



Northern Ireland  
Assembly

# Official Report (Hansard)

Tuesday 25 October 2016  
Volume 116, No 8

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Wells, Jim (South Down)

# Northern Ireland Assembly

Tuesday 25 October 2016

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

*Members observed two minutes' silence.*

## Assembly Business

**Mr Nesbitt:** On a point of order, Mr Speaker. Today we deal with the Bengoa report, October monitoring and the rationalisation of the court estate. Yet, half an hour ago, three sets of papers on Bengoa were delivered to Members' pigeonholes, but I found nothing on October monitoring and nothing on the rationalisation of the court estate. Following your discussion with Committee Chairs last night on how we can do business better, can we reflect on the fact that the non-delivery of papers and information does not necessarily lead to good debate and scrutiny?

**Mr Speaker:** I will deal with at least one of those matters now. I have received notice from the Minister of Health that she wishes to make a statement —

**Mr Attwood:** On a point of order, Mr Speaker. This is on a different matter and refers to the Hansard report of the debate last week on health and cancer services. At the beginning of that debate, the Minister of Health raised a point of order that lasted over a minute and ran to 233 words. During the point of order, the person then in the Speaker's Chair at no time encouraged the Minister to bring her comments to a close. Will you review the conduct of that point of order?

**Mr Speaker:** I will look at the point of order that you have raised, Mr Attwood.

Members, I have received notice from the Minister of Health that she wishes to make a statement on Health and Wellbeing 2026: Delivering Together. Before calling the Minister to make her statement, I remind the Minister that Standing Order 18A(2) requires her to make a written copy available to Members at least half an hour before delivering it in the Chamber. The Minister did not meet that requirement this morning. Therefore, in accordance with Standing Order 18A(2), the Minister must state the reason for this prior to making her statement.

## Ministerial Statements

### Health and Wellbeing 2026: Delivering Together

**Mrs O'Neill (The Minister of Health):** I apologise for the lateness of the statement. We had an Executive meeting this morning, and I endeavoured to get the statement into the pigeonholes. I believe that we did so at 10.00 am.

Mr Speaker, having received Executive endorsement this morning, I am grateful for the opportunity to make a statement setting out my ambition for a world-class health and social care system, Health and Wellbeing 2026: Delivering Together.

As I have said before, and I want to put on record again, I am proud and privileged to be the Minister of Health. I am proud of our health and social care service. I am proud of the dedication, the commitment and all the hard work of all those working right across our health and social care system. I am proud of the quality of the full range of health and social care services people here receive from staff whose key focus is to improve our health and well-being. I have witnessed at first hand the amazing work of Health and Social Care (HSC) and the positive impact it has on people's lives. The depth of the dedication, commitment and compassion of all those who work right across our health and social care system continues to astound me.

However, the system itself is at breaking point. This is not news. Every person in the North and everyone working in our health and social care system understands this to be the case. Put simply, the system has not changed quickly enough to meet the demands and the needs of the population. While not always accurate, reports of long waiting lists and failed targets feature regularly in the media. This is why, in my first week as Minister, I made a statement to

the House acknowledging the challenges but, more importantly, pledging my commitment to transform health and social care. I promised I would reflect on the expert panel's report and put my vision for health and social care before you, and today I am doing so.

I thank Professor Bengoa and the expert panel and commend them for their work. I received the report, 'Systems, not Structures' in the summer and since then have spent time carefully considering the report, its implications and the next steps. Professor Bengoa has told us that we need whole system transformation if we are to meet the needs of the population. The expert panel's report, alongside the Sir Liam Donaldson and Transforming Your Care reports, has been instrumental in developing Health and Wellbeing 2026: Delivering Together. To be clear, Delivering Together is now the only road map for reform.

As I have said, the case for change is universally accepted. When I addressed the Assembly in June, I spoke about the prevailing challenges that exist. By 2039, the population, aged 85 and over, will have increased by 157% compared with the position in 2014. Living longer is of course great news for us all, but, as we get older, we are more likely to live with one or more long-term conditions. In addition, our health and social care needs change, and we quite rightly have higher expectations. Our health and social care system needs to change if it is to meet the needs and the expectations of a growing population.

Health and well-being is shaped by many factors but above all by our social and economic environment. To our shame, the inequalities between health and social well-being outcomes across our society are stark. Where you live should not determine how long you live. A simple illustration of this is that people who live in Belfast city centre will live up to nine years less than those living at the top of the Malone Road. We should all be deeply concerned by that.

Across the North, the proportion of babies born with a low birth weight in the least deprived areas is lower than that in deprived. Children born in deprived areas are more likely to experience childhood obesity and to be in care. It is an outrage that, in 2016, your life experience may be predetermined by your social and economic circumstances. This must change, and that change must start now.

Like Ministers before me, I continue to increase investment in front-line services and in service developments and improvements, and this has

gone some way to alleviating the pressures the system faces and the consequences for those requiring health and social care services. However, this is not enough. Our current delivery models are having an increasingly negative impact on the quality and the experience of care, and they are constraining the ability of the system to transform itself to meet 21st century health and social care needs. There are excellent examples of innovative practice, but these are often in pockets and not widespread.

The reality is that the current model is unsustainable. If we continue to provide services in the same way, using the same current models of care, demand projections show that ten years from now the HSC will need 90% of the entire Executive Budget — that is 90% of the entire Executive Budget.

Since coming into post, I have spent much time listening to HSC staff and to users. Not only are they ready for change, they want change and they are demanding change. They are not alone. The political summit hosted by the expert panel secured a mandate for change and the principles that underpin it. We have a "fresh start", supported by the Executive — it is not down to one Minister or one Department. There is total agreement across the Executive that this needs to be done.

Health and Wellbeing 2026: Delivering Together provides a road map for radical transformation in the way we receive health and social care services. This is not a quick fix. Given the size and scale of the challenge, I fully expect that the transformation process will take two mandates to properly plan, implement and embed, but we must start now.

In line with the Programme for Government and the Executive's population health framework, 'Making Life Better', my overriding ambition is for all of us to lead long, healthy and active lives. Health is a human right, and I believe in a universal health service, based on need, free at the point of delivery. I want to see a future in which people are provided with the information, education and support to enable them to keep well in the first place.

When care is needed, it should be safe and of high quality. Those who use services should be treated with dignity, respect and compassion. Staff are the system's greatest asset, and they must be empowered and supported to allow them to do what they do best. Put simply, I want to see a health and social care system that is efficient and sustainable, where best practice is the norm and where investment is

made in areas that will positively impact on service users rather than prop up a failing structure.

My vision for health and social care is ambitious. It will require whole-system transformation across primary, secondary and community care, and a radical change to the way in which we access services. We will work across sectors to build capacity in communities. That will allow them to develop the skills and knowledge needed and the assets required to tackle effectively the underlying determinants of health and well-being. Tapping into their ideas and energy, we will build on and support the real strengths that they have. We will support the development of thriving and inclusive communities. Through building community capacity, developing social capital and investing in health-visiting and school nursing, we can ensure that every child and young person has the best start in life and is supported to fulfil his or her potential.

We will support those who are more vulnerable in our society, those living in deprivation, our older population and those with learning disabilities and mental health issues. We will help them to live the life that they want, maximising independence and maximising choice.

The early intervention transformation programme (EITP) is a good example of joined-up government, with the Department of Justice, the Department of Education and Department for Communities all working together to find ways of intervening earlier in their lives to improve outcomes for all our children. We will build on that success, including building the capacity of staff to work more effectively in delivering early intervention approaches.

We will also strengthen the work of the existing network of family support hubs available right across the North, which show how community, voluntary and statutory organisations can work together to help families doing their best as they face the challenges of bringing up children.

Improving the life chances of children and young people is a priority for me, particularly of those children for whom the state has taken on parental responsibility, or "looked-after children" as they are known. Those children experience much worse health, social, educational and employment outcomes than children generally have. That is not acceptable to me. I will expand the range of placement options and support available to them to support their mental and emotional well-being, educational attainment and overall health outcomes. We

must and will become better parents for those children.

When people need care and support, very often, their first port of call is their GP. Primary care is the bedrock of our health and social care system, but it is still largely based on GPs working independently, with limited input from other skilled professionals, such as district nurses and social workers. There are many examples of how we have improved that integration, but we must go further. People do not live their life in silos, so we should not provide services in them. I will invest in our primary care services. I will put in place multidisciplinary teams embedded around general practice that will maximise the benefits that can flow from our integrated system of health and social care. Their focus will increasingly be on keeping people well in the first place and the proactive management of long-term conditions. They will be equipped to identify and respond to problems earlier, whether they relate to health or social needs.

The teams will include people from a range of disciplines, including GPs, pharmacists, district nurses, health visitors and social workers. I am also keen to explore new roles that are having positive impacts elsewhere, such as advanced nurse practitioners and physician associates. We need to be open to new ways of doing things, looking to approaches elsewhere, such as the model used in the Netherlands, where district nurses lead the assessment, planning and coordination of care in self-managed teams. I believe that the best of that approach and other approaches can be adapted and even improved on in our integrated health and social care system.

I recognise the challenges in recruiting and retaining GPs, and, given the importance of building multidisciplinary primary care teams, I will increase the number of GP training places to 111 a year, with 12 additional places next year and 14 beyond that the year after. Building on the increase in training numbers made earlier this year represents an increase of more than 70% in GP training places within a three-year period.

#### **10.45 am**

Alongside increasing the number of GP training places, we must make sure that general practice is a key part of the medical undergraduate curriculum. To that end, funding provided for undergraduate training will be redirected to support Queen's University in increasing the percentage of the undergraduate medical curriculum spent in general practice. I

can also announce that 25 GPs have been accepted onto a GP retainer scheme, which was launched earlier this year. This has meant that GPs who may otherwise have been lost to general practice are attached to practices, are working in the out-of-hours service and have access to a supportive continuous professional development programme and mentoring.

I have initially commissioned five training places for an advanced nurse practitioner programme in primary care to start in February 2017 in addition to eight for emergency departments. I plan to at least double those numbers from September 2017 and then incrementally grow this cadre of staff for an increasing number of specialties over the next five years. By further extending the role of the nurse, I want to ensure that I still have sufficient nurses to continue to do the jobs they already do so well. Therefore, I am increasing the number of training places for new nurses by a further 100 from September 2017 to ensure that we will not be as reliant as we currently are on the international recruitment of nurses to fill vacancies in the years to come.

The role of physician associates (PAs) is one that I am keen to build on. I provided funding to support placements in primary and secondary care for an annual cohort of 20 PA students on the new postgraduate course being commenced in the University of Ulster in January 2017. I will also continue to invest in the practice-based pharmacist scheme, with close to 300 pharmacists expected to be employed across the North by 2020-21, taking the pressure off GPs, improving the use of medicines and supporting patients. The askmyGP online and phone triage system, which is allowing GP practices to see patients the same day and when they need to be seen, will be rolled out to a further 30 practices. These investments reflect some of the recommendations of the GP-led care working group, which reported earlier this year. I intend to provide a full response to the recommendations of the working group before the end of the year.

We must also make use of our valuable community pharmacies much more. They have an important role to play, particularly in supporting people to keep well in the first place and to use their medicines appropriately and safely. I want to develop a new framework for how we work with Community Pharmacy to fully realise pharmacists' potential.

There has been a long-standing ambition to shift more health and social care from hospitals to settings closer to people's homes. I believe

that this is the right thing to do, and I want to ensure that we realise that ambition. New models and services continue to develop and emerge such as acute care at home. For example, in the Belfast Trust and the South Eastern Trust areas, 460 frail elderly people have received enhanced or acute care at home services, avoiding 4,102 days in hospital. I want to ensure that patient-centred initiatives like this are implemented right across our health and social care system.

Ambulatory assessment and treatment centres are a further example of innovative patient-focused initiatives that I plan to develop further. These centres will provide a one-stop shop, allowing patients to be assessed and diagnosed and, if required, to receive a treatment or procedure all on the one day. In the Belfast Trust, in the past six months, over 9,000 patients have been treated in ambulatory care instead of waiting in the emergency department, and 81% of them were discharged home without needing to be admitted. Over 4,000 have received treatment on a planned basis through this approach without needing a stay in hospital. In the South Eastern Trust area, over 1,000 patients have benefited from this approach in the last six months. This and similar models in other trusts provide for a better experience for patients and a more effective use of our inpatient beds, and we need to build on the new services and expand their use.

Given the changes that I have set out for the rest of the system, it follows that the nature and focus of our acute hospitals will change. As well as enhancing the support received in primary care, we need to reform and reconfigure our hospital services. The expert panel has provided us with a road map to do so, and I plan to consult on the criteria recommended by it next month. Once agreed, this will form the basis of a programme of service reviews, seeking to ensure that our services are configured and built around what people need.

This is not a standing start. We have recently conducted clinically led reviews in pathology and imaging, and I intend to move to public consultation on these two important areas. In the future, the role of our hospitals will fundamentally change to focus on addressing the needs of patients requiring complex planned surgery or emergency care in an inpatient setting. There is strong evidence that concentrating specialist procedures and services in a small number of sites produces significantly better outcomes. Adopting this approach will mean that not every service will

be available in every existing hospital, but, where those services exist, each and every one of us will benefit from more timely, safer and better outcomes.

Over the last few years, we have seen the development of very successful regional networks for a number of specialist services. These provide services to our whole population rather than to a small locality. We have seen that developed increasingly on an all-island basis, as in the case of the congenital heart disease network. I have already commenced a programme of work with counterparts in the Department of Health in the South to identify areas of mutual benefit and develop more cross-border and all-island services. I am keen to explore the potential benefits of this approach, particularly around delivering better perinatal services and support for new mothers, as well as considering ways that we can help young people who are struggling with mental health and addiction problems.

Evidence also shows that delivering planned and emergency care using the same facilities and resources can have an adverse impact on activity and, therefore, lead to an increase in waiting times. Far too often, scheduled appointments and surgeries may be cancelled when vital resources are diverted to deal with unscheduled care. Moving forward, elective care centres will be developed to carry out less complex planned treatments. These centres will make better use of the resources that we have through organising them differently. This may mean that a patient may travel further for their treatment, but there is strong evidence that elective care centres, such as those used in Scotland, can reduce waiting times and provide a better experience for staff and patients. I cannot tell you where these centres will be or how many we will have. The answers to these questions will be for the clinicians and professional managers in the HSC system to develop based on the evidence of what people need and working in partnership with service users and patient groups.

However, elective care centres are not the sole solution to the unacceptable delays currently facing patients. Rather, they are part of a long-term process moving towards a more sustainable model. This future model cannot succeed if it inherits the unacceptable waiting lists that blight our system. Urgent and sustained action is required to bring these under control. In light of the recommendations set out in the expert panel's report, I intend to bring forward a strategy to reduce waiting lists.

I have set out the changes that I believe are appropriate for the delivery of services, but how we plan and manage these services is just as important. We need to reduce bureaucracy to make the decision-making process more streamlined and, importantly, to plan and manage services in a way that promotes collaboration, integration and improvement in service delivery. In the context of the decision to close the Health and Social Care Board, I know from speaking to staff that they are anxious about their future. They have already been involved in the design process, and that will continue. This is a priority for me and, now that the direction of travel has been fixed for the delivery of services, I will move very quickly on this matter. I will engage with the board staff as a matter of priority.

I believe that the approach that we take to transformation is as important as the transformation itself. From the outset, I was clear that this vision could be achieved only through partnership working and co-production. It is no coincidence that the document that I am publishing today is called 'Delivering Together'. It sets out in clear terms how I will bring forward transformation. We all have a stake in our health and social care system. It belongs to us all and, therefore, we all have a responsibility to work together to ensure that it is sustainable for the future. We must all work in partnership to design and deliver the changes.

The principle of co-production will underpin how we operate in the future, whether that be at a system level, designing how our services and hospitals should be configured, or at a service level, designing how care pathways and individual care should be delivered differently. However, very importantly, it also signals a collaborative approach between the people who provide services and those who depend on them. Care should be planned around the individual and the unique needs of that person, and this must be based on real and meaningful partnership. Our mental health recovery colleges are an excellent example of the benefits that can be realised through co-production, recognising and using the expertise that people with mental health difficulties have. We will now harness the energies of people who use all our services.

I want to align quality improvement and regulation far more closely to the voice of those who use our services and those who deliver them. We will replace a culture of targets and blame with one that focuses on outcomes and improvements. Outcomes should be shaped by what matters to people, not just by what is wrong with them. Improvements will be led by

staff on the front line, not distant officials. This is already happening. Committed staff, working with the people they serve, are taking forward initiatives to improve outcomes, shorten waiting times and reduce bureaucracy.

Quality improvement initiatives, such as the integrated respiratory service in the west, are happening every day, designed and led by the staff on the ground. The community respiratory team provides patients with joined-up specialist support focused on self-management, and coordinated care. This is a much more streamlined and responsive service for patient, GPs and hospital services and benefits all.

Another example is the rapid assessment, interface and discharge team in the northern area, which is known as RAID. That innovative project is based on international best practice and recognises the links between good mental health and good physical health. Instead of the traditional approach to mental health referrals for people who go into emergency departments or are admitted to hospital, that team operates seven days a week, 24 hours a day to respond quickly to need. It also acts as a link to community mental health services, promoting recovery and well-being and ensuring continuous care and better outcomes.

Those are strong local examples, but they raise the question of why those services are not available to all the people of the North. I want to develop a system that will learn from such approaches and see them adopted across the system. As a first step towards that, I have asked that a group is convened of professionals and people who use services to establish an improvement institute. That will not be a new building or a new layer in our system, but it will help to bring existing experience and knowledge together to work in a different new way for a much greater impact. That will be supported by a new approach to learning and team working. Rather than concentrating power at the top, I want all those working in health and social care to feel able to effect change and improvement in care. We must support and equip teams to do what they do best — namely, provide excellent care — and not micromanage them and load them down with unnecessary bureaucracy. That means having greater collective clinical and professional leadership throughout the HSC, supported by skilled and able managers.

Too often, I have heard that the current culture in the HSC is characterised by competition and silos, and that must change. I want to see a culture where staff feel empowered and where collaboration and partnership working define

the way things are done. The positive results of that way of working are clear to all. In one of our trusts, a head and neck cancer specialist nurse introduced a follow-up telephone aftercare service by working in partnership with patients, which resulted in a patient-led follow-up service that enables fast-track referrals to follow-up clinics. There are many more examples across the system, but that type of working needs to become the new norm. For that to happen, our staff need to be equipped with the tools that will allow them to lead change. That is why I have asked my officials to develop a system-wide HSC leadership strategy by next summer.

I am determined to realise the potential that modern information technology provides. The pace of technological change is rapid, and that is no different in health and social care. I want to ensure that the right information is available to the right professionals or, indeed, service users themselves when they need it and in the way they need it. We have too many systems; people often have to tell their stories or provide the same information over and over again. At best, that is frustrating, and, at worst, it is unsafe. I want to ensure that the double and triple handling of information ceases by consolidating our patient records, enabling greater access to citizens and freeing up health professionals' time to care.

That is a major undertaking. Even starting now, it will be a decade before we see real change right across our HSC system. However, progress is being made. Every day, more health and social care information and resources are added to NI Direct, and I expect to have a patient portal in place for dementia patients next year. We plan to roll out online access to health and social care records over the next five years, where service users and patients want it. As users of the service, information about us belongs to us, and having access to that information will help us to make informed choices about our lives.

This morning, I have set out what I believe to be a very ambitious vision for the future of HSC. What I am proposing is not a quick fix but a significant and radical programme of change. That is why I have been upfront about the time frame. However, I want to be really clear that the size of the task and the length of the journey will not dictate the pace of change. I have witnessed the pressure that staff are under every day. I know that 10 years is too long for them to see a difference, which is why I have set out my priority actions for the next 12 months: change starts today.

I am committed to taking a personal role in this process and will bring progress reports to the Assembly every six months. In short: I am up for this.

Change cannot happen, of course, without investment. We need to continue to deliver the existing HSC services to those who need them whilst developing and implementing change, so a period of double running will be necessary. Once I begin the process of co-production, I will be clearer about the financial requirement. What I can say today is that additional investment is needed.

I acknowledge that the cost of transformation may be significant, but standing still is not an option. There will be consequences if we do not deliver planned and managed change in our health and social care system. Even with the best efforts of all the staff, waiting lists will continue to grow, expertise will continue to be diluted and the best possible outcomes for our citizens will not be realised.

