the end of the mandate?

**Ms Hargey:** I thought that I answered that yesterday, Matthew. I am giving a commitment to try to have that person in place. The procurement will take about six months, but there is a commitment to make that appointment. If we had tried to change everything in the legislation to get it perfect, we would not have got it passed in this mandate. There was an urgency for me, because we had waited 25 years to get to this point and I did not want to wait any longer because the industry, particularly after the pandemic, is screaming for the change, as are our communities and people. Of course, more changes will be needed to the legislation in the longer term. The review will help in that regard by making sure that the legislation is fit for purpose. The legislation will, hopefully, be passed and will start to take effect by the autumn. There will be at least half a year of learning, from the enactment of the legislation, once the independent person is in place.

## **Social Housing: West Tyrone**

5. **Mr McCrossan** asked the Minister for Communities for her assessment of the social housing waiting lists in West Tyrone. (AQO 2272/17-22)

**Ms Hargey:** As of 31 March 2021, a total of 1,809 applicants were on the common waiting list for the allocation of a social home in the West Tyrone area. Of those, 1,105 are deemed to be in housing stress. While 219 homes have been allocated over the past year, I am acutely aware that there is a shortage in the supply of homes, and that needs to be addressed. To do so, I have set out an ambitious, long-term plan to increase the supply of social and affordable housing and reduce housing stress. However, those plans will take time to come to fruition, and whilst I share the concerns about the numbers waiting for a home, the projected outcome of my plans is about ensuring that the supply of social homes can meet the increase in demand.

The protection of the social homes that we have is also crucial. It must be ensured that they can be maintained, and, ultimately, that the Housing Executive is revitalised in such a way that it is able to access borrowing to sustain itself and, going forward, new builds. In the shorter term, the new build programme is the key action that we can take. One of my priorities is to enhance investment and increase social homes. That resulted in achieving 2,403 starts last year. That was the largest number of units in the past 10 years. I have also secured an increase of £162 million in the 2021-22 Budget for the social housing development programme, with a target of starting a minimum of 1,900 homes in this year.

I am aware from the Housing Executive that the current projected need for West Tyrone is a further 560 new social homes between now and 2025. The Housing Executive is committed to working with housing associations to bring forward new social home proposals in the time ahead. I am also pleased to advise that 179 new social housing units are under construction in the West Tyrone area.

**Mr McCrossan:** I thank the Minister for that answer. The figures are stark. It is an issue that needs to be tackled. Obviously, I welcome the recent developments regarding new builds, particularly for the Adria site in Strabane. That will alleviate pressure on that side of the constituency. That said, there is a serious issue regarding the provision of bungalows in social housing stock, and that is not specific to West Tyrone. There is no availability of ground-floor accommodation for elderly or disabled people in constituencies such as mine. What is the Minister for Communities doing to tackle that very serious issue and to ensure that those in need have access to suitable housing?

**Ms Hargey:** I thank the Member for the follow-up question. As I stated, the social housing development programme is based on the housing need presented. There are percentage targets for the provision of bungalows, but we have a focus on building homes for life — homes that people can grow with. We want to look at that in new builds, going forward. I also touched on the fact that we are progressing a housing supply strategy as part of the wider revitalisation agenda. Again, we are taking evidence around that. The consultation is open, and there has been a call for evidence. I encourage people to take part in it.

As part of the supply strategy, we are also working with local councils on land, and we are looking at councils' growth targets, within their local development plans, for population changes and trends over the next 20, 30 and 40 years. All of that will be part of the housing programme and the supply of social homes, and we will look at other offers around intermediate housing and those who want to do co-ownership. We are taking forward all of that as part of the revitalisation programme. As I said, I want to present those firm proposals to the Executive before the end of this mandate. A programme board has been set up between the Department and the Housing Executive. We will be working with the Housing Executive, and staff will be working with trade unions. We will be working with housing experts as we start to bring forward firmed-up actions to deal with the housing crisis.

**Ms Brogan:** I thank the Minister for her answers and for the update on what she is doing to address social housing waiting lists in West Tyrone. How does the Minister plan to revitalise the Housing Executive?

**Ms Hargey:** Carál's statement in November of last year, when she was in this position, reflected on the need for revitalisation. As I said, and as Members are acutely aware, we have a decaying housing stock, and that is reflected in the fuel poverty targets as well. There is a huge need to deal with the financial strains on the Housing Executive, and that will be a critical part of the revitalisation work.

Another part of the financial issue is dealing with corporation tax, which we have now removed. Over the past seven years, almost £50 million that should have gone into homes was paid to the British Treasury. Fortunately, that has come to an end. We are trying to claw that money back to put it back into housing, but we will have it as a saving. It will go not just into maintaining the current Housing Executive stock but can hopefully be invested in future

homes when the Housing Executive can build again. We have to remove the restriction on borrowing placed on the Housing Executive, as that is one of the biggest hurdles that it faces. As part of the revitalisation agenda, we want to make sure that it can borrow, that we deal with the issue of stock, and that we get it on a firm, sustainable financial footing.

**Mr Butler:** I thank the Minister for that detailed answer about housing stress in West Tyrone. The Minister is aware that Lagan Valley is probably one of the most popular places to live and to bring up a family. How does Lagan Valley compare with West Tyrone with regard to housing stress and need?

**Ms Hargey:** I do not have the exact figures for Lagan Valley, so I will not tell you that I do. However, I can have them sent to you.

We know that there is a crisis: more than 42,000 people are on the waiting list. That is going up and has been exacerbated by the pandemic. We therefore need to change radically how we do housing. That was set out in the November statement, but it takes time to make those huge changes. They do not come overnight. The programme board is in place. I want to make sure that we deliver on the basis of need but that we also look at where growth may be in future. Therefore it will be crucial to work with local government and councils on their development plans.

Land and infrastructure become major issues when building new homes. We will start to look at those as part of the housing supply issue that I spoke about, which has highlighted challenges that were already there. I want to work with the Infrastructure Minister, whom I know is also interested in overcoming the challenges that we face.