I believe that we have been given a fresh start. We are facing into a time of change, but it is change that must happen. Delivering Together sets out a direction of travel that I hope all our society can embrace and support in the challenging but potentially rewarding times ahead.

#### 11.00 am

As Minister of Health, I will provide the leadership needed to drive change. I have no doubt that those working in the front-line service will not be found wanting in leading the transformation of the health and social care system. Today I hope that colleagues from all political persuasions will show the political leadership and courage needed to support the system in transforming itself. Together we can deliver the health and well-being outcomes that all our people deserve.

I commend the statement to the Assembly.

**Mr Speaker:** Before I call a Member to ask the first question, I inform the House that a very large number of Members have indicated their desire to do so. In order that I can get in as many Members as possible, I ask that those who get the opportunity to ask a question ensure that it is short, sharp, focused and relevant to the statement made by the Minister.

**Mrs Dobson:** I thank the Minister for her statement and for the eventual publication of the two reports. She talked about "a period of

double running" and said that she will be clear about the finance when that begins. Does she recognise that Transforming Your Care (TYC) failed because of the lack of budget? What assurances can she provide to the public, patients and health professionals that this report will not fail? Was the Minister surprised by the apparently limited detail in the 'Systems, not Structures' report?

**Mrs O'Neill:** I start by commending the expert panel for the work that it did. The report that it produced was very clear and pointed out the stark challenges in our system. It was a very detailed and meaningful piece of work that engaged staff right across the health and social care system. I very much welcome the report. It has informed me of the direction of travel that we need to take.

I believe that, in going forward, we have no choice but to transform our health and social care system. If we are all invested in making sure that we have better outcomes for the population, we should all play our part and get on board for the transformation journey that we need to take. The Executive have endorsed a plan of action for going forward and realise that transformation costs money. They want to deliver better outcomes for our population. The clear direction of travel set out today shows that we will make a meaningful difference. We have to transform the system and support the staff who do an excellent job every day and are under pressure.

We have set out today a very clear programme for the implementation of change to make things better and deliver better outcomes. We should be focused on making sure that we deliver the best possible outcomes for all of the population. We have a real opportunity to make a meaningful difference and to be world leaders in what we provide through our health and social care system. We are already the envy of many areas that look towards our integrated system. Let us build on what is good, transform the system and put our health service on a sustainable footing. I believe that the rewards will be seen in the years to come, when we can stand over a first-class health and social care system in which staff, patients and carers are involved in the planning, production and design of the services that we provide.

**Ms P Bradley (The Chairperson of the Committee for Health):** I thank the Minister for her statement outlining her vision for Health and Social Care. Your vision is very ambitious, Minister, but I believe that, with consensus in the House, it is achievable. The statement mentions that tough decisions need to be made

and refers to the Bengoa criteria. Will the Minister tell the House what process she intends to put in place to involve communities, front-line staff and political representatives in order to make that a reality? Will she also advise what preliminary work has been done to cost the proposals set out in her statement?

**Mrs O'Neill:** I thank the Member for her positive contribution. I look forward to working with you as the Chair of the Health Committee. We have a shared interest in delivering better outcomes for our population. This is a real opportunity, and I know that you will be happy to work with me to make sure that we deliver a first-class service.

We should not start the conversation about money. Obviously, it is very important and we need it to transform the system. However, the principle behind all this is transforming services to deliver better health outcomes for the population. I am deeply committed to universal healthcare that is free at the point of delivery for the whole population. For the first time ever, the Executive have collectively endorsed a programme of action and the plan for going forward. In doing so, they recognise that there is a cost. We will enter the Budget process in the weeks and months ahead and will, I hope, secure the transformation funding that we require.

The Member asked how we will work and build confidence in the system.

That is about meaningful engagement and listening to staff and patients. It is about making sure that the decisions that we take are clinician-led. If those decisions are clinician-led, people will know that they are about better health outcomes for them. It is about having a frank and honest conversation with individuals about the plan and about where we need to go. We want them to help us deliver the services. People are up for that; the staff and patients whom I am engaging with are up for that. I am, personally, going to embark on a process of engagement, and I will go anywhere that health service staff want to talk to me about getting involved in the conversation. I want to make sure that we collectively go on this journey, but I also believe that it is about genuine ownership — giving staff and patients ownership of the direction that we are going to take.

**Ms Seeley:** I thank the Minister for her statement and welcome the work that has gone on behind the scenes to get us to today. She has made it clear in the past that mental health is a priority of hers. Will she set out her plans in

relation to mental health and how we can achieve parity of esteem for it?

**Mrs O'Neill:** I thank the Member for her question. I have said in the House on many occasions since taking up office that mental health will be one of my key priorities. When it comes to reshaping services, co-production and looking at how we are going to deliver services in future, mental health is one of those areas, through recovery colleges, where we can see how co-production works. I want to do more of that. We have to work towards the point where we have parity of esteem for mental health, which, to me, means recognising the true impact of mental illness on society. It is about a focus on recovery and greater involvement of experts and the experience of the service user and those who are living with mental illness. It is about investing in service developments where resources allow. It is about exploring the potential for all-island developments. As I said in my statement, there are a number of areas where we could work more collaboratively, particularly in perinatal mental health and in relation to young people who find themselves with a dual diagnosis.

There is so much that we have still to do. I am going to receive the review of the Bamford report action plan in the next month, and that is going to help me inform the direction of travel. I want to set out very clearly a plan of action for the next number of years, which will set out how we are going to achieve parity of esteem for mental health. It is so important that we help people to remain well and that we promote positive mental health messages. I want to prioritise this, and, as I said, over the next number of months, I will produce a plan for taking that forward.

**Mr Durkan:** I very much thank the Minister for her statement and welcome the publication of this report, which contains some extremely sensible and necessary proposals. However, the lack of specifics in the report and in the statement on the transformation or rationalisation of our hospital estate means that a spectre of doubt will loom over services in several areas. When will she be in a position to put more meat on the bones of this statement and let us know what this means for where?

**Mrs O'Neill:** We did not just arrive at this scenario overnight. The health service did not get to the state it is in overnight. This has been a process that happened over many years, and it is for a number of reasons, including an ageing population, growing expectation and demand, financial challenges, the Tories cutting

the block grant and all the implications of all of that. I could list the challenges, which are well rehearsed and, I think, universally accepted. We have to get better about how we deliver our services.

What I set out this morning is a true reflection of the length of time that it is going to take to properly transform the system. There is no quick fix, so we need to have a sustained plan of action, which is what I have clearly set out. We cannot just sit back and wait for 10 years to go by and see what happens. We have to be part of everyday actions that are making a difference. I have clearly set out my plan of action for the next 12 months, which is very much focused on co-production and co-design. If I am serious about co-production and delivering services in conjunction with patients, carers and staff, I should not run too far ahead of the ball. That would not lead to meaningful collaboration or engagement. What I have set out, clearly, is a plan of action for the next 12 months, which is going to inform the year after, the year after and the year after. I think that what we will see is incremental change.

I would suggest to the Member that we should not allow any seed of doubt to be sown out there. This is a positive development. We all want to see better health outcomes for all of the population, and the best way to do that is to work together. I have said that I will come back to the House every six months throughout this journey to update Members on where we are and on how far we have got in our progress. I think that this is different from anything that has come before. We have an Executive that have put their full weight behind this direction of travel. We have an Executive that realise that we need additional funding to transform and that want to tackle waiting lists. I have said that I am going to bring forward a plan in January that will set out very clearly, over the next five years, how we are going to bring those waiting lists down.

That is the plan of action to deal with the backlog, but if we do not transform the system, the waiting list picture is not going to get any better and staff are going to come under even more pressure. I suggest to all Members that this is a positive day. This is a fresh start for health, and we should go out and tell the public that we are committed to delivering this transformation.

I, as the Health Minister, will not be found wanting in the leadership that I will show in driving forward meaningful transformation, because I am committed to tackling health

inequalities and delivering first-class health outcomes for all the population.

**Ms Bradshaw:** Thank you, Minister. The reports are very good and very much reflect what we, as Health Committee members, have been hearing over the past few months. The increase in GP places each year to 111 is very much to be welcomed. As you know, however, the British Medical Association and the Royal College of General Practitioners have a lot of urgent and pressing matters that need to be attended to, not just about more places. I am talking specifically about more finances. How do you plan in the shorter term to address finance issues?

**Mrs O'Neill:** We all recognise that GPs are under pressure. The focus that I placed today on primary care will really help improve that picture and really help support GPs. The fact that, within the next number of months, all GP surgeries will have a named health visitor, district nurse and social worker shows in itself the commitment to multidisciplinary teams, which the BMA and GPs are asking for. The other thing is around working with Community Pharmacy. Our community pharmacists can do so much more, and they are crying out to do so much more, so I want to work with them. I will develop a framework over the next number of months with them. Whenever we come to agreeing a new contract, we can work more collaboratively with Community Pharmacy.

As a combination of building community capacity, all those things will make a real difference to primary care. When it comes to making difficult decisions in the future about where services are based, we have to invest in primary care. People have to feel that it is different in primary care. The initiatives that we have set out today are going to do that.

The GP-led working group has set out a number of asks, some of which we have addressed today. However, I will respond to the full report by the end of the year, and we will look at other areas in which we can work together.

GPs are the bedrock of primary care, so this is a good opportunity for us not just to give a nod to primary care but to make a real, meaningful difference. I think that the implementation of some of the initiatives that I have set out will make a real difference.

**Mr Middleton:** I thank the Minister for outlining the report. The expert panel report states that action must be taken to address elective care

waiting times. The Minister stated that she intends to bring forward a strategy to try to address and reduce waiting times. Can the Minister outline what content she foresees being in the strategy?

**Mrs O'Neill:** I thank the Member for his question. I consistently say, and I say it again here today, that waiting times are unacceptable. They are unacceptable to me and, I think, to all of us. We share that.

I understand absolutely that, if you are waiting to be seen as an individual — a parent, a daughter or a son — it is so stressful and worrying if you cannot get to see someone as quickly as possible, so we need to do two things. We need to address the backlog, and that is what the plan will very much be about. Alongside that, we need to develop and transform our system so that we do not get to that point.

These are new ways of working. We are trying to operate a 20th-century health and social care system trying to deliver 21st-century care, and those two things do not marry. If we do not transform the system, our waiting lists are not going to get any better.

I have already done a large body of work on waiting lists and am bringing forward a plan. We are going to need additional funding to be able to do that. To build public confidence that what we are doing is the right thing, we need to address waiting lists alongside the transformation piece. Transformation is the longer-term solution. In the meantime, we have to bring forward a plan, which I am going to do by January, that will clearly set out how, over the next five years, we will try to bring down the waiting lists.

**Mr Milne:** Buíochas fosta leis an Aire as an ráiteas seo inniu. I thank the Minister for her statement this morning. Our community pharmacies are providing vital services every day. Can the Minister explain how she plans to utilise them better to help deliver the vision and changes that she has set out today?

**Mrs O'Neill:** I thank the Member for his question. I 100% agree that community pharmacies play a vital role in our health and social care system. Recently, when I was out visiting one of the community pharmacies, I saw at first-hand how they contribute, which included doing things that you would not believe that a pharmacy does.

Quite often, they can be the first port of call for a lot of people, particularly in deprived areas, where people may be more likely to go to their community pharmacist than to their GP. They are crying out about wanting to do more. I want to work with them to do more. Our community pharmacies dispense over 40 million prescription items every year and have unequalled access to people in local communities. That gives them the opportunity to promote well-being through the best use of medicines and delivering important support about healthy lifestyles. When we look towards winter, pharmacy in the community has a critical role in supporting people to stay well and to make informed choices about HSC services.

#### 11.15 am

I want to maximise the potential of Community Pharmacy: they are up for it, I am up for it, and we can make a real, positive difference. This is all bringing it back to the focus on primary care. It is about the GP. It is about the district nurses. It is about the allied health professionals. It is about the social worker. It is about the community pharmacists. It is about the community itself. It is about that partnership and collaborative working. If we successfully get to that point, we will see real, meaningful differences, particularly in tackling health inequalities and in making sure that we are reaching people at a very early stage. Early intervention and prevention are absolutely key when it comes to the health service.

**Mr Robinson:** I thank the Minister for her statement. Can she outline the timescale for the additional GP retraining to impact on the front-line of out of hours care in areas such as the western out of hours? In towns such as Limavady, there have been occasions when there is no GP service between 8.30 one evening and 8.30 the next morning.

**Mrs O'Neill:** I have outlined a number of areas where we will work with GPs, and one is recruiting and increasing the number of GP training places, but it is also about looking at the role that associate physicians can play. We need to explore new ways of working, and I have announced some moves on that. I also think of advanced practitioner nurses. A lot more people can support the GP in that setting. We need to move to the point where we truly have these multidisciplinary teams in place. GPs are under pressure, particularly in rural areas. We have seen some particular challenges in relation to that. I am committed to increasing the numbers of GP places by, I think, 12 next year and 14 the year after. We have

also seen, in the last year, an investment package of up to £5.1 million in 2015-16 and a further £7 million this year. We are continuing to work with GPs. We have increased the number of GP places, but I will respond in due course to the recommendations of the GP-led care working group in the context of the Budget process.

**Mr Butler:** I thank the Minister for her answers so far and, indeed, for the report. The Minister thought it important enough to mention extending the role of nurses and midwives, and recommendation 3 talks about innovative approaches. I hope that she will agree that that is not an innovative approach. It is doing more for less. With that extension in role that she talks about, will she also recognise that an additional responsibility payment may be required for those people, and will she commit to recognising that our nurses, midwives and care staff are appreciated and treated fairly?

**Mrs O'Neill:** When I talked about innovative approaches, I meant supporting the staff to do what they do well. I pointed out a number of examples of when staff have gone ahead and developed innovative practices, and I think that we need to scale those up. If something works, let us do it across the board. Quite often, a lot of the innovative projects and initiatives that staff have taken are done in pockets, but we should replicate it across the whole of the North if it works.

As I have clearly set out, I will make a workforce strategy plan. We do not have a workforce strategy plan right across Health and Social Care, and so, if we are to transform the system, we also need to look at what our workforce challenges are. I have set out that I will take forward that programme of work. For me, that will allow us to make sure that we have the right staff who are trained in the right way and in the specialisms that we need. I think that it is innovative to look towards more areas such as advanced practitioner nurses and physician associates and see how they can support the staff to do the excellent work that they do. Try not to be too critical. I think that this is a good day for health. We should embrace it and take it on board.

**Ms Dillon:** I thank the Minister for her answers. Can she outline how her vision, set out in Delivering Together, will help address the health inequalities that exist?

**Mrs O'Neill:** This is one of the things that Professor Bengoa picks up in his report, and I went on to highlight it. The health inequalities

that we face are stark. I do not think that we should ever be comfortable with that picture. However, I believe that the only way to tackle health inequalities is through collaborative working. The new Programme for Government approach allows us to do that.

It is not right that where you live determines your outcomes in life, but we know that that is the case. We know that deprivation is linked to health outcomes, job choices, employment and housing. We need to tackle them all. The vision that I have set out in Delivering Together is focused on keeping people well in the first place and on providing the education, information and support that they need to make informed choices, regardless of where they live. By building capacity in our multidisciplinary teams in primary care and ensuring that there is a named health visitor, district nurse and social worker for every GP practice, they will be better equipped to respond earlier and work with people to address the lifestyle choices that impact on their health and well-being.

What I have outlined is investment in, and development of, community resources. We will work with our partners and all the community to develop the strengths and assets to tackle the determinants of health and well-being. We have to tackle the root causes of health inequalities head on. We can no longer tolerate the correlation between deprivation and health outcomes. We can truly judge our system when we have improved that picture. I think that the direction of travel that we are going to take will lead to that improvement.

**Mr Dunne:** I too thank the Minister for her long-awaited report on what is a very important issue. How does the Minister see improvements to patient flow in our hospital system, given that bed-blocking has been critical and has had a serious knock-on effect throughout the system as many patients await community care packages?

**Mrs O'Neill:** Some innovative practices have improved patient flow. Our emergency departments are full, particularly in winter, and patient flow is very difficult. Often, older people cannot be discharged from hospital because there is no domiciliary care package in place, and there are particular challenges in relation to the workforce there.

In December, I will receive the report on the review of domiciliary care. I passionately believe in domiciliary care. These people, mostly women, are the lowest paid in our health service. Quite often, the trusts contract the work out to independent providers. Care

workers do not get any mileage allowance and, if they work in a rural area, there could be 20 miles between one person's house and another's. That takes what are already low wages down even further. I am committed to supporting these people and helping them with their professional development. I look forward to the report, but I am passionate about making sure we do more to support domiciliary care workers, because support the system. They keep people at home longer and patients can be discharged from hospital more quickly.

Alongside this, in March, we will consult on the review of adult social care. That will also allow us to improve on how we deliver services and will make sure that we have settings to care for people that are appropriate and adaptable, because not everybody fits into the one approach. That is the conversation we will have about this matter.

**Mr McGrath:** I thank the Minister for the report. The statement suggests that there may need to be some changes to, or indeed closure of, emergency departments. Often, rural communities are impacted most by these changes, yet I note that there is no reference in the statement or the report — in what I have skimmed of it — to the Ambulance Service and the vital role that it plays in delivering front-line care to people in their moment of need. Will the Minister comment on whether the Ambulance Service will receive additional resources as part of this programme?

**Mrs O'Neill:** The Ambulance Service plays a key role in health and social care and has been very progressive in the new initiatives that it has brought forward to ensure, in particular, that an ambulance crew does not sit for a long time at a hospital waiting to drop a patient off into the care of a clinician. We need to do more of that.

Some of the challenges we have in the Ambulance Service are in relation to the workforce. We will look at every element of the health and social care system, including ambulance staff, to make sure that we have proper workforce planning and meet the needs of the service. I am committed to working with the Ambulance Service. The report does not talk about the Ambulance Service, but it is an integral part of the HSC system and we need to work with all elements of the system.

You talked about closures. We need to frame the conversation on the best outcome for individuals and on what delivers the best possible health outcome for individuals. The report that Professor Bengoa and the expert panel took forward very rightly focused on

delivering better systems, not structures. I could have spent the next five years focusing on structures, but the outcomes would not have changed. If we get the system right, the structures will change in time. If we invest in primary care, we can make a real difference to what people get in their community. Let us remember that the traditional model of going to hospital is not a 21st century one; there is a recognition out there that we need to do things differently. People want to stay at home, and we should support them there as long as possible.

Only those who are acutely ill or are in for emergency reasons should be in hospital. If we can work towards that, people can see a real difference to the support that we provide in communities. Acute care at home is a really fine example of how that works. All the staff and clinicians go into people's homes and support them to stay in their own bed at night. That can make a big difference to someone who is not well. For me, it is about doing more of that. Structures will change in time. Let us invest in primary care. That is certainly my vision for what I want to do.

**Mr Maskey:** I thank the Minister for her important statement. Where does she think there is any further potential to deliver specialised services on an all-island basis?

**Mrs O'Neill:** There are definitely areas where we can build on that. Some of the collaboration that already exists, particularly in children's cardiac services and radiotherapy for cancer patients, shows that we have been able to develop really innovative services for the population on the island. That benefits not only patients but staff because they are allowed to specialise in the areas that they wish. There are so many more opportunities — for example, transplantation of organs and rare diseases. We have also developed a programme of work with the Department of Health in the South to identify other areas of mutual benefit. I set out in a statement areas where I think that we could collaborate more — for example, mental health and perinatal mental health in particular. There is no service on this island to support women with mental illness in pregnancy. I would certainly be very proud if we were able to deliver such a service, and I think that we could do it collaboratively across the island. That would allow us to develop it a lot more quickly than perhaps we could do individually. Recently, I have had conversations on dual diagnosis and young people and adolescents with mental health and addiction problems, and I think that, again, we do not have any service

right across the island. If we include transplantation, those are just three areas where there is scope. A scoping study is ongoing, which I look forward to receiving. I want to take forward measures that allow us to develop a first-class service for the population.

**Dr Farry:** I thank the Minister for her statement. She has welcomed the report and commended Professor Bengoa and his colleagues for their work, but she has not taken the opportunity to systematically go through the recommendations in her statement or documentation and give her response. It is traditional for Ministers, when they receive reports, to give their view of the report as a whole. For the avoidance of any doubt, will the Minister clarify whether she fully accepts the report that has been presented by Professor Bengoa in its entirety and, if not, what aspects she does not accept?