I will follow up with a letter about the specific numbers for your area.

## Discretionary Support Scheme

6. **Mr McGuigan** asked the Minister for Communities when the expert panel to review the discretionary support scheme will begin its work. (AQO 2273/17-22)

**Ms Hargey:** Thank you, Philip. I hope that you are keeping well after being in hospital.

I am pleased to inform the Member that the expert panel has already commenced work on the review of discretionary support. The panel is made up of academics and people from the

independent advice sector at both strategic and grassroots levels. I am glad that all those approached to be panel members accepted the invitation to be part of that important work.

The panel held its first virtual meeting on 14 June 2021, which was only one week after I announced the appointments to the panel. I am committed to ensuring that we provide the best possible support for people in financial crisis. The review will be an important opportunity to critically examine what works and what can be done better. I look forward to receiving the expert panel recommendations later in the year. Subsequent to receiving those recommendations, legislation about how discretionary support works will have to be changed. We will start that process as well.

**Mr Deputy Speaker (Mr Beggs):** I call Philip McGuigan to ask a quick supplementary question.

**Mr McGuigan:** I thank the Minister for her answer and for her continued commitment and determination to assist those on low incomes — a commitment clearly demonstrated by the establishment of the discretionary support panel. Will she provide an update on her plans to extend the benefit mitigation package in light of the budget settlement?

**Ms Hargey:** Yes. There is money in the budget to extend mitigations. The current mitigations continue to be paid under the auspices of the Budget Act 2021.

The paper that I submitted to the Executive is not only about extending those mitigations but about closing the loopholes associated with the benefit cap and the bedroom tax for those who have fallen through them. I told the Committee last week that the money is there to facilitate the closing of those loopholes. No additional finance is required. I hope that that can progress through the Executive as soon as possible. I have the legislation in place and am ready to go. I know that, once the Committee receives the information, it will be ready to go so that we make sure that we bring in those protections without further delay.

**Mr Deputy Speaker (Mr Beggs):** That ends the period for listed questions. We move on to topical questions. Question 1 has been withdrawn.

**2.30 pm**

## **Knocknagoney Avenue Shops and Maisonettes**

**T2. Mr Newton** asked the Minister for Communities, who will know that procrastination is the thief of time, when she will make a decision on the economic appraisal on the future of the Knocknagoney Avenue shops and maisonettes, which has been on her desk for months. (AQT 1462/17-22)

**Ms Hargey:** The economic appraisal has not been on my desk for months. Work was ongoing. There has been engagement with officials and with the Housing Executive. Once additional information is in front of me, a decision will be taken without further delay.

**Mr Newton:** I thank the Minister for her answer. However, that is not what has been stated in written answers to me. This matter has gone on for at least 10 years. Over that time, minimal response maintenance has taken place on those homes. What does the Minister intend to do about compensation, legal fees, alternative accommodation and getting the folk who are living in dreadful conditions into more suitable accommodation?

**Ms Hargey:** All that will be considered as part of the business case process and the Housing Executive's engagement on its submission to the Department. I take the issues seriously, and there have been engagements on them. I know that the Member was on the radio a few weeks ago talking about other flats across east Belfast, and Grainia Long was on 'Good Morning Ulster' that morning. Those issues are important. I met Andy Allen recently to talk about similar issues and residents having to leave their homes. It feeds back into the other housing issue about existing stock that is not fit for purpose and, in some circumstances, is falling down. We need to change that. In some cases, that means knocking houses down and replenishing the stock. When I am fully apprised of the business case, and when my supplementary questions are answered and the information comes back to me, I will consider all that. I will not give an answer until then, because it would be disingenuous of me to do so. Once that is done, I will come back to the Member and will communicate with Members who have written to me on the issue.

## **COVID Support Allocations**

**T3. Ms S Bradley** asked the Minister for Communities whether she agrees that it seems perverse that although she refused to introduce

a COVID payment for families with a total income of over £20,000, she awarded hundreds of thousands of pounds to organisations and clubs with huge cash reserves, even underwriting their profits, and to state how that sits with her mantra of meeting objective need. (AQT 1463/17-22)

**Ms Hargey:** Members will know that I moved very quickly last year to increase the income threshold for discretionary support payments. I recognised immediately that not enough families who were in crisis as a result of the pandemic were being covered. I then moved urgently to increase the income threshold, and I took that through the House. That was endorsed right across the House as the right thing to do. On the other funding, as I said, I welcome the publication of the Audit Office's report. That scheme was designed with the sector, and I believe that the intent that had been set out was met. There are, of course, lessons to be learned. However, when representations on the matter were made to the Committee in April, the Committee commended the work on the implementation and administration of the scheme by my officials and those in Sport NI. Of course, we will look at the recent report, and lessons will be learned. We will do that internally in the Department.

**Ms S Bradley:** Minister, you say that you believe that the intent was met. I am somewhat confused. Are you still of the opinion that the intent of the scheme was to underwrite profits? If so, do you have no intention of looking at options to recoup that money and, perhaps, to distribute it to those who are more in need?

**Ms Hargey:** Money cannot pass over: it cannot be lifted from one strand, whether it is sports, culture or arts, and put it into a completely different part of the Department. There is no ability to do that. You mentioned looking at discretionary support. First, I had a budget. That budget was utilised and was not under pressure in meeting the needs. Indeed, as part of that discretionary support, over £20 million was paid out to families and individuals who were in crisis. Again, as with all schemes, I realise that there is a need to make improvements. I have recognised that we were moving at pace. The Audit Office also recognised that we were moving at pace to make decisions. There are always lessons to be learned from schemes. Earlier, I answered a question about the lessons learned as a result of the pandemic overall. With the administration of that scheme, I believe that we kept to the guidance that was laid out, and that was

confirmed by the Committee at its meeting in April.