**Mrs O'Neill:** I assure the Member that I do; I believe that I said that at the outset. I said that I endorsed the recommendations that the expert panel had put forward. I said that very clearly in, I think, the opening paragraph. Let me say it again in case you missed it: I endorse the expert panel's report, and I have set out my plan of action on how I will take those things forward.

**Mr Kennedy:** I refer the Minister to action point 12 on page 26 of the report, under the heading "Transformation":

*"Establish and seek members for a transformation oversight structure with membership drawn from within and outwith the HSC."*

That target is to be met by or during November 2016. Will the Minister outline what the size of the structure would be; how many members it would have; who would appoint those members — practitioners, academics or politicians; and how it would avoid duplication with those with existing responsibility?

**Mrs O'Neill:** It is clear that we have to drive change. I will provide the political leadership for change, but we need clinician-led oversight of service reconfiguration. November is next week. Over the next couple of weeks, I intend to set out what that panel will look like. Suffice it to say that it needs to be clinician-led. It also needs to include people from inside and outside the health and social care system. I am working up the detail of that and will make an announcement in the coming weeks. We can have a lovely direction of travel, but it is

important to drive the implementation. I will drive it politically, but I am asking for clinicians.

I remember that, when I first came into office and was speaking at an event somewhere, my message to the health service was this: help me to help you. That is the message that I will leave as your answer: it is about how I can help the health service to do more and support it to deliver the first-class service that it is committed to delivering. I think that the direction of travel that we have set out here is the correct one. Hopefully, it will command universal acceptance. We need to recognise that, for the first time ever, the Executive have endorsed a plan, and they are committed to tackling waiting lists and delivering better outcomes for the population. To me, that is how we should be measured because, in government, you take tough decisions and deliver better outcomes for the whole population.

**11.30 am**

**Mr McPhillips:** I thank the Minister for her statement. I welcome it and the acknowledgement that the health service is at breaking point.

The Minister noted the need for change in the configuration of acute services. At this stage, does she have any information on where regional services will be provided, especially those in the Western Trust?

**Mrs O'Neill:** You cannot help being parochial. The expert panel has set out the criteria that it believes should be considered when it comes to service reviews. It also set it out very clearly that we cannot keep delivering every service in every hospital, so we need to specialise. That is good not only for patients and patient outcomes but for the staff who get to build their skills and knowledge. When it comes to the direction of travel, today is not about closures or hospitals; it is about changing the picture and about better health outcomes. What does that mean? Does it mean that you travel a little further to get a first-class service? If, for example, after a stroke, people have to travel 20 minutes extra, but their outcomes are better — they will live longer, their mobility will not be as reduced and their speech will be better — I think that they will be prepared to do that. This morning, I listened to Janice Smyth from the Royal College of Nursing clearly say that people will travel if they get a first-class service. People need to understand why you make changes, so I want to communicate with staff, patients, carers and families to make sure that

we are all part of designing the services and that people understand the care pathways and why they have to travel to services. Let us not focus today on closures; let us focus on building a first-class health and social care system.

The criteria for service reviews will go out to consultation over the next number of weeks, and I look forward to receiving Members' views. When the criteria are agreed, let us get on with the service reviews and making sure that we design a first-class health and social care system.

**Mr Nesbitt:** I welcome the Minister's commitment to parity between mental health and physical health, but I also challenge her: parity will have real meaning only if she addresses the imbalance in funding and resource, so will she commit to that over the 10-year period?

**Mrs O'Neill:** Maybe the Member misunderstands what parity of esteem is. It does not mean giving the same resource to physical health and mental health —

**Mr Nesbitt:** I did not say that.

**Mrs O'Neill:** The Royal College of Psychiatrists clearly said that in its report when asking for parity of esteem to be established. When I talk about parity of esteem, I am talking about moving towards true recognition, attention of resource and the Department's attention to the mental health issue. When we focus more on recovery and promoting good, positive mental health messages; when we invest in service developments; when we do more for perinatal health; and when we review the Bamford action plan — I have set out a plan for the next five years — you will be able to see how we will deliver parity of esteem. I am very committed to doing that, and I think that all Members share that aspiration. For far too long, mental health has not had the attention that it deserves. It blights all our communities, and people who find that they are vulnerable because of mental health issues need to be supported.

**Mr Mullan:** This is a follow-up to Mr Middleton's question about elective care. As far as the lack of care centres is concerned, does the Minister intend to increase capacity here, especially through new capital build projects in the public sector, rather than having a total reliance on the private sector?

**Mrs O'Neill:** Elective care centres are within the HSC estate, so they will be developed in line with need. As I said in my statement, we

do not yet know the number or where they will be placed, but the service reviews will allow us to do that. Elective care centres will really help us to deal with waiting lists by allowing people who have been scheduled for minor surgery to be seen without interruption to the service. That, in itself, will bring down waiting lists in the longer term. We will consult on the criteria, and, next year, we will move towards deciding where the elective care centres should go, and I think that they will make a real, meaningful difference to patient outcomes.

**Mr Dickson:** Thank you, Minister, for your statement. Recommendation 6 requires additional funding for the transformation and transition. Have you secured that money from your Executive colleagues?

**Mrs O'Neill:** Yes. The Executive have endorsed the direction of travel and have endorsed the plan. In endorsing it, they have also recognised that transition is going to take additional funding. They also endorsed the fact that, in order to bring down waiting lists, it will need additional funding in the short term. So, for a time, we are going to have dual running. We have to keep the health service delivering every day alongside the transformation piece, but we cannot be distracted from transformation because, if we do not do it, the system will be in crisis in years to come.

**Ms Armstrong:** Thank you very much, Minister, for your statement. Recommendation 7 refers to the creation of a transformation board. Will the Minister confirm that — outwith what happened with Transforming Your Care, where there was no implementation plan — the implementation plan that is mentioned in part 5 on the actions will be followed and monitored regularly with published outcomes?

**Mrs O'Neill:** I am absolutely committed to moving to outcomes-based analysis; that is where we need to be. We will not do that overnight, but it is certainly what we are working towards. I will update the House every six months on the plan because that shows that we are serious about transformation and driving it forward. It is also about saying to Members that I want to work with them and deliver better health outcomes for all of the population. There is no danger of this falling down if there is genuine effort to implement it. I will not be found wanting in my political leadership. Also, the oversight structure that we have put in place, which is clinician-led, will make a real, meaningful difference and is something that has not happened before.

**Mr Carroll:** Will the Minister give a guarantee that this report will not lead to the further encroachment by the private sector into our NHS?

**Mrs O'Neill:** Obviously, I am working towards a position where we do not need to use the independent sector. In the meantime — it will take a number of years to get to that point — there are people on waiting lists and we cannot just leave them there. We are going to have to do a combination of things in the short term. We are going to have to make sure that we are at full capacity within the health service, but also, in the short term, we are going to have to use the independent sector. I cannot let patients suffer whilst we get to a transformed health and social care system. I believe that, in the short term, we are going to need the independent sector. Certainly, for me, the longer-term goal is universal healthcare, free at the point of delivery for all people who need health and social care services. We should not have to rely on provision outside of the health service to deliver all those services that are much-needed.

**Mr Allister:** So, here we go again. Another fresh start in health. The recycling of a great plethora of fine words from an Executive that, since 2011, have reduced beds in our hospitals by 10% and then are surprised by the chaos that results. How can the Minister come to the House with grand proposals that she has not costed? What is the costing of what the Minister is proposing? Surely any proposal, to be credible, needs to be costed before it is embraced.

**Mrs O'Neill:** It must be exhausting being so negative all of the time. *[Laughter.]* I have clearly said that I have set out a direction of travel. I have also said that the Executive have endorsed that direction of travel, in the recognition that we need additional funding. We are about to go through the Budget process, and I would like to see, at the other side of that Budget process, that we will also have a funding allocation that allows us to transform the system. It is very clear that what we have here is a real road map for change and transformation; one that will deliver incremental change, year-on-year, that will see staff and patients supported and that will lead to an open and honest conversation about where we are going.

**Mr Allister:** Is it costed?

**Mrs O'Neill:** I have costed everything that I am talking about. With the Minister of Finance and

my Executive colleagues, I am working through the due process of the Budget decisions. That will all become very clear to you, so do not be too worried. You will see it all in due course.

**Mr E McCann:** In light of the Minister's assurance that, in future, more attention will be paid to the perspectives and opinions of front-line staff than those of a manager sitting in an office with a spreadsheet — I paraphrase, of course — what steps will she take to ensure that we have no repetition of the grotesque situation that arose in the Western Trust area when £8 million earmarked for learning disability services was not spent on learning disability services? No explanation, of an adequate or clear nature, has been produced for this shortfall. We deserve to know this, and we do not know it. Will the Minister take steps at least to ensure that there is no repetition of this happening?

**Mrs O'Neill:** On the Western Trust issue, I have met the families and the carers, and I continue to do so. I have given them all reassurances that we will get to the bottom of it. What we seriously need to be about — this is the core tenet of what I am talking about — is co-production and co-delivery meaning that. It means proper collaboration. It means people understanding that, if you make service changes, patients need to understand why you are doing so. They need to know that it is about trying to provide a better service for them. They need to understand that and be given every piece of information. I am committed to that. In building capacity in communities, co-production, co-delivery and co-design are going to be instrumental in helping us deliver a first-class health and social care system. Openness, honesty and transparency are key. The trusts are up for that, and the Department is up for that. Together we can, as I say, deliver first-class health and social care outcomes for all the population. That should be the only aspiration that we all work to for the health service.

**Mr McNulty:** I thank the Minister for the report. 'Health and Wellbeing 2026' refers to ambulatory assessment and treatment centres. Are those similar to the community care and treatment centres that are planned for such places as Newry? Will an ambulatory assessment and treatment centre include facilities such as a minor injuries unit?

**Mrs O'Neill:** No, ambulatory care centres are a different set-up altogether. They allow people whom a GP thinks need to be seen by a consultant to go into a centre. For example, I

visited one centre last week in the Royal, and there is also one in the Mater. One of the things that they do is, if you are referred to one, you can have your blood tests and X-rays, see the consultant and be assessed and watched throughout the course of a day. The stats show that quite often, as I said, you can then be sent home and do not have to be admitted to hospital. That is the ideal, for nobody wants to be in hospital unless it is absolutely necessary. If we can scale up the number of those ambulatory centres — the form that they take may be different, depending on where they are placed — that will make a real, meaningful difference to individuals. Again, it will prevent hospital admissions, which is what we should all be working towards. People do not want to be in hospital. I look forward to the development of these ambulatory centres. I think that they will make a real, positive difference to bed blockages and waiting lists.

**Ms Gildernew:** I also welcome the Minister's statement and the publication of the report. There is a lot in there that I welcome, especially on mental health, children and looked-after children.

The Minister is aware that there is a lot of pressure in the system on nurses, social workers and other front-line staff. I very much welcome the increase in GP places, Minister. You are aware of the increasing pressure on GP practices in rural areas, particularly in Fermanagh. In reference to an earlier question, do not forget that, when people are travelling further for services, the road goes both ways. Hopefully people will be travelling west for some services rather than us travelling east all the time. Do you see the increase in the number of GP training places having a very positive influence on the delivery of the report, given that most people's point of contact is their GP?

**Mrs O'Neill:** Absolutely. This is about trying to address the challenges for GP services, but it is very much about, as I said, building up that team. The multidisciplinary approach is going to make a real difference, I believe. The fact that GPs have a team around them that can interact and that can rely on one another will make a significant difference to primary care. Staff are working even harder and are under a lot of pressure, so we have to get this right. We have to do it. Social workers are telling me about the pressures that they are under. I constantly hear about social workers going home and having to sit up until 2.00 am writing up reports. That is not sustainable for anybody's working pattern. I want to do more to work with all those teams to make sure that

they support one another. Furthermore, we have a real opportunity to make sure that primary care is embedded, multidisciplinary and action-based. This is really going to change the picture.

On rural services, I absolutely agree with the point about designing services. Although people are always happy to travel if they are getting a better outcome, we do not want to starve them. It does not mean that everything has to be centralised in Belfast, for example. It can be the case that services are spread across the North. I am not going to give examples, because people will seize on them, but there are really good, innovative things being done in each trust. Each trust has a crucial role to play in determining where we develop services and where they are safe, because at the core of all of this has to be patient quality and patient safety.

**11.45 am**

**Mr Attwood:** I welcome the statement and acknowledge that it is challenging work. I think that everybody recognises that the Minister is applying herself to this challenging work and there should be no doubt about that assertion. If it is the case that, in years 2 to 5 of this mandate, there will be increased health budget allocations in the existing structures and double running as the reforms are rolled out, have the Executive agreed this morning, and has the Minister of Finance confirmed to you, that double running will be permitted during this mandate and that, from year 2 to year 5, can you give a broad indication of the increased budget allocation that will be required to facilitate double running?

**Mrs O'Neill:** The Executive have recognised that we will need a period of double running, but they also appreciate that it will not be forever; it will be until we transform the system and put Health on a sustainable footing. We do not have a choice, because if we do not do it, the system will be in crisis and the entire block grant could be sucked up by Health. What would we do then for every other service and Department — for Education and roads and everything else that is important to people's lives?

We do not have a choice. The Executive have clearly committed to the plan and, in doing so, have clearly also committed to the transformation fund. We will see the allocation of funding as part of the Budget process in the next few weeks and months, and I am sure that we will discuss it in the Chamber. We do not

have a choice. I cannot say that enough: we do not have a choice. We have to transform Health and Social Care, otherwise the system will break at some stage in the future. In recognition of that, the Executive are fully behind the strategy and the two-mandate plan. We have never had a two-mandate plan before, so that is really significant in itself. It sends out a very strong political leadership message that the Executive are committed to delivering this transformation programme alongside tackling all of the immediate issues that we have.

**Mr Beggs:** The Minister talked about investment in primary care. My constituents from Larne, Carrick and Newtownabbey have most of their care provided from Antrim and Belfast, so I welcome that there will be a greater focus on primary care. There needs to be investment in order that our GP practices can be improved and services provided. What investment will follow in capital and resource budgeting to enable more services to be provided locally from our GPs and other allied professionals?

**Mrs O'Neill:** I have already answered that in relation to the number of places that we have announced for GPs, nurses, named social workers, health visitors and district nurses and the roll-out of askmyGP to 30 more practices. All those things come with a cost, but I have decided that I can do them within the budget I have set out and that I am planning with the Executive. This is about real, meaningful change; it is about investment in the front line; it is about investment in primary care. For us to be successful in this transformation programme, we have to do that.

**Ms Mallon:** The Minister will not be surprised by the content of my question, which relates to the devastating, ongoing problem of mental health and addiction among our young people, not least in my own constituency of North Belfast. I wholeheartedly welcome the Minister's commitment to exploring specialist treatment, on a regional and all-island basis, for our young people who are struggling with mental health and addiction problems. Could the Minister shape her thinking on that matter further? Does it involve the provision of a specialist treatment centre or a unit for dual diagnosis, particularly for those at the most acute end of the problem?

**Mrs O'Neill:** I am committed to developing services with the Minister in the South. We have embarked on identifying areas where we can collaborate, but the issues of perinatal mental health and dual diagnosis stand out as

areas where we can do something, because we do not have a service on this island. We are actively looking at what is available in the Twenty-six Counties, and we will then develop the conversation further.

We need to do more to support those young people, and there is a lot of debate about what that might look like. We need to have that conversation. I have met with you and Carál Ní Chuilín and Gerry Kelly about how we can do more, particularly given the challenges and recent deaths in North Belfast. I am committed to tackling mental health issues, and I am very committed to making sure that we support our young who find themselves in such a vulnerable situation and making sure that the health service responds to their needs.

**Ms Ní Chuilín:** I thank the Minister for her statement and wish her well. My question is in relation to — you will not be surprised as you have given me a namecheck — mental health. It is really in relation to dual diagnosis and the partnership with our health and social care staff as well as our partners and stakeholders in the community sector. I am aware that the Protect Life 2 strategy is out for consultation, and perhaps the Minister would like to wait until then, and Bamford, but can she give us some assurance that our partners in the community and voluntary sector will not become invisible when reforming our health and social care practices?

**Mrs O'Neill:** I thank the Member for her question, and I can absolutely give that assurance. The community and voluntary sector does amazing work and is very engaged in all our communities. It is absolutely part of the picture in supporting all those people who find themselves with mental ill health. Going forward, obviously, I am consulting on the Protect Life 2 strategy, the suicide prevention strategy, and I intend to engage personally on that issue as I believe we can continue to improve what is good out there and learn lessons where we need to do so. I want to work with the community and voluntary sector.

Recently, and you are aware of and attended it, the Future Search event in Belfast looked at bringing together all the partners across the community, voluntary and statutory sectors and looked at how, collaboratively, we can do more to deal with suicide in our society. I am very much committed to that collaboration, that partnership working, and I am very much somebody who wants to listen to those who are engaging with people with mental ill health, day and daily, in their communities at 12.00 midnight. I know the commitment of some of

the community and voluntary sector individuals, and I really want to work with them in the time ahead.

**Mr Speaker:** Members, that concludes questions on the Minister's statement.

## October Monitoring

**Dr Farry:** On a point of order, Mr Speaker. We are about to hear a statement from the Finance Minister on the October monitoring round. The Minister is at pains to stress the new procedures that the Executive are now using, and I do not necessarily dispute their right to have a different approach to monitoring rounds. However, it is my understanding that very few Committees in the Assembly, if any, have had a full briefing on the financial situation as it pertains to their Departments.

We are also likely to be facing a situation where there is no draft Budget for the forthcoming financial year. We also see a curious line in the Minister's statement where the Executive are saying what is appropriate in terms of parliamentary scrutiny. I, and many others, are concerned that we are seeing a shift by stealth in the balance between the Executive and the Assembly regarding financial scrutiny; and, indeed, the deputy First Minister has been at pains in the past to stress that the Assembly has to be given its place in that regard. Therefore, Mr Speaker, I ask you to look into this matter and ensure that the Assembly — and its Committees, in particular, which have a statutory duty to hold Departments to account and provide scrutiny — is being given its proper place in the financial process.

**Mr Speaker:** Mr Farry, I am being very generous to you.

**Dr Farry:** I am done.

**Mr Speaker:** That is more than a point of order; that is a speech in itself. I might be tempted to ask you to refer to which Standing Order you were making the point of order under. However, I note your comments.

I have received notice from the Minister of Finance that he wishes to make a statement on October monitoring.

**Mr Ó Muilleoir (The Minister of Finance):** In answer to Mr Farry — I know it is not my job to answer Mr Farry — I can assure him that I am giving this statement to the Assembly to give

the Assembly, and all Members, their due place in our deliberations.

As I move through another lengthy statement, I apologise to Members because they have had a long morning already. However, they will be pleased with some of the statements in here, for example, in relation to the British Government being pressed on a fiscal stimulus in the autumn statement on 23 November. Also, there is a shot in the arm for our local economy through a small stimulus package here today, and some good news on financial transactions capital that will not be returning to the Treasury.

A Cheann Comhairle, ba mhaith liom buíochas a ghabháil leat as an deis seo a thabhairt dom an Ráiteas seo faoi Bhabhta Monatóireachta Dheireadh Fómhair agus faoi phacáiste Spreagthach an Fheidhmeannais, An Chéad Chéim a chur faoi bhráid an Tionóil inniu. Seo an dara babhta monatóireachta i mbliana a thagann sna sála ar mo Ráiteas i leith Babhta Monatóireachta an Mheithimh.

A Cheann Comhairle, sula labhraím ar Bhabhta Monatóireachta Dheireadh Fómhair, ba mhaith liom an deis seo a thapú uasdátú beag a thabhairt do na baill ar na cainteanna a bhí agam le cúpla lá anuas le Príomh-Rúnaí an Stáitchiste agus le hAíré Airgeadais na hAlban agus na Breataine Bige.

Mr Speaker, thank you for affording me the opportunity to present this statement to the Assembly today on the October monitoring round and the Executive's First Step Stimulus package. This is the second monitoring round of this year and follows on from my statement on the June monitoring round.

Before turning to the October monitoring round, I will take the opportunity to update Members briefly on discussions that I have had over recent days with the Chief Secretary to the Treasury, David Gauke, and the Scottish and Welsh Finance Ministers, Derek Mackay and Mark Drakeford. Yesterday, along with my Scottish and Welsh colleagues, I met David Gauke. During that meeting in London, we discussed a number of important issues, including the outworking of the EU referendum decision. All three Administrations expressed concern at the impact on their economies and the need for the British Government to provide clarity on the way forward. We also discussed a number of specific finance issues, which I will touch on shortly.

Before turning to the detail of this round, I want to pre-empt questions that I expect will follow

from Members about the monitoring round process adopted by the Executive. The approach now adopted by the Executive to the monitoring round process no longer requires the submission of bids by Departments. The submission of a wish list of bids did not give a good indication of real pressures and led to slow and cumbersome negotiation, as Members from all parties know. Instead, key pressures are now identified through ongoing engagements between my officials and Departments.

The new process allows the Executive to focus on and react quickly to the key emerging pressures. It is consistent with the position adopted in Scotland, Wales and the South of Ireland, where parliamentary scrutiny takes place through the Estimates process and focuses on in-year changes to budgets with no references at all to bids. In keeping with the practice in those jurisdictions, the Executive do not disclose their deliberations in reaching an agreed monitoring round outcome. The focus of scrutiny is and should be on outcomes. The swift conclusion of the June monitoring round and the fact that I am standing before you today providing details of the October monitoring round demonstrates the efficiency of the new approach.

Before we get into the detail of the monitoring round, it is important to highlight the fact that significant constraints face our resource DEL position in the current year. In that context, aside from meeting a small number of prior commitments, the focus in this monitoring round has been on the capital DEL position and measures that will deliver an economic stimulus to our economy. The starting point for this monitoring round is the outcome of the June monitoring round, which concluded with an overcommitment of £13.5 million on resource DEL and £11.4 million on capital DEL.

I now want to turn to the specifics of the October monitoring round, starting with a number of adjustments relating to centrally held items. Updates to forecasts of regional rate income, interest payments on borrowing and statutory salaries have resulted in a small easement of £0.2 million that can be made available to the Executive in this monitoring round.

Members may recall that, in the 2013-14 January monitoring round, as part of an agreement to provide £35 million of ring-fenced financial transactions funding to Ulster University (UU) for its greater Belfast development, the university agreed to return £7 million to the Executive from its accumulated

reserves. Some £3.5 million was returned in 2014-15, and a further £3.5 million was to be returned in 2016-17. The Executive have now received the £3.5 million from UU relating to this year, and it has been made available for reallocation in this round.

In 2015-16, receipts from the carrier bag levy exceeded allocations to environmental programmes by £0.5 million. As receipts from the levy must be used to support environmental programmes, the Executive returned the £0.5 million to DAERA for that purpose in the June monitoring round. However, updated numbers have now been received, and the Executive must now return a further £0.3 million to DAERA for the carrier bag levy. That has been taken into account in this monitoring round.

The Budget for 2016-17 set aside £15 million capital DEL for allocation under the Delivering Social Change programme. The Executive Office has now advised that £7.1 million of that funding will not be required in this year and can be made available for reallocation by the Executive in this monitoring round.

Members will also be aware that the Executive's Budget faces pressures relating to the renewable heat incentive scheme. I will say more on this later; however, the Executive have set aside £20 million of resource DEL in this year to meet pressures arising from the RHI scheme, and that must be taken into account in assessing the resources available to the Executive. In total, taking into account the opening overcommitment and other central issues noted above, it resulted in an overcommitment of £30.1 million on resource DEL and £4.3 million on capital DEL. That was before taking account of departmental reduced requirements.

## **12.00 noon**

Departments declared reduced requirements in this monitoring round of £11.6 million resource DEL and £16.2 million capital DEL. Full details are provided in the tables provided with the statement. On the resource side, the most significant reduced requirements declared include £8 million relating to employment services programmes and welfare support measures from the Department for Communities, and the Finance Department surrendered £3.2 million relating to the development costs of devolving corporation tax. On the capital side, the most significant reduced requirements include £4.3 million from the Department of Agriculture, Environment and Rural Affairs relating to the planned relocation of its headquarters; £4.5 million from the

Department for Communities due to slippage on the subregional stadia programme; and £3.5 million from the Department of Health relating to the mother and children's hospital.

It is good practice that Departments seek to manage any emerging pressures internally before bringing forward bids for additional allocations. Whilst the public expenditure control framework allows Departments scope to undertake many such movements on a unilateral basis, movements across spending areas in excess of the de minimis threshold are subject to the Executive's approval. In some instances, Departments also seek permission to move allocations across spending areas to facilitate the transfer of responsibility for a particular function from one business area to another. The internal reallocations agreed by the Executive in this monitoring round are included in the tables for information. Departments may also, for a number of reasons, seek to reclassify expenditure from resource to capital or vice versa. All such reclassifications need Executive approval, and they are also shown in the tables accompanying the statement. All of those adjustments impacted on the total resources available to the Executive in this monitoring round. Once all of those issues were taken into account, the Executive had an overcommitment of £18.5 million resource DEL and £11.9 million capital DEL available to allocate.

Before turning to the mainstream allocations, there are other important issues I would like to highlight to Members, starting with ring-fenced financial transactions capital (FTC). The Executive concluded the June monitoring round with £17.2 million of ring-fenced financial transactions unallocated, and, as detailed in the tables accompanying the statement, Departments have declared reduced requirements totalling £4.5 million. As colleagues will recall, the Executive have agreed to establish a £100 million investment fund. The overall aim of the proposed fund is to promote investment, economic growth and jobs, with a focus on urban regeneration projects, including, of course, grade A property, energy efficiency and low carbon projects.

The preferred delivery option involved the European Investment Bank taking an active role in the delivery and ongoing monitoring of the fund. In August, I visited the European Investment Bank and met vice president Jonathan Taylor. During the meeting, Mr Taylor informed me that the European Investment Bank could no longer take an active role in the delivery of the fund. The European Investment Bank will, however, continue to work with the

Department of Finance in establishing the fund and providing technical assistance, and the bank's president has now confirmed its position in writing. My officials are reassessing possible delivery models. I remain committed to the £100 million investment fund, and I will update the Assembly on the outcome of that work in due course. However, it is now clear that the fund will not be in place before 31 March 2017, and the £55.8 million of financial transactions capital set aside for the fund in 2016-17 is now available to the Executive for alternative use. Taking account of the funding held centrally and the reduced requirements declared, the Executive will leave the October monitoring round with £77.5 million of ring-fenced financial transactions capital DEL unallocated.

As recently as yesterday in London, the Scottish and Welsh Governments have also expressed concern over the use of financial transactions capital, and we took the opportunity to raise the issue when we met the Chief Secretary to the Treasury.

I raised some specific concerns that I have on the use of financial transactions capital. I requested from the Chief Secretary a special dispensation on the use of FTC that will facilitate the creation of the planned investment fund. I am pleased to say that my request was positively received, and I have now asked my officials to expedite the delivery of the fund.

I turn now to central funds. As part of Budget 2016-17, the Executive set aside £14 million resource and £15 million capital in respect of Delivering Social Change in this financial year. A range of allocations were agreed in the June monitoring round, leaving no resource DEL and £7.9 million capital DEL available for allocation in the October monitoring round. The Executive Office has advised that £0.8 million capital should be allocated to the Executive Office for capital grants to a range of projects under the social investment fund. The Executive Office has also confirmed that the remaining £7.1 million capital DEL will not be required for Delivering Social Change in this year and can be made available to the Executive for reallocation. As a result, there is now no resource or capital DEL remaining unallocated in the Delivering Social Change fund for 2016-17. Budget 2016-17 set aside £8 million resource DEL for the Atlantic Philanthropies programme. Following the June monitoring round, £2.6 million of that funding remained unallocated. The Executive Office has advised that £2.3 million should be allocated to DE for the shared education signature programme. Following that allocation, there is now £0.4

million resource DEL unallocated on the Atlantic Philanthropies fund.

The Fresh Start Agreement secured £60 million over five years to support the creation of a shared future. The Executive's Budget 2016-17 set aside £12 million resource DEL in this year. Allocations totalling £11.5 million were processed in the June monitoring round. The Executive Office has advised that a small number of allocations should be processed in this monitoring round, including £0.3 million to TEO for shared future and Urban Villages and £0.2 million to the Department for Communities for arts and cultural programmes. My officials will engage with Treasury in securing access to that funding through the Westminster Supplementary Estimates. Following those adjustments, all the funding available for a shared future is now allocated.

Members will recall that, in line with the Fresh Start Agreement, the Executive's Budget 2016-17 identified £10 million resource DEL to tackle paramilitary activity. Of that, the Executive contributed £5 million, with £5 million to be accessed from the British Government, the latter being subject to the Executive agreeing a strategy to address continued paramilitary activity. The Secretary of State has advised that UK Government funding will not be released until the Executive agree a more detailed action plan. The Department of Justice will progress this to ensure that access to that funding is secured.

The Executive allocated £1.3 million to the Department of Justice in the June monitoring round from the resources that they had set aside for this purpose. Following the publication of its strategy to tackle paramilitary activity, DOJ has now confirmed that a further £2.5 million should be allocated in this monitoring round for measures to tackle paramilitary activity. The most significant allocations are £1.7 million to DOJ, £0.2 million to the Public Prosecution Service and £0.6 million to the Department for Communities. That leaves £1.1 million of the funding set aside by the Executive unallocated following the October monitoring round.

Following June monitoring, a total of £97.3 million was allocated to Departments under the public sector transformation fund, leaving £77.7 million of the £175 million set aside by the Executive this year as unallocated. The public sector reform division has continued to liaise with Departments over recent months to identify easements on allocations agreed in the Budget and any new allocations to schemes with the capacity to deliver further savings for the

Executive's budget. Details of changes to allocations under the public sector transformation fund are detailed in the tables accompanying the statement. Following those changes, allocations under the scheme in this year total £75 million, leaving £100 million of the public sector transformation fund unallocated.

I turn now to the Executive's First Step Stimulus package, a prudent pick-me-up for the economy, if you wish.

The Fresh Start Agreement provides the Executive with flexibility to access the full amount of borrowing made available under the Stormont House Agreement when the voluntary exit scheme does not require all the funding available in any given year. In view of the latest forecasts of spend on the public sector transformation fund, the Executive have agreed to divert borrowing to deliver a short-term economic stimulus through accessing additional borrowing to support capital investment in our economy. While I envisage that a longer-term economic stimulus package will be agreed by the Executive in the near future as part of our capital budget process, it is important that we send an early signal of intent to our citizens through the stimulus measures that I will now outline.

The Executive have agreed to support two schemes in the Department for Infrastructure that will provide a boost to our local economy. First, we will provide £15 million of capital DEL for roads structural maintenance. That allocation will not only enhance our road infrastructure but provide a boost to our local construction sector. A further £10 million of capital DEL will be made available for the purchase of new buses, helping to improve our public transport services and providing a boost to our local manufacturing sector.

I am very pleased that the Executive have also agreed a £5 million community regeneration fund for 2016-17. That fund is specifically aimed at improving infrastructure in our most deprived and marginalised communities, which, of course, are working-class communities. That is a great opportunity. They will be relatively small-scale but focused interventions that improve the quality of key assets for local residents. I will work with ministerial colleagues to identify suitable capital projects in our communities in the weeks ahead and will provide an update to the Assembly in the January monitoring round. The allocations will be funded by accessing an additional £30 million of reinvestment and reform initiative (RRI) borrowing in this year. Full details of

allocations under the Executive's First Step Stimulus package are set out in the tables accompanying the statement.

As previously indicated, the resource DEL position in this year remains constrained, and, as a consequence, the majority of allocations agreed by the Executive in this monitoring round are on the capital DEL side. However, while the position does not allow us to progress a full resource DEL monitoring round, there are a small number of prior commitments, totalling £8.9 million, that the Executive have confirmed in this round. Those allocations include £2.5 million resource DEL to the Department for the Economy for route development at the City of Derry Airport; £4.8 million to the Department of Health for Translarna muscular dystrophy drugs; £1 million to the Department of Education for nurture units and other pressures; and £0.6 million to the Public Prosecution Service for service pressures.

I turn now to the capital position. The capital DEL allocations in this monitoring round total £22.7 million and include £13 million to the Department of Education for minor works and the purchase of furniture and equipment for schools, which will please Members; £8.7 million to the Department of Health for essential maintenance and the purchase of ambulance defibrillators, which has also been a demand of many Members; and £1 million to the Department for Infrastructure for investment in LED street lighting, which is an invest-to-save initiative. Full details of the allocations are set out in the tables accompanying my statement.

Ring-fenced resource DEL is strictly controlled, and funding cannot be moved out of that area. Changes to that area are shown in the tables accompanying the statement. Colleagues will note that we exit this monitoring round with £4.1million of ring-fenced resource DEL unallocated. That funding may only be used to address pressures within the ring fence — depreciation and impairments — and is therefore not available for allocation by the Executive.

Members will be aware that a significant additional resource DEL pressure exists from commitments under the renewable heat incentive (RHI) scheme. The Department for the Economy has, through internal reallocations processed in this round, sought, where possible, to manage the budgetary impact of the RHI this year, and I welcome that. As mentioned earlier, the Executive have set aside £20 million of resource DEL centrally to meet pressures anticipated from the RHI scheme. The Executive will further assess the extent of

that pressure in the January monitoring round. However, I understand that the Economy Minister is fully engaged on the issue.

I turn now to the October monitoring outcome. As a result of the allocations detailed above and the funding set aside for the RHI, the Executive exit the monitoring round with a £27.4 million overcommitment in resource DEL and £10.8 million in capital DEL.

I believe that, with the cooperation of all Ministers, this position is manageable over the remainder of this year.

### 12.15 pm

As I have said before, I am strongly opposed to the austerity agenda. I think that that is true of Members across the House, or, if not of every Member, most Members. The austerity agenda places constraints on the Assembly and our capacity to provide much-needed funding for our public services. I will continue to fight against austerity at all levels, and, alongside that, I will continue to develop innovative funding solutions, as demonstrated by the first phase of the Executive's economic stimulus package that I have announced.

I commend the October monitoring outcome and the first phase of the Executive's economic stimulus package to the Assembly.

**Mr Speaker:** As was the case with the previous statement, a large number of Members have put down their names to ask a question. Again, I ask Members to be brief and direct their question towards the Minister's statement. I call Mr Stephen Smith.

**Mr Smith:** Thank you, Mr Speaker —

**Mr Speaker:** I am sorry, Philip Smith.

**Mr Smith:** Thank you, and I thank the Minister for his statement. I appreciate that, from the Minister's perspective, this new monitoring round process may well be more efficient, if not open and transparent. To aid transparency, will the Minister detail what other pressures were identified in discussions between Departments and his officials and have not been addressed in this allocation? Without this clarity, would it be fair to assume that all other budgets, including that for Health, are adequate?

**Mr Ó Muilleoir:** Thank you, Mr Smith. Go raibh céad maith agat. If you want to wander into the office of any Minister in this Parliament, you will

find that there are pressures on all fronts. I have yet to meet a Minister who says that he or she does not need any money or funding. Pressures are unremitting; but, as you know, while the demand is infinite, resources are finite. What I have done today, rather than focus on the process — you say that it is efficient, but it is more than that: it is a process, a delivery and an outcome that will accelerate growth, create jobs and give a boost to those who want to invest further. It will inspire confidence. I know that, in this House at times, people focus on the minutiae. I think that, instead of focusing on opposition, today our focus should be on delivery. I welcome questions and, certainly, if you want to focus on minutiae, I welcome it; but I think that we should focus on the delivery, the pledges made and the investment that we are making in our future.

**Mrs Little Pengelly (The Chairperson of the Committee for Finance):** I note that in the statement there is in and around £100 million unallocated for public-sector transformation. I am sure that the Member agrees with me that significant reform and change is urgently needed in the system if we are to ensure affordability while protecting front-line services. We have heard that outlined already this morning in terms of Health.

Will the Minister inform the House what actions or special measures he has taken to ensure that good projects and initiatives are coming from Departments that will best meet the need for public-sector transformation across the system?

**Mr Ó Muilleoir:** I thank the Member for her question. As she will be aware, one of the reasons we are able to deliver October monitoring in October — last year, June monitoring was delivered in November — is what I refer to as a common-purpose Executive. You can see the benefits of that. The Executive met this morning, and Ministers are resolved to bring forward proposals which will provide greater efficiencies and better services and, in particular, schemes that involve investing to save. In that regard, we have reduced the number of Departments that serve our people. It does not make sense to have repetition across former Departments or structures. All Ministers are now focused on outcomes and, in that regard, therefore, instead of trying to protect fiefdoms or trying to ensure that systems that were there in the past have to endure, they are saying, "If we have nine Departments instead of 12, perhaps we do not need people doing a particular job that can be done somewhere else."

At the same time, the voluntary exit scheme (VES) offers those who wish to take redundancy an excellent package, and it frees up money for us to deliver and place in the front line of the services for our people. We are now speaking in particular to the arm's-length bodies. There has been a taking of the burden by some Departments, including the Department of Finance and the Civil Service, and I think that other Departments will now look at what they can do in the time ahead to deliver a more efficient government service. I will work closely with Ministers in that regard.

**Mr O'Dowd:** I thank the Minister for his statement and his answers thus far. We were continuing to face austerity measures from the Conservative Government when he came into post, and he has outlined his position on that. There were dire predictions of further cuts in the in-year monitoring rounds but, thankfully, he has avoided any cuts in the June and October monitoring rounds. How has he achieved that?

**Mr Ó Muilleoir:** I would like to claim that it is all my own work but the principal never let me away with that in school, so I will not get away with it here. What is happening is that, instead of going back to the past, where every Minister paddled their own canoe, made all their own bids and demands and insisted that they could not make any efficiencies, we now have a united Executive which are trying to be as efficient as possible to deliver real value for money. That common purpose is feeding through into our budgets.

As well as that, it is very interesting and should be noted now that six years after the austerity agenda was launched by UCUNF and the Conservative Party in Britain, we have had six years of pain, hardship, penury, unemployment and emigration for people. Members on both sides of the Chamber are saying this, because the DUP also opposed Tory austerity while some parties helped to introduce it. Throughout those six years, we said to the Conservatives that they should end austerity because it is a self-defeating strategy. The good news is that yesterday, in London, the Chief Secretary to the Treasury all but confirmed that in the 23 November autumn statement they will agree that there should be a fiscal stimulus, that austerity has failed and that they are now going to embark on a new start in relation to infrastructure stimulus. Unfortunately, our argument to the Chief Secretary that he should also stop the austerity pressure on our resource budget has not got through yet. Certainly, part of the message that we have been giving for many years about investing to grow the economy is now getting through and we will get

a boost to infrastructure spend in the 23 November statement.

**Mr Mullan:** Does the Minister agree that Executive secrecy is no way to do business in the House and that bypassing the Finance Committee's scrutiny of the draft Budget and the full Budget does not facilitate a proper scrutiny process?

**Mr Ó Muilleoir:** I thank the Member for his question but I do not agree. I have appeared at the Finance Committee twice and I am happy to appear again at its request. What you have seen here is a division between those who want to oppose and those who want to invest, those who want to complain and those who want to build, those who want to find a reason to pick at a scab and those who want to heal. What we are seeing here today is a first-step economic stimulus, which we have not tried for many years. We tried it at the height of the crash. We are seeing money being released for defibrillators in ambulances and to maintain and repair our roads. Money is going into our schools to buy new equipment and to maintain, do up and enhance the school estate.

For me, those things are what today is about. I will make neither excuses nor apologies to anyone for delivering on behalf of this Executive. In fact, had I come here today and said that we are facing an October monitoring round of further cuts, then there would be something to apologise for. Instead, we are coming here and saying that we are able to buy more buses and ensure that we have a 21st-century bus fleet for Translink. We are saying that, for the first time, we are trying to partner community organisations in a very focused way over the next few months to try to buy some key properties in working-class areas so that they can continue the work of building a shared future. So, I am sorry for the Member, but I do not agree with him.

**Dr Farry:** I thank the Minister for his statement. He will be well aware that, before the reforms announced by the Minister this morning, healthcare inflation was running at 6% but the Budget increase for the Department of Health this year was only about 2%. However, in this statement, the only money for Health is in the form of the very welcome muscular dystrophy funds.

Is it safe, therefore, to assume that the Department of Health can live within its budget this year and there will not be recourse to monitoring rounds to fund healthcare, as there has been in previous years, and that we will

avoid what happened last year, when a last-minute bid for waiting lists was not fully spent on waiting lists?

**Mr Ó Muilleoir:** I thank Mr Farry for his question. I see that our efforts to take the politics out of health have not made it to the afternoon.