## Conversion Therapy: Ban

T4. **Mr McGrath** asked the Minister for Communities for an update on the work that she has done to ban conversion therapy. (AQT 1464/17-22)

**Ms Hargey:** Work is ongoing. Of course, this issue also falls under social strategies in relation to the LGBTQI+ strategy. There have been engagements with that sector. I recently met the Rainbow Project and HERe NI, which represented the Ban Conversion Therapy group. The Christian Institute has also communicated with the Department, and I have responded to it. I want to push ahead. We have started initial discussions with the Bill Office to start to look at the drafting of legislation. However, as I said before, a fundamental piece of work needs to be done to assess how wide-scale the issue is.

From the work being done as part of the LGBTQI+ strategy, it has been recognised that there is a chance that we could re-traumatise people as we start to discuss these issues. It is important that, working together, the Department of Health and I put in place mechanisms to ensure that there are appropriate support services for those who may be re-traumatised. I want to bring forward legislation as soon as possible, and I am working with the sector to do that. Indeed, I will meet representatives again within the next couple of weeks, before the summer recess, to make sure that the legislation is robust and fit for purpose. In other areas, legislation has fallen at the first or second hurdle because the essential work at the start was not done. There is a commitment from me to try to ban this practice as urgently as possible.

**Mr McGrath:** I thank the Minister for her reply. The need for a sexual orientation strategy is in the New Decade, New Approach agreement, and this will be a key part of that. The meetings are important, but action and delivery on the ground are what will make the difference. We discussed the issue a few months ago, and I am not sure that today's answers are very different from those given then. I implore the Minister to take as much action as possible so that we can create equality on this matter across these islands.

**Ms Hargey:** Action is important, but it is about making sure that it is robust. There is no point in bringing legislation to the Chamber that does

not stand up to scrutiny, allowing people to continue to fall through the net. Those are some of the concerns that are being raised in the engagement and the co-design process for the LGBTQI+ strategy. That is being done to make sure that the legislation is robust and so that, as the debate starts to pick up again, as it did when the Ulster Unionists tabled the motion, we build in supports to make sure that people are not being re-traumatised. As was stated, conversion therapy has rightly been categorised and seen as torture treatment, and people are being re-traumatised.

I have committed to working with the sector as we move ahead to ensure that there is no undue delay and that the sector has a clear timetable for the pathway. The sector is also clear, however, that it wants the legislation to be robust. It does not want me to come here and be popular by putting something in front of Members. The legislation has to bring in the protections and equality duties that you rightly talk about. I am committed to doing that through co-design and working with the community.

### **Capita: PIP Assessments**

T5. **Mr Catney** asked the Minister for Communities for her assessment of the performance of Capita in carrying out personal independence payment (PIP) assessments. (AQT 1465/17-22)

**Ms Hargey:** PIP was introduced, and there has been criticism of it. There have been two independent reviews of PIP. Marie Cavanagh carried out the most recent independent review, and I have agreed to implement nearly all of her recommendations. Other changes will be made going forward, and I have committed to trying to in-house those schemes and assessments as soon as I can. There is a recognition of the need to do that.

In working with medical practitioners on the issue of medical evidence, the Department of Health will be crucial. I have written to the Minister of Health, and there have been engagements with his Department to see how quickly we can do that. There is work that it needs to do. I am also working with those who are going through PIP. I am trying to set up a forum so that we can start a more proactive engagement and embed a rights-based approach at the heart of social security.

**Mr Catney:** Thank you, Minister. I am sure that, like me, you have been shocked by the number of successful appeals against PIP assessment decisions. They are particularly shocking in

Lagan Valley. Why have you extended Capita's contract for another two years without going through the procurement process?

**Ms Hargey:** There was an extension that the Chamber already knew about. Because of the impact of the pandemic last year, the existing contract was extended until July 2023. As I said, my intention is to in-house the process as quickly as possible. The clear answer is that we are not able to do that right away, because we need the support of the Department of Health.

The model that is being used in Scotland is one in which work is done with local health trusts to get the medical evidence at an early stage. I agree that the more we can front-load the system and get all the evidence presented to decision makers, the quicker we will get decisions that hopefully will not end up being appealed. The difficulty is that we are not getting that information. It is not coming in quickly enough, and we know the issues with GP surgeries, for example.

There have been proactive discussions with the Department of Health to try to make sure that it can do what it needs to do at its end so that we can move to an in-house model. I am trying to work with it as quickly as possible to do that; indeed, we are doing more than that. I have started to in-house the audit function, which will come back into the Department from August. We are also trying to in-house many of the assessments for which further medical evidence is not needed; indeed, we have already started to in-house 25% of them. We need to go much further, and working with Health will be critical over the next period.

### **Welfare Mitigation Legislation**

T6. **Mr Chambers** asked the Minister for Communities when she intends to introduce welfare mitigation legislation. (AQT 1466/17-22)

**Ms Hargey:** I have the legislation ready, as I presented to the Committee last Thursday. The regulations are ready as well. I have had the paper in with the Executive, and I am waiting for it to be placed on the agenda to be agreed. I have already said that I am ready and willing. It could be done over the summer. It would take a six-week period, all in, for the regulations to close those loopholes to be made. That cannot be shortened; it has to proceed in that way. From my end, everything is ready to go. Once it gets approval, the SR1 form will be given to the Committee. The Committee is ready and willing, even if it means working over the summer, to get this progressed without delay.

2.45 pm

**Mr Deputy Speaker (Mr Beggs):** That is the end of the period allocated to questions to the Minister for Communities. I ask Members to take their ease for a few moments.

## Executive Committee Business

### Local Government (Meetings and Performance) Bill: Accelerated Passage

*Debate resumed on motion:*

*That the Local Government (Meetings and Performance) Bill proceed under the accelerated passage procedure. — [Ms Hargey (The Minister for Communities).]*

**Mr Deputy Speaker (Mr Beggs):** I ask the Minister for Communities to conclude and wind up the debate on the motion.

**Ms Hargey (The Minister for Communities):** We had a break in between, so, if I forget somebody's questions, I apologise.

Obviously, accelerated passage is not the normal way. The demonstration earlier, with the Bill being received at the last minute, shows that. However, it is necessary in the circumstances because we need to extend the legislation. I know that all Members appreciate that and want to allow local government to do its business with the restrictions still in place but without hindrance.

I have already given the reasons for that delay in the Chamber. Initially, legislation was to be made by the Housing, Communities and Local Government Minister at Westminster, but, at the very last moment, that was pulled because the timetabling at Westminster would not allow for it. That presented us with the challenge that we needed to move the Bill forward ourselves. We have tried to do that at pace, with interim solutions being put in place and through working with councils. I am glad that we are at this point, so that we can progress to the next stage of the Bill.

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

*Question put and agreed to.*

*Resolved (with cross-community support):*

*That the Local Government (Meetings and Performance) Bill proceed under the accelerated passage procedure.*

### Local Government (Meetings and Performance) Bill: Second Stage

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

*That the Second Stage of the Local Government (Meetings and Performance) Bill [NIA 26/17-22] be agreed.*

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

**Ms Hargey:** We seek the legislative extension because of the impact of the pandemic and its continued impact on local government and the delivery of services. The Bill is necessary for the local government legislation that is required as a direct consequence of that. The Bill includes provisions relating to two areas: remote meetings of councils and local government performance improvement and arrangements.

On remote meetings, in April last year, we moved to extend the legislation to ensure that remote meetings could take place and that local government could continue its business, particularly in responding to the pandemic and working with the Department on the ground. The meetings regulations make provision to enable councils to hold meetings remotely and make provisions about remote access to such meetings, including access by the public. However, section 78 of the Coronavirus Act 2020 contained a restriction that meant that the regulations would cease to have effect on 6 May 2021. As I have just stated, prior to that, we had hoped that the extension could proceed through the Ministry of Housing, Communities and Local Government, but, at the last moment, due to Westminster timetabling of legislation, that was changed, and that left us in the predicament of having to move it through in this manner and under urgent procedure.

Although the COVID situation is improving, it is considered prudent to extend the provisions to allow remote meetings to take place. That has been reiterated not just by NILGA but by councils and the Society of Local Authority Chief Executives (SOLACE). We have received

numerous representations to that effect, as, I know, individual Members have.

I turn to the local government performance improvement arrangements. The Local Government Act 2014 places duties on councils in respect of performance improvement, and, as a direct consequence of the COVID-19 emergency and restrictions, concerns were raised by the local government sector about the difficulties that councils would face in delivering performance improvement duties in 2021-22 and, potentially, in subsequent years. As a result of those concerns and to provide councils with some initial relief, I agreed to set aside a number of performance improvement duties for the 2020-21 year. That allowed councils to concentrate on switching to providing essential services and supporting communities during the pandemic and to take on, it must be said, extra responsibilities in working with central government around food distribution and other measures around supporting businesses.

It may be useful to spend a few minutes talking about the detail of the scope of the Bill. As I have referenced, the sole focus of the Bill is to create local government legislation in the areas of remote meetings and performance improvement, which have been impacted by the pandemic. The Bill contains five substantive clauses and two technical clauses. The explanatory and financial memorandum (EFM) published alongside the Bill provides a detailed explanation of the Bill, but I will briefly outline some of the main impacts of the five substantive clauses.

Clause 1 will extend provisions in respect of remote meetings beyond 6 May 2021. It will ensure that the Local Government (Coronavirus) (Flexibility of District Council Meetings) Regulations (NI) 2020, made under the Coronavirus Act, will continue to have effect until the expiry date of the Coronavirus Act in March 2022. That will enable district councils to hold remote meetings, including by telephone conferencing, videoconferencing, live webcast and interactive streaming. That will allow for remote access to council meetings by members of the public. In addition, information that generally has to be made available at council offices will be made publicly available on council websites. That will apply to councils and council meetings, including committee or subcommittee meetings, executive meetings and meetings of joint committees of two or more councils.

As I said, clause 2 provides an enabling power to extend that further, but I have already stated that I will remove that clause.

Clause 3 will amend sections 93, 94 and 95 of Part 12 of the Local Government Act 2014 in relation to performance improvement. The amendment will allow the Department to determine annually, after consultation with the local government auditor, the councils for which a section 93 audit or section 94 assessment must be completed. Section 95 of the 2014 Act already provides that the Department, in consultation with the local government auditor, must determine the councils for which the auditor will issue an audit assessment report each year. Therefore, the amendment to sections 93 and 94 will bring those sections into line and provide the same flexibility to the approach as is already included in section 95.

Clause 4 will regularise my decision to set aside the relevant performance duties for 2020-21. As you will recall, those were set aside to allow councils to concentrate on delivering essential services at the height of the pandemic.

Finally, clause 5 will create an enabling power to allow subordinate legislation to be introduced to modify council performance and improvement duties for 2021-22 and 2022-23, should they be necessary due to the potential future impacts of the pandemic. My officials will continue to engage with local government on any changes to the performance improvement arrangements that should be put in place over the next few years.

I am happy to deal with any other points of principle that Members may have on the Bill.

**Ms P Bradley (The Chairperson of the Committee for Communities):** Having supported the Bill's accelerated passage, I now welcome the Second Stage of the Bill on behalf of the Committee. The Committee is supportive of the principles of the Bill and accepts that it is required in response to the COVID-19 pandemic and associated restrictions and the effect that they have had on the local government sector. My comments will focus on Part 1 of the Bill, relating to meetings and performance.

As I stated earlier, the Committee was supportive of the regulations made under the Coronavirus Act 2020 to allow district councils the flexibility to hold meetings by remote means and to provide for remote access to those meetings. However, earlier this year, as Members heard from councils and local government officials, the Committee became increasingly concerned that the regulations would cease to have effect on 6 May 2021 and there was no extension in place. The Committee recognised that that would limit the

ability of councils to fully function and could lead to delays in council business and prevent councillors participating in democratic local government. At its meeting on 15 April 2021, the Committee considered the matter further and subsequently wrote to the Department for clarification of the issue and how it was to be remedied. The Department alerted the Committee that this could be done only by way of primary legislation, and so we welcome the Bill to take that forward and remove the situation whereby councils have to incur costs in order to have the space to adhere to social distancing regulations, particularly with many AGMs being held at this time of the year.