My commitment to the Minister of Health is that we know that there will be a cost to the new path on which she has set all of us in this society. She is outlining a vision of trying to manage change rather than managing crisis. The Executive as a whole will have to step up. I hope that one of the lessons or messages from the joint meeting of the Executive today was that we all understand that this is a priority, and, when Professor Bengoa says, rather forthrightly, that if Governments across Europe cannot control expenditure on health, health will take up the entire public purse.

The Health Minister is setting us on a bold and ambitious path. It is a path that requires partnership not only among the Executive parties and with the Minister of Justice but across the Assembly where we take the politics out of health and commit ourselves to trying to improve outcomes in a more efficient health service.

We stand ready to support the Health Minister as she comes forward with her request. The allocation of resource DEL is as outlined, but the Member will not have missed the point — he was here for the Minister of Health's statement — that there will be an added requirement on all of us to make sure that we have the fiscal firepower to deliver the change that everyone wants to improve our health service.

**Ms P Bradley:** I thank the Minister for his statement. I welcome the money that has gone towards health through the allocations, albeit that we could probably have had a lot more. I am sure that the Minister came to you with many emerging priorities.

I want to follow on from what my colleague, the Chair of the Finance Committee, said about the transformation fund. Will the transformation fund be used to support the healthcare reform as the Minister outlined earlier?

**Mr Ó Muilleoir:** Reform and improvement have to go together. We are now set on a path of improving, changing and transforming our health service in a way never seen before. I heard the Minister refer to the two-mandate

challenge, and there will be a role in that for the public sector transformation fund. However, let us be clear about this, and I know that the Member will agree with me: we will protect front-line services in health and, of course, in education. The Ministers will manage their budgets and will do so in partnership with the entire Executive. Common purpose means that we are very understanding and sympathetic of pressures when they emerge, but it also means that Ministers give the lead. In that respect, we saw strong leadership this morning not only from the Minister of Health but from the Executive.

**Ms Dillon:** I thank the Minister for his statement and his answers so far. He referred to a more efficient process, which a number of Members mentioned. How does the timing of this year's delivery of monitoring rounds compare with previous years?

**Mr Ó Muilleoir:** It is no surprise to the public that, because we have an Executive facing in the one direction and firmly focused on a shared and prosperous future and on making the investments we need to build a strong economy, I have had the good fortune to be able to deliver the monitoring rounds in a more expeditious fashion than heretofore. I spoke about the difference in timings between now and last year. More important than that is this new start, this fresh start and this Executive, who, despite deep political differences, are able to make common cause on these key issues. I think that people on the ground will see the difference in that. If I was a school principal or governor waiting for urgent moneys to repair classrooms or improve and enhance a school estate, I would be pleased. I would be more focused on the outcome than on any concerns about the timing of the announcement.

In all these matters, alacrity is important, and I am really keen to work with the Committee, the Assembly and my Executive colleagues to deliver as we promised. That means June monitoring in June, October monitoring in October and January monitoring in January. The added bonus is that, if we work together, we can identify the pressures that are most urgent. As Executive Ministers, we are making choices together, not just in our own little patch or silo, and we are making decisions that are for the good of all the community and all of society rather than just on behalf of our Departments.

**12.30 pm**

**Mr Storey:** I thank the Minister for his statement. I have campaigned and continue to

campaign for nurture units, so I am glad that there is an allocation of an additional £1 million in his statement. Given that Holy Family in Londonderry received the nurture quality mark just this week, it will be welcome news to those involved in nurture.

May I specifically ask the Minister about the planned investment fund and his request to the Chief Secretary for special dispensation? Will he consider widening the urban focus of the planned investment fund beyond the two cities of Belfast and Londonderry so that areas in my North Antrim constituency, such as Ballymena, Ballymoney and Ballycastle, could benefit?

**Mr Ó Muilleoir:** I thank the Member for his question. My concern extends to his constituency and wider. That said, when I was in Portrush last week, I was deeply impressed by the plans to develop the town to coincide with the Open. What made a real impact on me was the number of small, indigenous businesspeople in the private sector who want to make a contribution and want to invest. They now see an opportunity that would be good for them as businesspeople and really good for Portrush. I have visited Ballymena and Ballycastle, and, as you know, in Ballycastle, evidence of an investment can be seen in the hotel right on the beachfront. That has made a difference.

I say to the Member that we will have the investment fund. We did, of course, have a difficulty with the European Investment Bank that we did not expect, but the response is not to abandon ship but to find an innovative and novel way in which we can have the investment fund. I agree absolutely that TLC is needed not only in the jurisdiction's two large cities but for the opportunities that exist outside them.

My final point is that perhaps still the most impressive initiative that I have visited since my appointment was the South West College in Enniskillen, and I know that it hopes to get new premises. There are opportunities like that across the region — I hope that they will not depend on the investment fund — and I hope that we can seize them, not just those in Belfast and Derry.

**Mr Nesbitt:** Earlier, the Minister encouraged us to move away from the fine detail and focus on delivery, so let us do that but include non-delivery, such as the £5 million that the UK Government are not delivering to address paramilitary activity because the Executive do not have a proper plan. This is an either/or question: is the Minister embarrassed that the Executive have to submit their homework to

London for marking, occasionally getting an F for "failure", or is it UCUNF's fault?

**Mr Ó Muilleoir:** I thank the Member for his question. I am happy for you to focus on minutiae. In fact, I know that it is an area of expertise for the Opposition, but I am focusing on delivery. I made it clear to the Chief Secretary to the Treasury yesterday that we would ensure that we deliver stable, sustainable budgets and that we would work in partnership with them on Fresh Start funding but, ultimately, our Ministers would make the decisions. I am confident that the Minister of Justice will be able, in negotiation with our colleagues in Treasury, to deliver an action plan, as they desire.

For me, the overarching point is this: we have taken decisions today that are to the benefit of the community. We have taken decisions that will accelerate economic growth. We have taken decisions that will create jobs. We have taken decisions that will make a real difference in the heart of areas such as east Belfast, Tiger's Bay, the Creggan and Ballymurphy.

It does not surprise me, because the Member is focused on opposition for opposition's sake, that he can see nothing worthy or to be lauded in that. Instead, he wishes to give succour to the British Government, who have created perhaps the greatest economic mess of our time [*Interruption.*] I know that the Member would like to interrupt, but I will push on. He is very fond of and close to the British Government. He was involved in the architecture of the Tory austerity programme at the very start in 2010. We will focus on making a step change in delivery for our people.

You have my full blessing to focus on minutiae, if you wish. I am happy to go there with you as necessary. You have my full blessing to support the NIO and the Treasury in what they do. However, what I say to Members is this: regardless of taking the politics out of health, let us take the politics out of creating a better future for our people. Let us applaud what deserves to be applauded and criticise where criticism is necessary. To give no welcome at all to this first-step economic stimulus or to our efforts to grow jobs and to create a better future says everything that needs to be said about the failed austerity politics of the British Government, which, of course, were brought into being in the company of our friends in the Ulster Unionist Party as part of the gloriously named UCUNF.

**Ms Archibald:** I welcome the Minister's statement and the first phase of the economic stimulus package. Will the Minister elaborate on his discussions with the Chief Secretary on protection for financial transactions capital going forward, le do thoil?

**Mr Ó Muilleoir:** Gabhaim buíochas leis an Chomhalta as a ceist. I should put it on record that, at our meeting yesterday with the Chief Secretary, David Gauke, at the Treasury in London, we had full and firm support from our colleagues in Scotland and Wales. Of course, when we speak together, we speak for 10 million people, not only in our opposition to austerity and our demand for a fiscal stimulus in the autumn statement but in our particular difficulty with financial transactions capital because of the new approach taken by the European Investment Bank. I am pleased to say that, with the three Governments speaking together, we put our case. The Scottish and Welsh also brought up issues that the Treasury — I do not want to say "gave ground on" — moved to a compromise on.

I am now confident that we have £77 million financial transactions capital. Some of my colleagues in the Ulster Unionist Party were fretting in the newspapers that it would be lost to our Budget. If they had called into my office to speak to me first, they would not have made the mistake of thinking for a minute that we would allow any of our resources to go back to London, resources that are given to us to build this society. I am confident that the Treasury will work with us now; that we will not lose any of the financial transactions capital, even if it is unallocated at year end; and that we can now move confidently forward to create the investment fund, the idea of Simon Hamilton when he was Finance Minister. The investment fund concept has been really welcomed by the business community, and people are lining up to engage in new projects if they can get some of the investment fund. We are on course, and it is appropriate to thank David Gauke for his flexibility on the issue.

**Mr Stalford:** I thank the Minister for his statement to the House. I also want to briefly welcome the allocations that the Minister detailed for Urban Villages and the social investment fund. Does the Minister agree that it will be essential for the work of the Executive Office in China to become a baseline budgetary item, particularly as Northern Ireland becomes more outward looking and tries to secure international investment?

**Mr Ó Muilleoir:** I do not think that the First Minister and deputy First Minister would allow me to take over their budget or budget priorities. However, I will say this in agreement with the Member. I was speaking at the weekend with Shaun Kelly, the global CEO of KPMG, who sits on the north-east USA advisory panel for the Minister for the Economy. He is just back from China and met our lead representative there, Tim Losty, who did sterling work for the Executive in Washington and, before that, when the Member was still at kindergarten, for LEDU on investment in working-class areas of the city.

I have found any project that Tim Losty has led on behalf of this Government to have been a worthy one. There are great opportunities there. They require diligence and focused effort. I am pleased to see Ulster University, Queen's University, Belfast City Council and the Executive really lining up together to make sure that we seize those opportunities. I am very sympathetic to efforts by the First Minister and the deputy First Minister to ensure that our efforts in China have adequate resources in the time ahead.

**Ms Hanna:** I share the concerns of other Members about the bypassing of Committees. My question refers to the £5 million community regeneration fund, which is referred to in writing as "improving" key assets but which the Minister just described as "buying" key properties. Can he outline the process for applying to the fund, what the maximum capital will be for projects and whether he can guarantee that this will be transparent and not an invite-only fund like the previous social investment fund?

**Mr Ó Muilleoir:** I thank the Member for her question. When we were here for June monitoring, the Member discovered allocations that were not made and issued a statement immediately saying that my wonderful officials had got it all wrong, so I am glad that at least this time she accepts the figures. We are making progress. I hope that by January monitoring she might be in a position to welcome the investment that we have made in our health service, our education service and other projects.

The Member might not understand this, but allocating capital DEL is quite a challenge at this stage of the year. It really means that, if, for example, you take the Ballybeen autism centre, which is a really imaginative, innovative and important project in the heart of a working-class area, we could not allocate funds to build

because you could not tender and build at this time of the year. Other projects, such as an Cultúrlann McAdam Ó Fiaich, are being well advanced. As everyone in the Irish language sector — pobal na Gaeilge — knows, it has a really inspiring plan to build up what is already the country's greatest Irish language arts centre into a beacon of progress for the entire city at the heart of the Gaeltacht Quarter. It has a project that involves the swift allocation of capital moneys. There are, in fact, projects already on the table. Members who work at the grass roots will know about some of them.

The Member and I share concerns about the speed of delivery. The window of opportunity of £5 million to make transformative investments largely has to go into property or land acquisition or into equipment in some cases. What I will say to the Member is that she and I share the desire that this money be allocated before 1 April, so it cannot be a long-run process. I think that it will be a process that will be welcomed across the community. It is a test for us, because, when I talk about First Step Stimulus, what I am really presaging is what I hope will be the Executive coming together and saying that, from the capital budget for 2017-2021 plus whatever additional infrastructure Barnett consequential there is on 23 November plus hopefully a £200 million loan facility for councils from the European Investment Bank, we are able to fashion a much more strategic, large and meaningful stimulus package — really a Fresh Start package — in our budgets next year.

For now, this is a first step in a stimulus package. For me, it was important that we did not do the First Step Stimulus package without putting some into the communities that have not received enough of the peace dividend. I represent South Belfast, parts of which have done well and some not so well. For me, the First Step Stimulus package would have been incomplete if we had not made a commitment to communities that have great opportunity and are really thirsting for a brighter future.

**Mr Humphrey:** I welcome the announcement of a £5 million community regeneration fund. It is not enough, but it is a good start. I also welcome the £15 million for roads structural maintenance. That is vital. The Minister will recognise the importance of Belfast as a tourism and transportation hub for Northern Ireland. It is Northern Ireland's economic driver.

Despite the politicking of last week, does the Minister agree with me that the York Street interchange is vital to Northern Ireland, particularly in terms of industry and commerce?

It connects three motorways, the George Best Belfast City Airport with the west, and the port of Belfast. Does the Minister agree with me that the York Street interchange remains a key priority for the Northern Ireland Executive?

12.45 pm

**Mr Ó Muilleoir:** I thank the Member for his comments. I note that he waited until Mervyn Storey left before he turned the focus back on Belfast. I agree with him: York Street interchange is a key project for the Executive. I go further: I believe that, together, we will deliver the York Street interchange.

I made the point yesterday to David Gauke that, if I were to build a new home and I had the money to build 60% of it, it would not be prudent to move ahead, build 60% and hope that I get the other 40%. The Member will understand that we moved the British Government on their commitment. At first, there was no guarantee over EU funding. They then moved to guarantee a certain degree. Now, they have moved to guarantee until an exit, if it happens. Yesterday I said to David Gauke, "Look, go the extra mile and commit to funding. Even if it comes a month after you exit, you should still commit to cover that". There is still a gap there that we will start focusing on with the British Government in the time ahead.

As the Member knows, the commitment was made that no funding or projects would be lost. I hope that, in the days and months ahead, we get that commitment. That will enable us to really press ahead with all types of projects that could have funding streams coming and letters of offer issued after March 2019. The Member and I are agreed on the importance of York Street interchange, and I hope that we will see it delivered by our Government.

**Mr McAleer:** As my party's infrastructure spokesperson, I very much welcome the announcement of the £15 million additional money for road structural maintenance. Coming on the back of the £10 million rural roads initiative, it is very welcome news.

Yesterday, Minister, you joined your Scottish and Welsh counterparts in calling for a shift from austerity to stimulus. How confident are you that that message will be heard? What can the Executive here do to inject much-needed economic stimulus?

**Mr Ó Muilleoir:** I would love to say that David Gauke and Theresa May took my advice, but I will quote from what the 'Financial Times' has

been saying about stimulus for some time, not only because borrowing rates are at historic lows. It said:

*"Stimulus policies cannot reverse the long-term effects," —*

of the uncertainty following the EU referendum, but it can:

*"lessen uncertainty and mitigate the shock."*

That is true of a stimulus package at this time. It also said that a stimulus package can accelerate economic growth and improve opportunities. There has been a Damascene conversion on the part of the British Government on the issue. Members will know that we asked for additional investment over many years at the height of the lunatic drive towards ideological austerity, and we did not receive a hearing. Now, because of, whatever about our import and influence, the voices of influential bodies, including newspapers like the 'Financial Times' and economic commentators like Robert Reich, the British Government realise that they need to invest in infrastructure. We will get a Barnett consequential from that, and we will then put our shoulder to the wheel to create, I hope, with the agreement of the Executive, a greater stimulus package.

**Mr Ford:** Since I never had any connection with UCUNF but did have a small part in setting up the three-person panel on paramilitarism, I hope that the Minister will give me a straight answer. I welcome his statement, but he acknowledged that only £3.9 million out of £10 million budgeted for tackling paramilitary activity has been allocated at this late stage in the year — the last occasion for planned realistic changes to budgets. That is largely because of the failure to publish the proper action plan that was due in June of this year. Given the expertise that the Minister and his Department have, will he advise the House whether he has given any advice to other Ministers about their complete failure so far to put together the action plan that is so sadly needed? It means that we are losing out on £5 million of Treasury funding.

**Mr Ó Muilleoir:** I thank the Member for his question. The last time I saw him, he was on the stage with the Belfast Community Gospel Choir singing, 'Oh Happy Day'. I thought, perhaps, you would give us a few verses of that today in response to this first step economic stimulus.

When Claire Sugden was appointed, she asked, "Who will I turn to for advice?", and I

said, "David Ford, of course". Here you are today, giving her advice. I do not know whether it is tinged with envy; I am not going to suggest that it is. I am confident that all Ministers will deliver and that the Justice Minister, in particular, will deliver on her promises and pledges based on the budget she has been allocated; that that money will be spent and that none of it will be lost, and that it will do the work that the Member worked towards in uniting our community and tackling paramilitarism. I am confident that it will deliver on that pledge in the time ahead.

**Mr Swann:** I thanked the Minister earlier for his blessing in dealing with the minutiae, because I will do that. The Minister refers to renewable heat incentive (RHI) and to the Department for the Economy's management of a number of internal reallocations, such as £1.4 million from apprenticeships and youth training, £600,000 from shared skills and £1.7 million from Invest NI to cover a shortfall of £3.7 million in the RHI scheme. What period does that £3.7 million cover? Has any of the £20 million that has already been brought down by the Executive been utilised yet?

**Mr Ó Muilleoir:** I thank the Member for his question to go with the minutiae. The good news is that the Economy Minister is up for questions shortly and you can probe him on how he made his allocations.

One of the things that pleased me greatly over recent weeks is that, first, we moved £20 million to the centre, as you know, in June. That has not been used yet, but it is a contingency, and we know that RHI is causing us problems. You will know about this, more than most, since you chair the PAC. I was pleased that the Economy Minister and his Department tried to absorb some of the pressure rather than coming back to October monitoring saying that they needed an extra £7 million or £8 million. The Economy Minister will have to answer in more detail as to why he was able to do that. We will take that money and see how it can be used to offset the costs of RHI.

The second thing that I would say to the Member — I know it will please him as well — is that I think we are making progress with regard to RHI. Last week, your colleague talked about the exorbitant costs if we do not get it in check. I hope that the Economy Minister, at Question Time in the near future, will be able to give you some comfort in that regard. We are absolutely united in making sure that we control the RHI cost and that we, as far as possible, eliminate it in the time ahead because it is a drain on our budgets.

**Mr Robinson:** I thank the Minister for his statement. Will the very welcome £2.5 million resource DEL allocation to Eglinton Airport be used for new national or international routes?

**Mr Ó Muilleoir:** I thank Mr Robinson for his question. As the Member knows, some of this was trailed previously in the press in relation to drugs and the city of Derry investment. It is the hope of the City of Derry Airport that it can actually create a jobs boost by locating a manufacturing or maintenance facility at the airport which can use the resource that the airport has — for example, the hangars, not only the equipment but the airport itself. I hope to hear more news coming out of the City of Derry Airport on its plans. We know that all airports are under pressure, not least because of air passenger duty, and there were a couple of body blows to the City of Derry Airport earlier in the year. I am confident that the City of Derry Airport realises that it has to use this money in a way in which it will actually try and base jobs there and perhaps create a new initiative. I hope that that happens in the time ahead.

**Mr Attwood:** I thank the Minister for his statement. Referring back to your meeting yesterday, did you raise the issue of corporation tax with the Chief Secretary to the Treasury? Given Mr Gauke's previously stated views that this will happen only when his Government agree a reform package with this Government, has the issue of corporation tax devolution, 18 months from now, been put firmly on the back boiler?

**Mr Ó Muilleoir:** I think that the RHI has got you confused; it is the back burner that you put things on. We have many boilers going in the RHI.

I can tell you this about Mr Gauke in all honesty: to save his own blushes, he did not pretend for a minute that the delay in corporation tax was on our side. Let us be honest: these are the guys who have no idea what they will announce about their own corporation tax on 23 November. This is the Government who have created what Mr Hammond refers to as "economic turbulence" at this time. This is the Government who cannot tell us with absolute certainty what they will do with our resource budget in the time ahead. There were indications yesterday but not absolute certainty.

The Chief Secretary, by the way, did not mention the issue of reform at all, but I went back over the rule book with him. I am committed and confident that we will introduce

a reduced rate of corporation tax on 1 April 2018. We will do so to create thousands of jobs and a step change in our economic growth, which will benefit, in particular, communities that have not seen the economic bounty that they should have in the past. I am taking his own views from him on the issue. The Member will know — he has spent many years in the corporation tax furrow — but he understands that there is a negotiation ahead. He also understands that, until the 23 November statement, which is around the corner, and a clear declaration of where their corporation tax is going, we cannot have the type of intense negotiation that we need to have, but we are on track.