The Committee welcomes clause 1, which will provide a solution to the issue, will remove the end date of 7 May 2021 in relation to councils' ability to hold remote meetings and further provides that regulations will continue to operate as if they had never been subject to the date restriction. We understand that that means that they will continue to have effect until the Coronavirus Act expires in March 2022 or until section 78 is suspended, if that happens earlier.

I will not speak to clause 2, as the Minister has informed us that it will be removed in its entirety.

### 3.00 pm

The Committee has engaged with SOLACE on a number of occasions since the start of the pandemic to receive updates on the financial and service delivery impacts of the pandemic on councils and their staff. The Committee has supported the need for substantial funding to ensure that councils can play a full role in the recovery of local areas in economic, social and environmental terms. In that regard, the Committee understands the concerns that were raised about the difficulties that councils would face in delivering performance improvement duties and continuous improvement in the context of the impact of the pandemic.

The Committee is supportive, therefore, of the decision to set aside a number of statutory performance improvement duties for the 2020-21 year in order to allow councils to concentrate on providing essential services and support for their communities during the emergency. The Committee understands that clause 4 would make provisions to regularise that decision, as not to do so would leave the Department and councils open to potential legal challenge.

The Committee recognises that the recovery to normal, then future, enhanced performance will take time, and it therefore notes clause 5. That

would create an enabling power allowing the Department for Communities, by regulations, to amend or set aside performance improvement for the 2021-22 and 2022-23 years should that prove necessary during the period of recovery from the pandemic. Any regulations made under the clause would be subject to the affirmative resolution procedure, and the need for that set-aside of performance for additional years would be scrutinised by the Committee in due course. Also with regard to performance, the Committee notes that the Bill would extend flexibility to potential exemption from yearly audit and assessment by the local government auditor.

Clause 3 would amend sections 93 and 94 of Part 12 of the Local Government Act (Northern Ireland) 2014 in order to make it clear that they are subject to a similar flexibility regarding audit to that found in section 95. The Committee understands that, in section 95, there is flexibility for the Department to determine each year, after consulting with the local government auditor, on which councils the auditor must perform a section 93 audit, a section 94 assessment or both.

The Bill would provide for where a section 95 audit and an assessment report is required. The report would note any use of exemptions of section 93 or 94 in order to make it clear that flexibility was used. The Committee accepts the need for those flexibilities, but, as the process of audit is a key tool in risk management and good governance, we should naturally expect those and other performance flexibilities to be used with care and prudence.

I will finish by highlighting that the Committee was concerned about the gap between 7 May and the date of the passing of the legislation in terms of cost to councils, and it sought assurances from the Minister on that. Councils are having to rent suitably sized venues for meetings and AGMs in order to adhere to COVID restrictions. The Committee wrote to the Department in April to seek assurance of financial support for councils for that. The Minister advised us that there was an unspent balance of £35.8 million from the Executive allocation to alleviate financial losses in councils. That resource was allocated to council reserves in March 2021. The Minister advised that the money could be used by councils to enable them to meet in person until the issues with remote meetings were resolved.

The Committee is supportive of the principles of the Bill and looks forward to its remaining stages.

I would like to say a few words as a member of the Committee and a member of my party. I understand that, by the removal of clause 2, we may expect to see further amendments to clause 1 that would allow for remote meetings in other circumstances. Ms Armstrong will certainly want to talk about that.

I know from speaking to our Committee Clerk that departmental officials will appear before the Committee on Thursday. I will say to Committee members that we might be meeting at 8.00 am for what are now five briefings on Thursday. Departmental officials are going to make themselves available on Thursday for further discussions on the Bill.

**Mr Deputy Speaker (Mr Beggs):** Could we have Fra McCann on our screens? *[Long Pause.]* Just be patient for a little bit more. I call Fra McCann. *[Long Pause.]* Can you hear us? Fra, are you with us?

**Mr McCann:** My God. *[Laughter.]*

**Mr Deputy Speaker (Mr Beggs):** Hello, Fra? Can you hear us? We can hear you. *[Long Pause.]* I think that we will go back to Fra in a few moments. I call Mark Durkan.

**Mr Durkan:** My God. *[Laughter.]* Thank you, Mr Deputy Speaker.

This year has forced us all to rapidly adapt and adjust how we work and live. There has been a massive effort from all quarters to alter working environments, grapple with technology and, ultimately, ensure that people can continue business as normal or as close to normal as possible. Our local councils have been no different in that regard. The outworkings of the Local Government (Meetings and Performance) Bill would ensure that local authorities can set up procedures to hold meetings virtually, deliver for their — and our — communities and continue work with developers, preventing their local economies from stalling completely.

It is not just unfortunate — Mr Allister made this point in the earlier debate — but unacceptable that primary legislation has not been brought forward before now. From 7 May, due to the failure to extend this legislation, councils here have been left without the protections provided therein. On the face of things, that may appear to be a minor issue, but, once those regulations ended, it meant that any member attending virtually was not officially regarded as being present, which could have had, or could yet have, far-reaching implications for any decisions that were taken during that period.

Scotland was able to develop its own primary legislation and has seemingly been unaffected by that issue. As such, there is no excuse as to why we here could not have implemented the Bill sooner. Evidently, getting anything done — I am not blaming any one Department or individual — here seems to be marred by delay, but we should not accept that. We, collectively, have to strive for better.

We now find ourselves in the position where the Assembly is having to scramble to push through not just this legislation but other crucially important Bills before the fast-approaching summer recess. Not having this legislation in place poses serious barriers to getting council business done. After speaking with council colleagues from across parties and NILGA, it is clear that they are keen to retain that ability beyond COVID and into the future. Hopefully, we will have a future beyond COVID.