If the Member wishes to put pressure on the British Government in this regard, he can be my guest. Let the British get the 23 November statement out of the way. Will they commit to 17% or something else? I think that there may be no change, neither that suggested by George Osborne nor by the papers at the weekend. We will do our bit, and I am committed and confident. We will make it affordable, because that is in the Fresh Start Agreement as well. We will make sure that it opens up a discussion and conversation with the British about how we grow the economy in the time ahead and how they make sure that we have all the fiscal measures to do that, not just corporation tax. We are very much on course; it is not on the back burner at all.

**Mrs Overend:** I thank the Minister for his statement. Many schools across the country continue to lobby MLAs. They are crying poverty, and the wells have truly run dry. Many redundancies have been made, and the delivery of the entitlement framework is under threat. While I welcome the £13 million capital budget given to the Department of Education for minor works and the purchase of furniture and equipment for schools, I am disappointed that there is no resource budget allocation. Has the Finance Minister had any discussions with the Education Minister about the way that schools can spend the money allocated to them, so that they have more control and can achieve better value for money? If not, will he commit to doing so?

**Mr Speaker:** Minister, I must ask you for a short, sharp and concise answer.

**Mr Ó Muilleoir:** I thank the Member for her question and would be happy for her to put that question to Peter Weir. I welcome her welcome of the extra injection of capital funds into schools.

**Mr Speaker:** The Business Committee has agreed to meet at 1.00 pm. I propose, therefore, by leave of the Assembly, to suspend the sitting until 2.00 pm. The first item of business will be Question Time. Questions on the ministerial statement will resume after Question Time, when the next Member to be called will be Richie McPhillips.

*The business stood suspended.*

*The sitting was suspended at 12.59 pm.*

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

**2.00 pm**

## Oral Answers to Questions

### Agriculture, Environment and Rural Affairs

**Mr Deputy Speaker (Mr Kennedy):** I advise Members that question 9 has been withdrawn.

#### Annsborough River: Pollution

1. **Mr McKee** asked the Minister of Agriculture, Environment and Rural Affairs for her assessment of the ecological harm caused by the recent pollution by NI Water of the Annsborough river. (AQO 540/16-21)

**Miss McIlveen (The Minister of Agriculture, Environment and Rural Affairs):** Officials from my Department first learned of the incident in the early afternoon of Saturday 8 October 2016, and on-call officers from DAERA's Northern Ireland Environment Agency (NIEA) and inland fisheries division immediately travelled to the scene. By late afternoon, the source of the spill had been traced and samples taken with a view to enforcement action. Inquiries at the source site also quickly determined the precise nature of the chemical involved in the incident and thus the detailed ecological and toxicological information on the potential hazards that it poses. Officials from my Department promptly notified, and have continued to work closely with, a range of other agencies to ensure that every possible risk to the environment or public has been considered and addressed.

As far as the potential ecological harm posed by the spill is concerned, there are three broad lines of inquiry into mitigation: first, the absolute necessity of protecting public health; secondly, an assessment of the pollutant's

effects on fish and fauna in the river; and, finally, an assessment of any potential damage to commercial shellfish beds where the river enters Dundrum Bay.

As far as the risk to public health is concerned, the data on this chemical confirms that although it is toxic to fish, it does not pose a significant risk to human health. Nevertheless, my Department has worked closely with relevant agencies, including the Food Standards Agency and Newry, Mourne and Down District Council, to ensure that all possible risks are considered and addressed. All of the evidence to date confirms that there has been no risk to or impact on public health.

With regard to the effect on fish and fauna in the Annsborough river, the chemical involved is toxic to fish. Inland fisheries officials have confirmed that in excess of 1,600 fish were killed, including adult salmon and sea trout, and this will undoubtedly have an effect on the river for many months to come. However, the inland fisheries division is already working with others to consider how the river could be restocked. NIEA is also carrying out a biological survey of insects in the area.

**Mr Deputy Speaker (Mr Kennedy):** I remind the Minister of the two-minute rule.

**Mr McKee:** I thank the Minister for her answer thus far. Does the Minister agree with me that until people in public bodies, such as NI Water, begin to be held to account for these incidents of pollution, the current penalties will continue to prove ineffective?

**Miss McIlveen:** I thank the Member for his question, and I agree with him about those responsible for pollution incidents such as this, be they from public bodies, in business or private individuals. There is a process within which my Department has to operate, but we also need to look at education and advocacy alongside our enforcement rules. While NI Water has admitted that it is responsible, there is an ongoing investigation.

**Mr Easton:** I thank the Minister for her answers so far. I understand that Northern Ireland Water has accepted responsibility for the fish kill at the Annsborough. Has it been associated with many fish kills previously?

**Miss McIlveen:** I thank the Member for his question. Since 1 January 2012, there have been 44 major or moderate fish kills in Northern Ireland where the cause was a polluting discharge. Northern Ireland Water has been

determined by NIEA as the source of two of the 44, with a further two incidents, including last week's in the Carrig river, at various stages of the enforcement process. In 2010, a moderate fish kill associated with Tandragee waste water treatment works resulted in a £5,000 fine, and, in 2014, a moderate fish kill associated with the pumping station in Ballynahinch resulted in a warning letter from NIEA, and £1,600 in fishery restoration costs were recovered from Northern Ireland Water.

**Mr Lunn:** The Minister is aware, as she commented herself, that this is only the latest in a long string. We have had the Faughan, the Ravarnet, the Comber river, the Lagan — I forget some of the others — the Sixmilewater and the Three Mile Water just in recent times.

**Mr Deputy Speaker (Mr Kennedy):** Can we keep it to south Down, please, to the Annsborough?

**Mr Lunn:** Does the Minister agree with me that, in fact, the sanctions and the punishments are available through the existing law to deal with this kind of pollution incident much more seriously, but the courts very rarely impose a fine that to the rest of us would seem commensurate with the actual offence? The fines are piffling.

**Miss McIlveen:** I thank the Member for his question. Obviously, the whole issue around pollution is something that I do take seriously, and it does cause me concern. It has happened in rivers in my constituency, and I understand the impact that it has on the habitat and on those who use the rivers. Very often, as you say, it does not seem that the fine is commensurate with the crime that has been committed. I am happy to have further conversations about this and to pursue it, and I am open to conversations with Members as well.

## Litter

2. **Mrs Cameron** asked the Minister of Agriculture, Environment and Rural Affairs what steps she is taking to reduce the amount of litter in urban and rural areas. (AQO 541/16-21)

**Miss McIlveen:** The Department introduced the Clean Neighbourhoods and Environment Act (Northern Ireland) 2011 to allow councils to issue fixed penalty notices of up to £80. The number of fixed penalties issued by councils for litter offences increased to 4,443 in 2014-15, up from 3,268 in 2011-12. Where the case is dealt

with by the courts, a fine of up to £2,500 can be imposed. I will continue to keep the situation under review, taking appropriate action where necessary.

The Department also introduced the carrier bag levy in April 2013, which has reduced the number of bags dispensed in Northern Ireland by tens of millions every year, and thereby reduced the number of bags littering our public spaces. The levy is the most extensive of any of the carrier bag charging arrangements on these islands and has generated millions of pounds for local environmental projects, including anti-litter projects. A review of the charge, as Members are aware, is currently under way.

Education is a vital component in the fight against litter, and, to that end, DAERA works closely with councils and NGOs to develop and support educational and promotional campaigns aimed at achieving behavioural change. For example, my Department provides significant financial support, nearly £945,000 in the period 2014-15 and 2016-17, to Keep Northern Ireland Beautiful, which runs a number of programmes, including Eco-Schools and Live Here Love Here. As of January 2015, Northern Ireland was the first country to have every school signed up to the Eco-Schools programme. Additionally, NIEA runs a fly-tipping partnership programme with councils to clean up fly-tipped wastes. My Department is using a combined approach of legislation, education, awareness and enforcement to tackle litter in Northern Ireland.

**Mrs Cameron:** I thank the Minister for her answer. I am very aware of how successful the challenge fund has been in south Antrim, in particular, especially around the eco-schools. I am thinking in particular of Ballycraigy in Antrim and Fairview in Ballyclare and the tremendous work they are doing and how that education goes home to the parents as well. I very much welcome that. Have you any plans to reopen this fund?

**Miss McIlveen:** I thank the Member for her question. I am delighted to announce today that an initial £400,000, sourced from the carrier bag levy, will be available for the challenge fund in the current financial year for not-for-profit organisations delivering projects that aim to improve the local environment and boost civic pride. This funding of £400,000, with potentially further support later in the year, will enable local communities, schools and voluntary organisations to undertake small-scale projects to improve the environment and deliver environmental education. Community groups,

for example, can use the funding to enhance their local area through tidying a local beach or neglected beauty spot or by creating and enhancing areas where the public can enjoy the local environment.

I am pleased to be able to deliver further resources for the fund and ensure that this good work in our schools and communities can continue. This competitive fund will award moneys to organisations delivering projects on civic pride, access and recreation, education and awareness, and environmental management.

To date, more than £4.6 million has been awarded from the challenge fund, enabling almost 600 environmental projects to be carried out. I am pleased to be able to deliver further resource to ensure that that good work continues.

**Mr McPhillips:** The Minister has touched on the subject of my question a number of times. Do you agree that the plastic bag tax has greatly contributed to a reduction in litter in urban and rural areas?

**Miss McIlveen:** I thank the Member for his question. I do, indeed. The challenge fund has made a huge difference, particularly in getting schools and communities involved. That is why I am particularly keen that, in this new element of the fund, we include the theme of civic pride, because that is incredibly important. As elected representatives, we all engage with our local communities and village groups and understand the pride that they have in their local area, and this is just to help encourage them to do that. This is therefore an incentive as much as anything else, but it has made a tremendous difference.

**Mr Smith:** Minister, you mentioned in a previous answer fixed penalties for littering. As two councils seem to account for 67% of all fixed penalties and with the bill for street cleaning topping £40 million for the first time, what plans do you have to encourage other councils to use their fixed penalty powers more?

**Miss McIlveen:** I thank the Member for his question. There is a disparity there. An education programme needs to be carried out not only in our communities but alongside our local councils. I am aware, given the changes to local councils and changes in personnel, that there are probably a variety of policies still being looked at and addressed by each council. Therefore, following on from today, I will be

content to have conversations with councils, particularly with my officials leading on that to ensure that their use is encouraged. In the first instance, however, we need to try to have an education programme to avoid littering.

**Mr McAleer:** Has the Minister given any consideration to working towards having a zero-waste policy?

**Miss McIlveen:** I thank the Member for his question. A zero-waste society does not necessarily mean that we produce no waste. It is about trying to reduce the amount of waste that goes to landfill. There is currently a policy of promoting reuse and recycling, which will hopefully lead to zero waste. The Department published 'The Road to Zero Waste' in September 2014, and it is something that we are working to achieve. There are a number of projects in each council area around the circular economy and encouraging business to get involved with that. In my constituency, I am aware of a large business that says that it has zero waste. It has invested a considerable amount of money in its plant to ensure that everything is recycled or reused. It is about trying to encourage that and about changing the mindset of people and their attitude to waste.

### **Lough Neagh Fishermen's Co-operative Society**

3. **Mr E McCann** asked the Minister of Agriculture, Environment and Rural Affairs, given that the Lough Neagh Fishermen's Co-operative Society receives public funding, to outline the steps she will take to ensure that the society issues fishing licences democratically and accountably to shareholders and members of the co-operative. (AQO 542/16-21)

**Miss McIlveen:** My Department is responsible for the conservation and protection of salmon and inland fish stocks on Lough Neagh and for the issuing of licences for commercial fishing of eels and scale fish. It also provides financial assistance to the Lough Neagh Fishermen's Co-operative Society towards the eel restocking programme, which is a conservation measure outlined in the EU eel regulations. The Department is satisfied that the cooperative is complying with the conditions of funding contained in the letter of offer. That funding is not related to the issue of commercial permits.

The fishing rights for Lough Neagh are owned by the cooperative, and it is a matter for that organisation to manage its own interests, including the issuing of permits to allow fishermen to fish for eels and scale fish. The

Department has no role to play in that process. The rules regarding the issuing of permits to fishermen are agreed by the cooperative, and any applications for permits are considered against the criteria. Although under no obligation to do so, the cooperative has provided my officials with clarification and supporting documentation on the processes for administering applications for permits, and, indeed, it has been the subject of two judicial reviews in the past.

The lough's fish stocks are a finite resource, and the cooperative must control fishing intensity to ensure the long-term sustainability of the fishery. The serious decline of eel stocks across Europe has intensified the need to manage stocks effectively.

### **2.15 pm**

DAERA inland fisheries officials are currently finalising a fishery management plan for Lough Neagh, which aims to ensure the sustainable management of fish stocks on the lough and to maximise the socio-economic benefit of the fishery for communities around the lough shore, the local economy and the ecology of the lough. One of the recommendations in the draft plan, which was agreed by stakeholders, was the introduction of a scale fish permit system, and this has now been achieved.

**Mr E McCann:** I thank the Minister for that. I know that the Minister is aware of the very strong feelings that exist among some fishermen around Lough Neagh, particularly on the part of those fishermen who, although they are members of the Lough Neagh Fishermen's Co-operative Society, find that they have not been able to and cannot get from the cooperative —

**Mr Deputy Speaker (Mr Kennedy):** We need a question, Mr McCann.

**Mr E McCann:** Given that background and given that the Department has, at the very least, because of the public money involved, an overall supervisory role, will she agree to meet a number of the fishermen who are aggrieved and discuss the matter with them further?

**Miss McIlveen:** I thank the Member for his question. He may be aware that, in the last mandate, I chaired the Committee for Culture, Arts and Leisure for a number of years, and, during that time, I met the fishermen on a number of occasions and went to Toome to meet the cooperative as well. I am more than happy to meet the fishermen to discuss their

issue. Although I have met with them, I am happy to do that again with this particular hat on.

**Mr Swann:** The Minister is well aware of this issue. Minister, can you give us an update on what actions are being taken to tackle salmon poaching and illegal fishing on Lough Neagh and illegal fishing in full? I am also aware that her predecessor promised a full audit of all of the fish stock in Lough Neagh. Has that been completed yet?

**Miss McIlveen:** I thank the Member for his question. I am happy to have those conversations in relation to the audit. I was not aware whether it had been completed or not. I do not have that information, but I am happy to provide it.

**Mr Ford:** The Minister indicated that officials had discussed the allocation of licences with representatives of the cooperative. Can we take it, therefore, that she has not yet had discussions with the members of the cooperative who are currently not allocated licences and are currently in dispute with the cooperative?

**Miss McIlveen:** I thank the Member for his question. The conversations that I had in the past were when I was wearing a different hat. My officials speak regularly with the cooperative, and, over the last number of years, they have spoken regularly with members of the cooperative who do not have permits. I was in attendance at those meetings as the Chair of the Culture, Arts and Leisure Committee. I have not met them in my current role, but I am happy to do so. My officials will accompany me at the meetings.

**Mr Humphrey:** Minister, what is the current position regarding commercial eel fishing in Lough Erne?

**Miss McIlveen:** I thank the Member for his question. In December 2008, the UK submitted 15 eel management plans, including the trans-boundary plan for the Erne system, for individual assessment to the European Commission, covering the river basin districts as defined under the water framework directive in England and Wales, Scotland and Northern Ireland. These plans were approved by the Commission and the management committee for fisheries on 4 March 2010 and are being implemented in accordance with the regulation.

As the Member will know, the eel fishery was closed in 2010 as a condition of the EU

approval of the north-west eel management plan, and some 17 Lough Erne fishermen who applied each year for licences and permits issued by the former DCAL to fish for brown eels could no longer do so. Following the closure, local eel fishermen were entitled to tender for participation in the trap-and-truck conservation fishery, which catches silver eels and moves them downstream off the two dams. This provided potential to an alternative source of income for the fishermen after the closure of the commercial eel fishery. A range of conditions and actions in the eel management plan are being kept under regular review, and progress on these is reported to the EU. To date, there has not been any variation or amendment to the conditions applied to the eel management plan.

### **Basic Payment Scheme: Young Farmers**

4. **Mr Girvan** asked the Minister of Agriculture, Environment and Rural Affairs how she will ensure that farmers that received a young farmer payment as part of their 2015 basic payment scheme do not have their 2016 payments delayed. (AQO 543/16-21)

**Miss McIlveen:** In 2015, my Department provisionally approved applications to the regional reserve and the young farmer payment from young farmers who had become head of holding and were not in a position to provide all the required evidence to support their applications. My Department has sought the necessary information in recent weeks in order to prevent any delays to the 2016 payments. I am pleased that many young farmers have provided the information required. My officials have assessed the information speedily and have issued advance payments to those who have satisfied the criteria. Where there are outstanding issues with an individual's young farmer payment and where possible, my Department has made an advance payment on the other elements of their claim. I strongly encourage all farmers yet to provide the required evidence to do so as soon as possible to ensure that full payment is issued to them in December.

**Mr Girvan:** I thank the Minister for her answer. How many or what percentage of young farmers have received an advance payment?

**Miss McIlveen:** I thank the Member for his question. Of the 1,780 successful applications in 2015, 593 have been paid an advance young farmer payment in October. Advance payments on the basic payment scheme and greening

have been issued to 548 applicants with outstanding issues around the young farmer element of their payment. Therefore, 1,141 young farmer applicants from 2015 have received an advance payment for one or more elements of their claim in 2016. The majority of the remaining applications from 2015 have yet to provide the evidence necessary to make their young farmer payment in 2016. A small number with evidence supplied are yet to be assessed. Of the 746 new applications for the young farmer payment and/or young farmer regional reserve in 2016, 458 have been paid an advance payment. The remaining applications are being assessed or have been rejected.

**Mr McMullan:** Minister, the young farmer scheme has turned out to be very successful. Have you plans to put any new measures in place to encourage more young farmers to come forward? They are the future of the industry.

**Miss McIlveen:** I thank the Member for his question. Each year, there is an opportunity for new entrants to apply if they meet the criteria. I want to ensure that our agrifood sector is growing and is sustainable in order to encourage young people to get involved in the agriculture sector. I want to see a future for them in the industry. You will be aware that the Young Farmers' Clubs of Ulster and the Ulster Farmers' Union have been doing a considerable amount of work on succession planning. I look forward to having a meeting with them in the near future to see how we can assist them with that project. You will also be aware that additional weighting is given and will be given to young farmers in the capital element of the farm business improvement scheme to encourage those young people to get involved in farming and invest in their business going forward. It is critical that all of us support the farming industry and that those young people see a future in it and are encouraged to become involved.

**Mr McGlone:** Will the Minister outline for us details of any discussions or otherwise with Westminster on a replacement for the basic payment scheme?

**Miss McIlveen:** I thank the Member for his question. He will be aware that my Department has been working alongside Westminster on what future support for farmers might look like. He will be aware that I met Andrea Leadsom last week. I also hosted George Eustice in Northern Ireland. That visit allowed George Eustice to meet industry representatives and stakeholders and gave him an opportunity to

look at the vision that he has for any potential support. It is about looking not at what we currently have but at what we could have. It is not about picking something off the shelf and applying it to Northern Ireland or the United Kingdom; it is about having a model that is bespoke to our needs here. There are ongoing conversations between me, my Department and Westminster on what a support system might look like.

**Mr Allister:** Will the Minister undertake to look at the departmental guidance on the young farmers' scheme, particularly with regard to the bizarre and seemingly unnecessary stipulations on partnership agreements? For some unknown reason, there is a stipulation that, although one is head of holding, one has to consent if a partner wishes to leave the partnership. That is unheard of in partnership law, yet it has become an obstacle to some young farmers who otherwise qualify for the payment.

**Miss McIlveen:** I thank the Member for his question. I am aware that that is a particular issue for Mr Allister and one of his constituents. I am happy to meet him and officials to discuss the issue and will make arrangements with him to do so.

**Mr Aiken:** I thank the Minister for her remarks so far. Is she aware that there is a great deal of anger amongst many young farmers about their applications and what they see as unwarranted checks on paperwork? Will she explain why her Department waited so long and so close to the issuing of this year's payments before contacting young farmers and asking them for the appropriate documentation?

**Miss McIlveen:** I thank the Member for his question. I am aware of the issue, which has been raised with me on a number of occasions. Very recently, I attended the Fermanagh group meeting of the Ulster Farmers' Union, and a number of young farmers raised the issue in the body of the meeting and spoke to me privately about it. I have raised with officials the issue of why the request was so late in the year. My understanding is that they wrote to relevant applicants in September, as they were unable to get the required evidence earlier to meet the deadline for receipt of the advance payments. I understand that a number of them have been able to get their information in on time and have been able to qualify for advance payments in October.