Maintaining the ability to host hybrid meetings is just common sense. The pandemic has forced councils to modernise and embrace technology. I argue that it makes, on occasion, for more-effective working. In affording flexibility, it has proven beneficial for members with young families, caring duties, illness or those living in rural areas who usually have to travel long distances, and be paid for doing so, to partake in meetings. In essence, the Bill should make for better representation and uphold greater levels of democracy.

I acknowledge that making those temporary regulations a permanent fixture for local authorities is a discussion for a later date. The priority now is getting this legislation through as quickly as possible, but the Bill should not disempower councils. We need more time, and I look forward to hearing from and speaking to officials at Committee on Thursday about what else the Bill contains and why. I do not doubt the intent. I, like the Chair, certainly support the legislation in principle, but the unintended consequences — at least, I hope that they are unintended — of some aspects of the Bill require closer examination and will, undoubtedly, be the subject of further and more-forensic debate next week. I look forward to that, but, for now, I support the Bill.

**Ms Armstrong:** I begin by paying tribute to the Minister and her team and to all our councillors who kept communities going through the pandemic. The swift action of councils, helped by the money that the Minister managed to get out to them, provided sustenance, support and a safe space for people as we tried to make our way through the pandemic.

As others have said, we need to support our councils. The Alliance Party supported the progress of the Bill by way of accelerated passage because we recognised from our colleagues, whether from our party or from others, the necessity of hybrid meetings. We have them in the Assembly: sometimes they work, and sometimes they do not, but, most of the time, they make provision for people who are unable to come to the Chamber or they allow for social distancing so that we can attend the Chamber safely.

When the Bill came forward, we received the papers very late, which gave us only a very short period in which to consider them. I thank the Minister for signalling her intent to remove clause 2. I have a concern that removing clause 2 may remove the intent behind what we were trying to do, which is to allow councils to continue to have hybrid meetings after the deadline passes. We know that Westminster did not come through for us, and it is a pity that we were not able to get our own legislation in place for 7 May so that councils and councillors would not have had to take the alternative actions that they had to.

In considering any future amendments to the Bill or to what will replace clause 2, I ask the Minister to think about how we can take a consistent approach to hybrid meetings across all councils. I want to support the Minister in ensuring a fair and effective democracy and to enable that to be followed across Northern Ireland. No councillor, irrespective of their political opinion, must be prevented from voting, nor should we prevent their voices from being heard. Some councils have limited access to speaking rights and have muted councillors, preventing points of order being made. I would like to see that situation improved as we move forward.

Hybrid meetings will be with us for the long term. They are something to consider when it comes to reducing carbon emissions. They help with road safety: many councillors work full-time during the day and have to drive to council meetings at night, which is outside the scope of road safety for driving at work, so it helps with that. Nevertheless, we have to be aware of governance and ensure that councillors, who are democratically elected, have a voice. The economy is also a consideration. There are concerns about how some committees meet and whether fair and open access is provided for the public. I look forward to hearing what the Minister has to say about that.

Clause 1 is out at the moment, but the Committee will be happy to work with the

Minister to ensure that hybrid meetings can continue. As we look to the future, the Committee on Procedures is looking at how hybrid meetings could be used for people who are on parental leave or who are experiencing a long-term illness. There are many options and opportunities that we could create for councillors by maintaining such meetings.

I would like the Minister to give us an update on clause 3, which has raised concerns. It will allow flexibility when it comes to audits, but I have a concern about clause 3(2), where it says:

*"But no audit under this section is to be carried out in relation to a council in respect of a financial year if the Department determines, after consulting the local government auditor, that the council is to be exempt from the application of this section".*

The provision to grant an exemption from an audit is concerning. I appreciate that the Minister has said that it would be in consultation with the local government auditor, but if there is one thing that we have learned over this last period, it is that audits are crucial in ensuring that public money is spent appropriately. Our councils go out of their way to do that. I understand the rationale behind the provision in clause 3, but we need flexibility. Dear love the council teams: the guys who set the rates and bring forward the financial packages. Most of us in the House have been councillors before, so we understand that. However, an exemption is a significant step.

I would also appreciate it — if others do not bring it up — if the Minister could talk us through clause 5(2), which states:

*"The Department for Communities may by regulations disapply or modify, with respect to financial year 2022/23, any provision in Part 12 of the Local Government Act (Northern Ireland) 2014."*

What impact will that have?

I know that it specifically refers to the financial year 2022-23, but does that apply to other years?

**3.15 pm**

On the accelerated passage point, we said in Committee that the Bill absolutely needed to come forward, because we know that our councils need us to get a move on with this. I appreciate that there has been a bit of toing and

froing about clauses today, but will the Minister confirm her thoughts on how the removal of clause 2 will work and on how we can ensure that hybrid meetings will be in place? I ask her to clarify that part of clause 3 and also clause 5.

**Mr Deputy Speaker (Mr Beggs):** I believe that Fra McCann is back with us again.

**Mr McCann:** Go raibh míle maith agat, a LeasCheann Comhairle. Sorry about that. I do not know what happened.

I thank the Minister for bringing the legislation to the House in such a timely manner, and I assure her of our full support for it. She explained the necessity of asking for accelerated passage, and I believe that the Committee was supportive of the Minister's explanation of the need to forgo the usual procedure for Committee scrutiny of the legislation.

Although the lapse of the measures is regrettable, I understand that the Department has engaged meaningfully with councils to lessen any potential impacts. This is a prudent and reasonable step to allow our councillors to fulfil their roles safely and in line with public health advice. Our local government elected representatives have worked throughout the ongoing pandemic, and many have been involved in community outreach such as the delivery of food parcels. They have been a great resource for and help to their communities.

I commend the Minister and her Department for the manner in which they rose to the occasion to ensure that financial resources and additional practical support were made available to local government in order for it to take the lead in providing leadership to the communities that it represents. That has clearly had a huge impact on people across the North, and it showed both levels of government working together for the betterment of their communities. I hope that that has put a marker down for future relationship building at regional and local government level.