## **Agriculture Policy and Brexit**

5. **Mr Frew** asked the Minister of Agriculture, Environment and Rural Affairs to outline any discussions she has had with the Secretary of State for Environment, Food and Rural Affairs in relation to the differences in the local agricultural sector as compared to the rest of the United Kingdom. (AQO 544/16-21)

6. **Mr McCrossan** asked the Minister of Agriculture, Environment and Rural Affairs to outline any recent discussions she has had on a new agricultural policy framework following the United Kingdom's decision to leave the EU. (AQO 545/16-21)

13. **Mrs Overend** asked the Minister of Agriculture, Environment and Rural Affairs for an update on her discussions with Her Majesty's Government regarding support for farmers when the United Kingdom leaves the European Union. (AQO 552/16-21)

**Miss McIlveen:** With your permission, Mr Speaker, I will answer questions 5, 6 and 13 together.

The agrifood sector is much more important to the local economy in Northern Ireland than is the case in the rest of the United Kingdom. The percentage of total employees is 5.5% in Northern Ireland compared with 2.4% in the United Kingdom as a whole. In 2014, the Northern Ireland food and drink sector generated sales of £4.5 billion and employed well over 20,000 people. Around 28% of Northern Ireland food and drink sector sales are exported compared with 10% for the United Kingdom as a whole. Therefore, future trade arrangements will be important.

Over the past weeks and months, I have met a number of Ministers to discuss the important issues that need to be resolved. Last week, I met Andrea Leadsom and hosted a visit by George Eustice to Northern Ireland. I impressed on them the unique position of our agrifood sector. We had meetings with a range of agrifood, environmental and fisheries stakeholders and departmental officials. Yesterday, the First Minister and deputy First Minister attended the first Joint Ministerial Committee meeting on exiting the European Union, where they emphasised the strategic importance of the local agrifood sector and sought assurances that we would be kept closely and directly involved in the agricultural, environmental and fisheries policy and trade agendas as they unfold.

**Mr Frew:** Despite the doom-and-gloom merchants and the "Remoaners" in the House,

it was really encouraging to see the EFRA Minister here last week at your invitation. You have already mentioned this, but it seemed that George Eustice was thinking outside the box. Can you give us any more specific details about support after we leave the EU?

**Mr Deputy Speaker (Mr Kennedy):** I ask the Minister to be brief in her reply.

**Miss McIlveen:** I thank the Member for his question. As I said to him earlier, George Eustice shared some of his early thoughts on what any support package might look like. He wants to be visionary. He is looking for fresh ideas and is not closing the door on anyone with ideas on what they might look like.

We do not necessarily have to look to what we had before; there is the opportunity for something different. He mentioned the Canadian and Australian models and various other examples that could be looked at. As I have said, we do not necessarily have to pick one of those and apply it. We can develop something bespoke for the United Kingdom. As a region, we would look for some type of flexibility within the framework offered.

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

2.30 pm

## Red Squirrel Population

T1. **Mr Durkan** asked the Minister of Agriculture, Environment and Rural Affairs for her assessment of the threat facing the red squirrel population in Northern Ireland. (AQT 396/16-21)

**Mr Deputy Speaker (Mr Kennedy):** Minister, you were not waiting for that one, I tell you. *[Laughter.]*

**Miss McIlveen:** I very much appreciate the question from the Member. I am aware that, when he was Minister of the Environment, he had a particular interest in red squirrels, along with hedgehogs, I believe.

I do not have the exact figure for the red squirrel population in Northern Ireland, but there are around 120,000 red squirrels right across the United Kingdom, and 75% of them are in Scotland. There are red squirrel hotspots in Northern Ireland, particularly around the Ring of Gullion. A number of conservation groups are

specifically set up to look at the red squirrel, one of which is in the Minister's — sorry, the former Minister's — constituency. He may now have time to join that conservation group and give it a hand in its monitoring of the red squirrel. I pay tribute to the volunteers who work very hard to monitor and try to retain the population in Northern Ireland. Anyone who follows, as I do, the Twitter feed of the Red Squirrels United in Northern Ireland will be aware that the squirrel pox virus, which comes from the grey squirrel, is an issue in the Mourne area.

**Mr Durkan:** I thank the Minister for that very comprehensive answer. Will she expand on that by telling us what her Department is doing to protect not only our red squirrels but other species at risk here?

**Miss McIlveen:** I thank the Member for his question. I am, of course, very conscious of the 'State of Nature' report that was published very recently and the number of species around Northern Ireland that are under threat, particularly the red squirrel and the hedgehog. Groups such as the Ulster Wildlife Trust work very closely on these matters and are leading the red squirrel campaign. The trust receives funding from the Heritage Lottery Fund and has a four-year programme for that project, which is about monitoring and surveying the red squirrel. The Member will also be aware that the Grassroots Challenge project was launched just a couple of weeks ago in the Long Gallery, and I was privileged to be at that. The project, which works alongside the Young Farmers' Clubs of Ulster, the Duke of Edinburgh's Award scheme and special schools, aims to encourage young people, over the next five years, to become involved in the environment and look out for our endangered species in particular. There is good work going on in those organisations, and it is important that my Department works alongside them in order to support them where it can.

## **Bengoa Report: Rural Communities**

T2. **Mr McElduff** asked the Minister of Agriculture, Environment and Rural Affairs whether she and her departmental officials will work closely with Minister Michelle O'Neill and her departmental officials to discuss the implications of the Bengoa report, essentially for rural communities, not least isolated rural communities. (AQT 397/16-21)

**Miss McIlveen:** I thank the Member for his question. It was a fundamental piece of work that was announced today, and I will, of course,

work alongside all my Executive colleagues on its implementation.

**Mr McElduff:** Will the Minister keep at the forefront of her mind the weighting that needs to be given to rural needs and rural proofing in decision-making? Will she remind her Executive colleagues, when appropriate and necessary, that the definition of social deprivation includes the distance from essential health services?

**Miss McIlveen:** I thank the Member for his question. As he will be aware, I have responsibility for the implementation of the Rural Needs Act, and it falls to me to be the voice of rural needs around the Executive table. I will be a constant reminder to my colleagues, although I would like to think that they will be cognisant of rural needs and that that will come naturally to them as time goes on. Most of us in the Chamber represent rural constituencies, so it is incumbent on us all to be cognisant of that. I am very much aware of social isolation, particularly in relation to access to the health service. In my previous role, I was very supportive of community transport providers and the work that they do, and particularly the volunteers who help people in isolated situations to access hospital appointments and doctors' appointments. I will be very much involved with that.

## **Rural Support Mentoring Programme**

T3. **Mr F McCann** asked the Minister of Agriculture, Environment and Rural Affairs to confirm that she is aware of the details of the Rural Support mentoring programme. (AQT 398/16-21)

**Miss McIlveen:** I thank the Member for his question. It is probably not unconnected to the question that his party colleague asked previously. I am very aware of the value that Rural Support gives to rural communities. It is a listening and signposting service for farmers and rural families, and the mentoring programme, which is an on-farm mentoring programme, has been very successful, particularly when financial problems occur. It is important to encourage people to use that service. I am very supportive of the work that it is doing.

**Mr F McCann:** I thank the Minister for her answer thus far. Will she confirm whether she is moving to secure funding to assist Rural Support to increase its capacity to give support, particularly in light of the EU referendum result and welfare reform?

**Miss McIlveen:** I thank the Member for his question. He will be aware that Rural Support receives funding from a number of different agencies. My Department supports it with around £91,000 annually through our tackling rural poverty and social isolation (TRPSI) programme. I know that my officials have ongoing conversations with Rural Support about its funding. As I said, we are supportive of the work that it does, particularly with farming families and rural families, and we have been encouraging it to continue with that work. We will be working alongside Rural Support in order to ensure the delivery of that work.

### **Independent Environmental Protection Agency**

T4. **Ms Bailey** asked the Minister of Agriculture, Environment and Rural Affairs whether, given the seemingly systemic failings in environmental protections in Northern Ireland, she has had any discussions with the Minister for Infrastructure on the obvious need for an independent environmental protection agency. (AQT 399/16-21)

**Miss McIlveen:** I thank the Member for her question. She will be aware from my previous responses to such questions that it is not my intention to bring forward an independent environment agency. However, I want to see the appointment — or the reappointment, now — of independent members to the NIEA board. They were previously taken off that board by a former Environment Minister, and I want to see that decision reversed, because I value the expertise and insight that independent external panel members would bring to the board. I am responsible for protecting our environment, and I take that responsibility very seriously. It is part of my remit, and I have no intention of abdicating that responsibility.

**Ms Bailey:** In that case, will the Minister give a solid confirmation that all investigations of the Annsborough event must include an examination of past incidences and equipment failures, including whether secondary pollution prevention measures by NI Water were, or should have been, in place?

**Miss McIlveen:** I thank the Member for her question. I will give that commitment, and I have sought a meeting with the chief executive of Northern Ireland Water in order to discuss not only the Annsborough incident but others. As I said, I take this very seriously, and I will continue to have dialogue with anyone who I feel could benefit from a discussion with me or the Department.

### **Basic Payment Scheme: Advance Payment**

T5. **Mrs Little Pengelly** asked the Minister of Agriculture, Environment and Rural Affairs, after welcoming her recent announcement that Northern Ireland would be the first region in the United Kingdom to make advance payments under the 2016 basic payment scheme, to state how many farmers have received advance payments at this stage. (AQT 400/16-21)

**Miss McIlveen:** I thank the Member for her question. I am pleased to be able to confirm that 90.72% of eligible farmers have received an advance payment, resulting in £158,474,453 reaching 21,111 farmers much earlier this year than it would have otherwise. I am delighted with that outcome, which exceeds the challenging target of 80% that I had set my officials.

I pay tribute to the staff in Orchard House, who have worked extremely hard to achieve this. We are the first region in the United Kingdom to make advance payments, and I am delighted that we have surpassed our target.

**Mrs Little Pengelly:** I thank the Minister for that answer. Has she or her Department carried out any comparative analysis on the demand here or the potential benefit to Northern Ireland compared with the rest of the United Kingdom?

**Miss McIlveen:** I thank the Member for her question. Northern Ireland is, as I said, the first region of the United Kingdom to issue advance CAP payments. This is a significant achievement, and one that the industry has been asking for. In Scotland, for example, payments for 2015 are still being made. Furthermore, the Scottish Government do not appear to be in a position to make any payments in 2016 and have had to introduce a nationally funded loan scheme, to which farmers can apply to receive a loan of 80% of their CAP payment.

This is an important move for my Department, and I am absolutely delighted with the results this year.

### **PAC: Tony O'Neill's Comments**

T6. **Mr Swann** asked the Minister of Agriculture, Environment and Rural Affairs whether she agrees with comments made by Tony O'Neill, Chair of the Agri-Food Strategy Board, at a recent Agriculture, Environment and

Rural Affairs Committee meeting, when he said, "Everybody prepares for the Public Accounts Committee before they do the project. They do two projects at once; one to implement it and the other at the same time preparing their defence. Our Public Accounts Committee, I think, has become our greatest weakness." (AQT 401/16-21)

**Miss McIlveen:** I thank the Member for his question. I am very much aware of the comments that Mr O'Neill made to the Committee. Regarding the PAC, the Member will be aware that we all work within a framework of good governance and financial accountability for public money. Rules are in place, and we need to abide by those. Regardless of the rules, I suppose that we will be critical of officials and say they are risk-averse, but whether that is a fair criticism is debatable. I do not agree with the comments that he made.

**Mr Swann:** Thank you very much, Minister. I am glad to hear that. At the same Committee meeting, Mr O'Neill said there were too many farmers in Northern Ireland. I hope that the Minister does not agree with those comments either. Taking those two examples into consideration, does the Minister still have faith in Tony O'Neill as chair of the Agri-Food Strategy Board?

**Miss McIlveen:** I am very much aware of Mr O'Neill's comment about the number of farmers as well. Mr O'Neill has been challenged on that by the Ulster Farmers' Union. I have also been in his presence since he made those comments and have spoken to him about them.

I am very much focused on championing the position of all farmers in Northern Ireland and not being selective as to whom I support. I want to see the sector grow, be productive and be sustainable. As to whether I have confidence in Mr O'Neill, that is a very loaded question, but the Member will be aware that the tenure of the Agri-Food Strategy Board as a group will come to an end in February next year.

### **Basic Payment Scheme 2015: Appeals**

T7. **Mrs Barton** asked the Minister of Agriculture, Environment and Rural Affairs for an update on the number of ongoing appeals for the 2015 payments. (AQT 402/16-21)

**Mr Deputy Speaker (Mr Kennedy):** I ask the Minister to be brief in her reply.

**Miss McIlveen:** I thank the Member for her question. I do not have that information to hand, but I am happy to get it to the Member.

**Mr Deputy Speaker (Mr Kennedy):** Thank you. Time is up.

2.45 pm

## **Economy**

**Mr Deputy Speaker (Mr Kennedy):** Questions 4 and 8 have been withdrawn.

### **Fujitsu: Local Jobs**

1. **Mr Durkan** asked the Minister for the Economy to outline any discussions he has had with Fujitsu regarding the future of local jobs. (AQO 554/16-21)

**Mr Hamilton (The Minister for the Economy):** Thank you, Mr Deputy Speaker; I was just moving in there.

Fujitsu has been a significant employer in Northern Ireland for over 35 years. Given the company's strategic importance, the Executive, my Department and Invest NI have always maintained a close relationship with local and parent company management at the highest levels. Invest NI liaises and works regularly with the company at an operational level as well as at a higher strategic level to help ensure that Northern Ireland plays the fullest part in the delivery of Fujitsu's worldwide corporate strategy.

Following the announcement on Tuesday 11 October that Fujitsu would be undertaking a major review of its European, Middle Eastern, Indian and African operations, I spoke directly with Mr Duncan Tait, group director and corporate executive officer of Fujitsu Japan and Fujitsu's senior executive vice president and head of Europe, Middle East, India, Africa and the Americas, to reinforce Northern Ireland's long-established relationship with Fujitsu. I also emphasised the continuing contribution and excellence of the Northern Ireland workforce as well as the competitive opportunities that investing in Northern Ireland continues to present to Fujitsu as it shapes its business for the future.

Fujitsu is seeking to determine how best to re-equip its business to enable it to best compete

in the digital economy. This process will be complex and challenging. It will likely affect several thousand individuals across all of Fujitsu's European, Middle Eastern, Indian and African operations, including all the company's sites in the United Kingdom. The review will also take several months to complete. While recognising that Fujitsu's Northern Ireland operations will not be exempt from this overall review, I have tasked officials from Invest NI to continue to maintain regular communication with the company. I and my Executive colleagues will continue to engage with Fujitsu management at the very highest levels to seek to ensure the best possible outcome for Northern Ireland.

**Mr Durkan:** I thank the Minister for his answer and for his action thus far on the job threats at Fujitsu. He outlined to us the conversation that he had with a senior representative from Fujitsu. During that conversation, did he seek from that member of staff any comment about the quality and dedication of the Fujitsu workforce here?

**Mr Hamilton:** I thank the Member for his question. He will be familiar, from a constituency basis, with Fujitsu's operations in Northern Ireland. There are about 250 people working at Timber Quay in Londonderry, and I think that is actually the company's biggest individual site in Northern Ireland. It is a significant employer in the north-west. The Member mentions the high skill level of the workforce there and across Fujitsu's Northern Ireland operations. Given that the review that the company announced earlier in the month is ostensibly about ensuring that it has the skills, as a business, to be equipped for the future challenges that the digital economy presents, the emphasis of my interventions and conversations will always be around the highly skilled workforce that Fujitsu has in Northern Ireland. Obviously, nobody knows that better than the company. When you are discussing skills and having a conversation about the skills of the workforce here, the company understands and appreciates it, and I think that my role as Minister is to underscore that and offer some assurance for the future.

There are opportunities from this announcement as the company looks to redistribute some employment from around Europe, the Middle East, India and Africa. There may be opportunities for Northern Ireland, and I think that, with the highly skilled workforce in Fujitsu in Northern Ireland and with the strong skills pipeline that we have, there could well be opportunities for Northern Ireland

to seize, even though, at first glance, this looked like bad news.

**Mr Aiken:** I thank the Minister for his answer so far. Fujitsu is talked about, and he mentioned possible opportunity as well as challenge in its Middle East and North Africa (MENA) and UK operations. Will the Minister seek, along with Invest NI, to work closely with Fujitsu to grow specific sectors in Northern Ireland? I am thinking particularly about fintech and cybersecurity, which are areas that we have strength and resonance in.

**Mr Hamilton:** I thank the Member for his question. Another area that I would add to that list is agri-tech. I know that Fujitsu has been looking to get into that more, and, again, it is an area in which Northern Ireland has a standout reputation. These sorts of announcements are not good. You would rather not have them.

We needed to do, and I did, two things in the immediate aftermath of the announcement. First, I emphasised to the company at the highest possible level that Northern Ireland is a good place for it to do business, particularly, as I said to Mr Durkan, because of the skills mix that we have and the strong skills that Fujitsu has in its current workforce. Secondly, I said that Northern Ireland presents opportunities, as the company looks at adjusting and strengthening its business with an eye to the future. The Member mentioned fintech and cybersecurity; I mentioned agri-tech. We should concentrate not all but most of our efforts on the strong and emerging sectors in our economy to ensure that they take it forward into the future.

**Mr Middleton:** I thank the Minister for his answers so far. He outlined the fact that we have a long-standing relationship with Fujitsu. Will he assure the House that, or give any information on whether, this will stand us in good stead as the company goes through the evaluation process?

**Mr Hamilton:** I hope so. Northern Ireland workers have the reputation for being very loyal to companies, whether indigenous or inward investors. I know that companies have to take decisions in the light of the challenges they face but I hope that our long-standing relationship — Fujitsu has had some sort of presence in Northern Ireland for 35 years — stands us in good stead. As an Executive, we have a good relationship with the company. In a previous role, I, and the First Minister and deputy First Minister, met the chairman of Fujitsu and keep in regular contact with local management.

There is also a long-standing relationship with the public sector in Northern Ireland. Members may be familiar with the fact that Fujitsu runs the Civil Service HR Connect shared service. It also provides managed services for Libraries NI and has recently secured some work from the Education Authority. At the risk of repeating myself, the best aspect of our long-standing and productive relationship is the help and support that we have given Fujitsu to help plant and grow its business in Northern Ireland through Invest NI and through our universities and colleges. As the company considers its future direction, I hope that our long-standing relationship and knowledge of what Northern Ireland offers the business will stand us in good stead and are valued by the company moving forward.

**Mr Maskey:** I thank the Minister for his responses so far. What are he and his Department doing to support the local small and medium-sized manufacturing sector?

**Mr Hamilton:** What Fujitsu does in Northern Ireland is not manufacturing, it is more around contract services, managed services and digital services. Clearly, the manufacturing sector in Northern Ireland, in spite of what some commentators would have us believe, remains an integral and strong part of our economy. The sector has faced challenges over the last number of days, months and years and, unfortunately, some wish to characterise it as a sunset sector. I do not see it in that way at all; quite the opposite. In spite of some notable setbacks in recent times, employment in the sector has grown: there was a 4.1% growth in employment in the manufacturing sector as evidenced recently by the annual business register and employment survey.

Interestingly, the council with the biggest manufacturing sector is Mid Ulster. Sometimes there is a feeling that this is all very Belfast-centric, but that is not the case when it comes to manufacturing. Since 2011, Invest NI has given a significant volume of support to our manufacturing sector — £270 million. That has unlocked nearly £2 billion of investment by those companies and has secured or created 13,000 jobs across Northern Ireland. The sector is still integral and very important to our economy, and we will continue to support it in the fashion that we have done over the last five years.

**Mr Lyttle:** I welcome the Minister's assurances that he will represent and protect the interests of hard-working, highly skilled and highly productive Fujitsu employees in Northern

Ireland. Will he also do all he can to encourage Fujitsu to ensure clear communications and consultations with the employees throughout the evaluation period?

**Mr Hamilton:** Yes. As I mentioned, I have spoken to the company's local and corporate management. Obviously, like any business, particularly in that incredibly fast-moving sector, it faces a huge number of challenges. I think that they understand. Certainly, I know that local management understands, and senior management in Japan also appreciates the work that has been done in Northern Ireland. The fact that it has grown from such a small base in Northern Ireland to having 800 employees across a range of sites — some in the Member's constituency — is testimony to the skills of the workers here. It would not have invested or grown here if it had not been for the benefits that employing people from Northern Ireland brings to its business. I am sure that, like any good employer, it will ensure that its workers are kept abreast of developments in this uncertain time.