This legislation is the correct move. Extending provisions to allow councillors to attend meetings remotely can only enhance politics and make it more accessible. While I hope that that does not have to be the case in the long term, given the current environment, it is essential that we have a fully functioning local government sector. Extension of remote attendance and voting rights makes politics more accessible and allows councillors to adhere to social distancing and public health

advice — a practical and prudent approach by the Minister.

**Mr Allister:** I do not have any difficulty with the portions of the Bill that directly relate to the COVID crisis, but, as I indicated earlier, I strongly object to the initial attempt, under that guise, to bring in other amendments. I welcome the fact that the Minister will desist in that regard in respect of clause 2. Now that I have had time to study clause 3, I have to say that it is in the same category. It is a change to be made permanently. It is not COVID-related. It is making a strategic change to the Local Government (Northern Ireland) Act that the House passed in 2014. It particularly seeks to clip the wings of sections 93 and 94 of that Act.

When you look at the Local Government Act of 2014, you see that the pivotal starting point for all that is section 84, which creates a general duty on a council to:

*"secure continuous improvement in the exercise of its functions."*

In discharging its duty, the Act says, the council:

*"must have regard in particular to the need to improve the exercise of its functions in terms of—*

*(a) strategic effectiveness;*

*(b) service quality;*

*(c) service availability;*

*(d) fairness;*

*(e) sustainability;*

*(f) efficiency; and*

*(g) innovation."*

Linked to that is section 92, which is very important. It says:

*"The council must make arrangements for the publication of—*

*(a) the council's assessment of its performance during a financial year—*

*(i) in discharging its duty under section 84".*

I have just read a large part of section 84. Then, in section 93, we have the situation where the Audit Office, particularly on the financial side,

must carry out an audit each year to determine whether the council is discharging that function in section 92. In section 94, the Audit Office must do likewise in respect of improvement assessments. That covers such things as efficiencies. The Audit Office, given that efficiency is one of the tests, will carry out an audit to see whether a council is performing its functions efficiently and making efficiencies. In other words, is a council giving good value for money to the ratepayers who pay its way?

The Minister told us — indeed, the explanatory and financial memorandum also tells us — that all that clause 3 does is to tidy up to make an alignment between sections 93, 94 and 95. I respectfully disagree. Section 95 is about a different thing; it is about the publishing of audit findings. Sections 93 and 94 are about the conduct of the audits. At the moment, in section 95(1), we have this provision:

*"Each financial year, the Department, after consultation with the local government auditor, must determine which councils are to be councils in respect of which subsection (2) applies in that financial year."*

Subsection (2) says:

*"Each financial year, the local government auditor must issue a report or reports in respect of each council to which this subsection applies in that financial year—*

*(a) certifying that the local government auditor has carried out an audit under section 93".*

However, sections 93 and 94 are about the carrying out of the audit; section 95 is about the publicising, if something is found. There is not the alignment that is suggested, I respectfully suggest, between sections 93, 94 and 95. The effect of clause 3 is to remove permanently the need for the Audit Office to annually audit councils in regard to the standards of sections 92 and 84. That is a big step. It is not a step, I respectfully suggest, to be taken in rushed legislation.

If clause 2 is to come out, with a view to returning to it on a more timely occasion, equally, I suggest that clause 3 should come out, on the basis that the House needs time to consider whether it wants to make the changes that clause 3 suggests. I say that not least in the context that, frankly, there are occasions when the auditory processes in local government do not build confidence. That arises in part because the local government auditor appoints a staff member who is

embedded in a council for five years. Frankly, in my experience, the relationship becomes far too cosy.

I have had experience in my area, and the Minister has made some directions in respect of the council that I refer to, where special audits have been ordered as necessary. That arose only because of the too cosy relationship, I believe, between the member of Audit Office staff and that council. If we are to diminish it further, whereby there does not even have to be an annual audit, that is not a safe or proper direction of travel. I say to the House that, if, properly, we are taking clause 2 out of the Bill, with a view to future legislation, equally, we should take out clause 3 so that it can be sifted and assessed adequately and completely, rather than rushed through, because it is a permanent change.

It is not a COVID-related change but a permanent change to the Local Government Act, and I do not think that we should amend the Local Government Act in such a permanent way through rushed legislation.

That brings me on to clause 5(2). I am not convinced of the need, nor do I see the need, to extend to the end of the 2022-23 financial year the possible disapplication of large sections of the Local Government Act. Clause 5(2) would disapply Part 12. Part 12 of the Local Government Act has 19 sections, and they are significant sections. Those are the sections that we have been talking about: section 84 right through to section 102. I understand that there may be some need to disapply them up until the end of the current emergency, but why would we want to disapply until the end of the 2022-23 financial year the key protective measures that lie in Part 12 of the Local Government Act? That seems to me more than is warranted by the current COVID emergency, and it is a detriment that the House should not embrace. I have equally serious concerns about clause 5(2).

The rest of the Bill is COVID-related and, on that basis, has a justification for moving forward swiftly. I am content with that but not with the issues that I have identified.

**Mr Carroll:** There is clearly an urgent need for legislation on local government in the area that has been outlined. The current situation, whereby councils are operating through a system of delegated authority, with council management and chief executives effectively rubber-stamping decisions made by elected reps, is a dangerous one and sets a bad precedent during a time of crisis and

emergency. No one doubts the difficult problems of the past year of the pandemic that have arisen for Governments, Administrations and councils, but it is ridiculous and unacceptable that it has got to this stage and that only now are we seeing legislation on the matter.

That said, my party and I have serious concerns about clause 2. Even though the Minister gave a welcome commitment to remove the clause, I will underscore some of the concerns and ask some questions about it. It is one thing to legislate to allow councils to continue to have remote meetings, but I see no good reason that we should grant the Department or the Minister the power to decide such things as the timing and frequency of council and committee meetings; the place at which meetings must be held; who may be allowed to attend; who can speak and vote in meetings; public admission; and the documents to be accessed. Those powers should lie firmly with councils. The proposals run the risk of allowing the abuse of the democratic process in local government, which is a serious concern. I welcome the Minister's comments that she will remove the clause. I think that I missed this, as I was on my way down the stairs, so I ask whether she intends to remove the clause through an amendment at the next stage.

Finally, similar to Ms Armstrong, my understanding is that there is no legislation that allows for hybrid meetings to take place. That may explain why clause 2, even though it is badly drafted, was inserted in the first instance. I want to get some clarity on hybrid meetings. Was clause 2 included to facilitate hybrid meetings? If that is the case, does the Minister intend to table amendments or to introduce other legislation to allow for hybrid meetings to take place?

**Ms Hargey:** I thank the Committee Chair, the Committee and all Members who have spoken here today. If the legislation, in whichever iteration, is passed, it will ensure that councils are afforded the best opportunity to function fully in order to deliver important services and to continue to work on recovery over the next few years. Everyone recognises that, once the virus is gone, councils will not just go back to the position that they were in January 2020. There will be ongoing issues.

We are trying to ensure that there is flexibility and that we can work with councils so that, of course, we are still managing risk, but that we do not constrain them so much that they cannot respond to the new needs that may emerge as a result of the pandemic. We know that there

are new economic and social needs to which councils will have to respond. There will be a Consideration Stage, and amendments may be tabled then. There will also be discussion at the Committee on Thursday, when the Bill will be an extra item on the agenda.

### 3.30 pm

I will respond to some of the comments that were made. As regards the delay, I do not want to be in this position. The reason that I attempted initially to take it through the Ministry of Housing, Communities and Local Government was that that had been identified as the quickest route. At the last minute, that was changed because of the scheduling at Westminster, which threw us into the situation that we are in now. That is hugely unfortunate. I make no excuses for that. We are now trying to progress it as quickly as possible. I thank everybody in the Chamber for the fact that, even with the negotiation outside, we were able to agree to accelerated passage to get this done.

I have been working with councils. It is not as though councils and NILGA have just been left. There has been engagement on the issues, as was referenced by the Chair of the Committee. There are resources and funding to ensure that councils are not negatively impacted financially through the support that we have given. It is important that we have worked closely with local government, particularly during the pandemic. Over £85.3 million has been given in financial support. I secured an additional £10 million in COVID money from the Executive at our meeting on 20 May to continue to work with councils. We put in £12 million for revitalisation to allow councils to work with business and the wider community to revitalise town and city centres. We worked to deliver over £9.5 million through the vital community support fund, which was about getting out into grassroots communities and providing a safety net for them at the height of the pandemic. We want to continue to work with them to deliver on all those commitments and to make sure that we do that as quickly as possible.

People have raised the need for a more permanent change or hybrid solution. I have discussed that with NILGA and the Association of Councillors, with whom the issue was raised recently, and with Ministers at the Executive meeting where we brought this through. My Department wants to look at that proactively and work with councils. However, it was not the correct course to take it through this legislation. That is why it is not in it. As it has rightly been said, the Bill will proceed with accelerated

passage. We want to give time to consider any unintended consequences of something that may seem to be a good idea. Again, there are differences between urban and rural settings. All that needs to be worked out and assessed. We need to engage with and consult people and try to find a co-design approach on what a future amendment to the legislation would look like. Through my engagement with the Association of Councillors and others, I have committed to working with councils and, ultimately, the Assembly as we move through that.

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

**Ms Hargey:** Yes. Go ahead.

**Mr Carroll:** I appreciate the Minister's remarks. Can that be brought forward as an SR or in a different piece of legislation? The Minister says that it cannot be incorporated into the Bill: is that correct?

**Ms Hargey:** It could be incorporated: I am saying that people do not want to rush it. There needs to be careful consideration of the points that people have raised about clause 2. I did not feel that it was appropriate to bring it through under the current draft legislation, because this responds to the pandemic and does not look at the wider issues that have rightly been raised, for example, about women, parents or carers attending council meetings. Work needs to be done to ensure that there is flexibility for councillors on the ground for whom it is not a full-time job — I say that as a former councillor — so that they can participate fully in meetings and that the regulations allow them to do that. Consistency of approach across councils has also been raised. All those issues will have to be taken in the round, but it will not be done through this Bill.

There is a commitment that we start to look at that and that we work with councils and the Association of Councillors to do that in the time ahead. I am due to meet them again in the autumn to touch base on those issues.

Issues have been raised around audit, and it is crucial to have a key tool for risk management. There is no doubt about that. Issues have been raised to do with sections 93 and 94. There will be further discussion of it at the Committee, but, at the outset, the amendment was identified when consideration was being given to the performance improvement duties that should have been set aside due to the impact of the pandemic. The move to a more risk-based approach was originally raised at the

Committee Stage of the Local Government Act in 2014. At that time, the amendment was made to section 95 so that the Department, after consulting the local government auditor, could determine, on an annual basis, the councils for which the audit would be required and issue an audit assessment. The original amendment to section 95 covered only audit reports and did not modify the audit requirements under section 93 and the assessment requirements under section 94. The changes to sections 93 and 94 in the Bill are to provide similar flexibility as in section 95, when that is deemed appropriate in the future, and to clarify the position relating to a risk-based audit approach.

As with clause 2, I have recognised that it is a difficulty for people, and it is being removed. Between now and next week, we need to look at whether there will be a further amendment to make sure that there are no unintended consequences based on where we are here and now. Again, my officials and I are more than happy to engage not just with the Committee but with individual Members who want to have a direct conversation with me or the officials. We can facilitate that ahead of moving to the next stage next week. Members may table amendments as well, and that is fair enough.

I am keen to move to the next stage to make sure that we have the engagement. There will a briefing at the Committee on Thursday. I commend the Bill to the Assembly.

*Question put and agreed to.*

*Resolved:*

*That the Second Stage of the Local Government (Meetings and Performance) Bill [NIA 26/17-22] be agreed.*

*Adjourned at 3.37 pm.*

Suggested amendments or corrections that arrive no later than two weeks after the publication of each report will be considered by the Editor of Debates.

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