## Universities: International Students

2. **Mr Stalford** asked the Minister for the Economy to outline the support being given to universities to increase the number of international students enrolled. (AQO 555/16-21)

**Mr Hamilton:** Higher education institutions in Northern Ireland are autonomous and responsible for increasing their international activity. Within that overall context, my Department's higher education strategy, Graduating to Success, committed to ensuring that the institutions reviewed their international strategies and set challenging targets to enhance their international standing. Each institution now has an international strategy in place to increase collaboration and the inward and outward mobility of students and staff. My Department, together with counterparts in other devolved Administrations, provides funding to Universities UK International, which supports universities in their international efforts.

As for attracting international students, universities can participate in international visits coordinated by Universities UK International and access relevant networks and research. Education, including higher education, has significant export potential. Invest NI now has a manager working with the education sector as a whole to increase international activity. Invest NI is working with local universities to explore ways in which it can assist them to increase the

number of international students enrolled. Universities have participated in trade missions, utilising the in-market teams and consultants to research and set up meeting programmes with potential partner universities or student recruitment agents. In addition to trade missions, universities have access to Invest NI support, and funding is available to assist with flights and accommodation to visit potential new markets. In their international outreach efforts, the universities can also avail themselves of the support that is offered by the Northern Ireland bureaux in Washington and Beijing.

**Mr Stalford:** I am grateful to the Minister for his reply. What potential does he feel that education has as an export industry for Northern Ireland? On the borders of my constituency, we have already seen developments such as John Bell House, which are designed to attract international students. Would the Minister care to comment on initiatives such as that and what potential targets he feels should be set?

**Mr Hamilton:** I thank the Member for his question. Our broad education sector, of which universities are a key part, has huge potential as an exporting sector. We do not automatically think of education as an export sector compared with health and life sciences, agri-foods or other parts of the manufacturing sector, but I believe that it is in several ways, not least because of the quality and high standard of the education system in Northern Ireland. As for attracting students, as I mentioned in my initial response, and attracting academic talent, we have a university system in which over 70% of university research activity is rated as internationally excellent or world-leading. That helps to attract students and academics here. The fact that 71% of graduates in Northern Ireland achieve a first-class degree or a 2:1 sends a good signal to potential students. We also have high-quality education and training in Northern Ireland, which can be sold — for want of a better word — outside Northern Ireland.

When I was in the Middle East recently, I had an opportunity to visit Dubai Healthcare City, which has a partnership between Queen's University and the Dubai Government. It is a fantastic opportunity for us to take our expertise there and work in partnership with the Government in the United Arab Emirates. There is huge potential for universities. I know that Ulster University is also engaged in similar aspects.

I think that there is also potential with boarding schools. There are some very high-quality

boarding schools in Northern Ireland that are competitively positioned against their competition in, say, Great Britain.

There are several ways, including those that I mentioned, in which education can, with a bit of nurturing, help and support, become a really important export industry for Northern Ireland.

**3.00 pm**

**Ms Hanna:** I thank the Minister for his answers. Will he outline what mitigation plans his Department has in place to address the potential shortfall in funding if we lose the Horizon 2020 fund? We may be a less attractive destination to students, who, potentially, would not be able to get visas because of the uncertainty around Brexit. Might that shortfall and burden be placed on students?

**Mr Hamilton:** It is an aspect of the ongoing negotiations that will see the UK exit the European Union. The Department will have an interest in and feed into the overall negotiations to help to ensure that Northern Ireland gets the best possible outcome. Interestingly, the number of non-EU international students now slightly outweighs the number of EU students. That would not have been the case a number of years ago. The universities are, rightly, looking to not just their own neighbourhood but to Europe and the wider world.

The funding position has been assisted by the Chancellor's recent announcements on securing Horizon 2020 funding right up to and beyond leaving the European Union. It is another issue that will be sorted out in the negotiations. I point out to the Member, as I have to the House before, that Horizon 2020 is available to many states — I think that there are about 12 — outside the European Union. The state that benefited most per capita from FP7, which was the predecessor to Horizon 2020, was, I think, Israel. There are clear opportunities for states not in the EU to benefit from such funding arrangements, as well as from whatever Her Majesty's Government may put in place to replace, or perhaps as an additionality to, Horizon 2020.

**Ms Archibald:** I thank the Minister for his responses so far. Earlier this afternoon, I met a delegation from NUS-USI, and part of our discussion was about fees. When will the Minister bring forward his proposals for the future funding of further and higher education?

**Mr Hamilton:** The long-term sustainability of the university sector in Northern Ireland is incredibly important to get right. I have had discussions with Queen's University and Ulster University, and both put forward their own proposals for making the sector financially sustainable in the longer term. It is absolutely right that they contribute to the debate in that way because, after all, they want to remain world-class, world-leading universities. Of course, an important element of that is ensuring that they are financially sustainable. I have had conversations with them, and I will have conversations with Executive colleagues as well. The Member will appreciate that it is an issue that will require wider support, no matter what my views or my party's views are. We need to consider it carefully and take a decision in the not too distant future.

### **Invest NI: First-time Exporters**

3. **Mr Storey** asked the Minister for the Economy what support Invest NI is giving companies that are entering the export market for the first time. (AQO 556/16-21)

**Mr Hamilton:** I am very aware of the importance of exporting to our economy and of the need to encourage more local businesses to sell outside Northern Ireland. To help to maximise our export potential, I launched the trade accelerator plan, which is still being delivered by Invest Northern Ireland, in September 2016. The initiative builds on the wide range of support and advice already available to first-time and experienced exporters. It provides enhanced support and financial assistance to target and enter an export market. Enhanced support includes a Great Britain market introduction programme, initially for the construction sector, and a Great Britain and Republic of Ireland retail market development programme for the food and drink sector. The trade accelerator plan also provides for additional market visits, more inward buyer visits and enhanced support to companies from Invest NI's trade advisers based in international markets across the globe. First-time exporters can also avail themselves of support towards their travel and accommodation costs when targeting the Great Britain market, and companies seeking to enter the Republic of Ireland market can avail themselves of support towards accommodation costs.

In addition, through Invest NI's existing programmes, companies seeking to enter an export market for the first time can participate in its long-established export skills workshop

series, as well as in tailored programmes such as Going Dutch and Czech It Out. They can receive assistance towards market research carried out in the market by experienced trade advisers. There is also assistance with language translation and legal costs. I encourage all existing and potential exporters to work with Invest NI to expand their export operations or to take that first important step into exporting.

**Mr Storey:** I thank the Minister for his answer. Given the fact that Northern Ireland was the only UK region to increase its exports last year and the information that the Minister has given to us today about the help and assistance for companies to access new markets, does the Minister envisage that growth continuing? Obviously, he has launched the accelerator plan, but will he ensure that it is given the widest possible exposure to companies that could have an uptake of that particular programme?

**Mr Hamilton:** I concur with the Member that it is very good to see that Northern Ireland increased its exports, the only region in the UK to do so. We increased by a substantial amount — 9.5% of an increase — in our manufacturing exports over the last year. It is worth putting on record that it is nothing that we, as an Executive, do. We provide support, but, obviously, it is up to the companies themselves with the high-quality products that they have. We will give them all the support and assistance and will open doors for them, and that is our job, but it is the standout performance of, particularly, the likes of our life and health sciences sector, which increased its export sales by over 50% in the last year.

I would be very brave and courageous if I were to say that this will absolutely continue, but there is already — I am sure that the Member will be aware of this from his constituency — anecdotal evidence amongst many exporters. Notwithstanding the issues that some importers will be facing, as a result of the current currency fluctuations, many exporting businesses are already reporting an increase, and that will have been recorded after the 9.5% increase figures were published.

The trade accelerator plan is also showing some early success. We have had seven companies participating in the GB market introduction programme, and they will meet potential customers at the end of October. All of those are new to the GB market, which is exactly what the intention of the plan was. There will also be nine new applications for our exhibition at trade shows support, which is

called SOLEX, and four new applications for Great Britain market visits. That is something that we have started again, where companies that want to dip their toe into the water for exporting but are not sure about the market, can go and visit that market with some support from Invest NI. The signs are good. Obviously, it still requires a lot of effort from the companies, but I will ensure that that is supported at every opportunity by Invest NI.

**Mr Smith:** Has the Minister been able to identify any additional export opportunities during his discussions with Liam Fox? Will he seek to improve cooperation between Invest NI and UK Trade and Investment (UKTI), particularly in the aerospace and defence sectors?

**Mr Hamilton:** I had a very good discussion in the summer with Liam Fox, and it is something that we have been following up with his new Department at official level. I hope to be able to meet Dr Fox again before the year is out. He has had a fresh and interesting approach to this whole subject. Almost immediately on the UK vote to exit the European Union, he was charged to go out and sell the UK, as a whole, to the world and open up new markets. Instead of focusing almost exclusively, as has been encouraged in the last number of years, on a European market that has been struggling, it about looking at some of the emerging markets around the world where there is much greater growth and, therefore, much greater potential for the UK and Northern Ireland.

The Member mentioned the aerospace sector. Notwithstanding the troubling and worrying news from Bombardier at the tail end of last week, it is a sector that the Executive have sought to support through a dedicated strategy. That strategy was published in 2014 with a target to increase revenues from that sector from £1 billion to £2 billion, and we are making good progress on that. The revenues are now up to about £1.3 billion annually. It is a sector that, obviously, we are focused on, with not just Bombardier but the 60-odd companies that are operating in the aerospace, defence, security and space sector. It is an area where there are opportunities; one that is recognised at a UK level as well. As the UKTI, or Department for International Trade, starts to look at trade missions and visits around the world, I am sure that you will see Northern Ireland companies availing themselves of those opportunities. It is something that I want to encourage as well: not just that Northern Ireland companies are going on Invest NI-led trade missions but that we are participating as fully as we possibly can on UK-wide trade missions.

**Mr McGuigan:** Given the uncertainty on international investment following the EU referendum result, has the Minister considered increasing support to local government to allow it to increase support to business start-ups?

**Mr Hamilton:** The Regional Start initiative, which is the programme for start-ups and growing new businesses, has already been devolved to local government. It has been carried out collectively on its behalf by Invest Northern Ireland, and I think that that is due to change before this year is out. Councils have what they have been asking for for a number of years, which is some autonomy and flexibility to deliver programmes that are tailored to the particular needs of their area. Although there is a lot of uniformity across Northern Ireland, there are parts — I mentioned mid-Ulster earlier, an area that has a concentration of manufacturing and engineering businesses — for which the initiative will give flexibility and autonomy to councils and allow them to tailor additional programmes and support to the needs of their area. Of course, we will continue to work with businesses through Invest NI directly but also through councils. As councils develop their development plans for their areas — some are already out there, while some are still in the works — it is incredibly important that Invest NI be plugged into that and are working with councils not just to ensure that we maximise the number of start-ups but to ensure that established businesses are looking at export and external opportunities.

## Assured Skills

5. **Ms Lockhart** asked the Minister for the Economy for an update on the Assured Skills programme. (AQO 558/16-21)

**Mr Hamilton:** The Assured Skills programme is continuing to deliver for Northern Ireland. Alongside support provided by Invest Northern Ireland, Assured Skills support continues to be instrumental in securing new jobs for Northern Ireland, such as the 94 support engineering jobs and research and development jobs recently announced by Metaswitch.

The Assured Skills offer has many benefits for companies. They can find employees in what is commonly a new labour market, and any training developed is bespoke, helping to find people with the right skills and attributes for their company. Trainees are also more productive more quickly, with a consequent positive effect on the company's bottom line. Furthermore, networks are established with local further education colleges and

universities, with the potential for ongoing links to mutual benefit.

To date, there have been 22 company projects through Assured Skills, and, when they are fully realised, some 5,704 jobs will be created. That will benefit the local economy by £144 million each year. In addition, Assured Skills supports short-term interventions to meet identified needs of existing employers in Northern Ireland and to help unemployed graduates find suitable employment. The Software Testers' Academy has been the most successful intervention to date. However, we have also used our academy model to meet needs in areas such as cloud computing, data analytics, financial services, 2D animation and computer numerical control machining. That has benefited companies such as HighWire Press, Deloitte, PwC, EY, Alexander Mann Solutions, FinTrU, Magellan Aerospace and WhiteHat Security, to name but a few. Assured Skills is an innovative and responsive programme that has made a big impact in a short period. However, the programme is continuing to evolve, and it is my intention to keep Assured Skills at the leading edge of economic interventions.

**Ms Lockhart:** I thank the Minister for his comprehensive answer. Skills is an area that I am very interested in. I think of my constituency of Upper Bann and the industries that we have. Can the Minister outline what consideration he is giving to future skills needs, particularly in agrifood and life sciences?

**Mr Hamilton:** I agree with the Member: skills is an incredibly important part — sometimes a differentiating part — of Northern Ireland's proposition to inward investors in particular. I mentioned one investment in my first answer in which it was a differentiator. It was the difference-maker, and it was what landed the investment in Northern Ireland rather than somewhere else. We have our skills barometer in place, and we have the work of the MATRIX panel, which has identified growth sectors in our economy, particularly where there are skills needs that will evolve when corporation tax is reduced. That will hopefully bring growth in existing sectors of our economy but also in some different ones.

There is a strong evidence base that we are following. We have a future skills programme coming into place that will, in the first instance, have 240 people going through six colleges. That is across Northern Ireland and not limited to, say, the greater Belfast area. The programme will be specifically in data analytics and cybersecurity in the first instance, which are both existing strong sectors but ones in

which there is huge potential moving forward. We will consider other sectors, and other sectors are being considered, including life and health sciences, which are a huge part of the Member's Upper Bann constituency. As I said, skills are central to our attractiveness as a region to invest in, and I think that the Assured Skills programme and the future skills programme that we are developing will be key to achieving success.

**3.15 pm**

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

### **York Street Interchange: Industry Discussions**

**T1. Mrs Palmer** asked the Minister for the Economy to outline the discussions he has had with Northern Ireland industry on the economic impact of the long-term delay to the York Street interchange. (AQT 406/16-21)

**Mr Hamilton:** That issue has come up in discussions. I have met the CBI, for example, and the chamber. It certainly came up in discussions with the CBI; it was one of the infrastructure programmes that it emphasised as important to the economy moving forward. I think it came up in conversations with the chamber. If it did not, I am sure it will in future conversations, as I am sure it will with other organisations and individual businesses as I move around the country and meet them on a regular basis.

**Mrs Palmer:** Thank you for the response, Minister. In view of the significant economic impact that has been highlighted by all stakeholders, including many manufacturing and logistics companies in my constituency, will the Minister seek to engage with the Minister of Finance to look at alternative funding mechanisms directly with the Chancellor, thereby bypassing the extremely short-sighted perspective of the Infrastructure Minister?

**Mr Hamilton:** The Member will know that I served as Finance Minister for a time, and one of the things I learnt, especially with capital investment, is that there are always many, many more deserving capital projects than the capital budget will permit you to develop in any one budget year or period. I understand the circumstances the Infrastructure Minister finds himself in with the issue. He was hoping to avail himself of some European funding, but the

call for that will come in and around the time the UK exits the European Union and, therefore, there is some uncertainty about future commitments on that. I understand the issue he finds himself with, and, whilst I agree with the Member that the York Street interchange is an incredibly important development not just for that small part of north Belfast but for the whole of Northern Ireland and its economy, it is wrong to create the impression that there are no other major infrastructure projects going on. Obviously, the A5 and the A6 are moving forward. Both are of importance to the economy, particularly to those strong manufacturing businesses located in the middle of Northern Ireland, as are the transport hubs in Belfast and Londonderry that are going forward. So there are major capital projects that I am sure the Department for Infrastructure will take forward.

I have always been open to alternative financing, but that is principally a matter for the Department for Infrastructure in conjunction with the Department of Finance to take forward. If there is anything I can do to help with that, of course, I will not be found wanting. I served as Sammy Wilson's apprentice for some time and learnt a lot from him and forgot a lot.

*[Interruption.]* Some of it I have already forgotten. One thing I did not forget him saying — he repeated this recently — is that, given that the very profitable and very successful harbour estate will benefit greatly from the work at the York Street interchange, it is perhaps time once again to look at the option of it making a significant contribution to the work at York Street.

**Mr Deputy Speaker (Mr Kennedy):** I remind the Minister that the two-minute rule still applies.

## **Brexit: Minister's Vote/Impact on NI**

T2. **Mr Lyttle** asked the Minister for the Economy why he has been so reluctant to tell the people of Northern Ireland how he voted in the EU referendum and whether his Department has modelled what impact leaving the European single market will have on the economy of Northern Ireland. (AQT 407/16-21)

**Mr Hamilton:** There are some who wish to go over the referendum campaign again and again. I have made it perfectly clear that my job now, irrespective of how people voted, is to focus on getting the best deal for Northern Ireland. I encourage the Member and his party and, indeed, all sides of the House to get the

head down, get on with the work and get the best deal for Northern Ireland.

**Mr Lyttle:** I note the Economy Minister has failed again to answer either of the two questions I attempted to ask on the single market. We heard today how a planned £100 million investment fund has been downgraded and repackaged, however skilfully, by Finance Minister Ó Muilleoir to a £30 million First Step Stimulus package because the European Investment Bank is no longer willing to take an active role in the fund. Why is the European Investment Bank no longer willing to take an active role, and is that in any way connected to the Brexit vote?

**Mr Hamilton:** I think the Member is at cross purposes; it is not my job to answer for the Finance Minister. The stimulus package has no relation to the investment fund, which, of course, I am very familiar with, having come up with the idea while I was Minister of Finance. The Member should put those issues to the Minister of Finance and seek answers from him.

I am sorry for the Member that the predictions of doom and gloom that he, his party and others on all sides of the House engaged in, have not come to pass. To borrow a phrase from one Member, we have not been plunged into recession. The UK is doing well, the Northern Ireland economy continues to do well and the predictions of doom and gloom of everybody from international banking, the IMF, the World Bank and all the great authorities — and I would not count the Member in that category, of course — have not come to pass. We have to get the best deal that we possibly can from this. We need to get our heads down, get on with the work that my Department is engaged in and feeding into the Executive Office — the First Minister and deputy First Minister were obviously engaged directly with the Prime Minister yesterday — and do our very best to get the best possible deal for Northern Ireland.

## **Renewable Heat Incentive Scheme**

T3. **Mr Butler** asked the Minister for the Economy, in view of the scandal around the renewable heat debacle, to outline the procedures he has implemented to prevent a similar occurrence. (AQT 408/16-21)

**Mr Hamilton:** I know that the Member is new to the House and will be unfamiliar with the convention that whenever issues are being examined and scrutinised by the PAC and the Audit Office, it is inappropriate for Ministers and Members to pass comment on them. It is an

issue that I take seriously; there are lessons to be learned and we must learn lessons from the RHI issue, but as well as learning those lessons, I am focused on trying to deal with, and control, the issue as best I possibly can.

**Mr Butler:** Thank you, Minister, for your graciousness in saying that I am new to the House — [*Laughter.*] That can only happen once or twice. Can the Minister assure us, with the rush to install wind energy before the renewables obligation certificate (ROC) expiry in March 2017, that he has personally ensured that all appropriate measures have been taken so that nobody receives a subsidy for electricity that is not delivered to the grid by that date?

**Mr Hamilton:** Obviously, closure was brought to the Northern Ireland renewables obligation, but there are grace periods for certain circumstances. It is imperative that the Department, the regulator and others involved ensure that strict hard stops in respect of it all are kept in place and that nobody is benefiting from it who should not be doing so.

### Heathrow Airport: Third Runway

T4. **Mr Clarke** asked the Minister for the Economy for his opinion of today's announcement about Heathrow Airport. (AQT 409/16-21)

**Mr Hamilton:** I warmly welcome the decision by Her Majesty's Government to support extension at Heathrow. The decision to favour the option of the third runway has been taken by the Government and will be subject to various planning and environmental impact assessments, but it is a decision that I welcome. I think that the business community in Northern Ireland will welcome it and that everybody in Northern Ireland should praise the Government for their decision, because our connectivity, as we know — particularly as a peripheral region in the United Kingdom — is incredibly important. We need more direct routes from Belfast and I am glad that we are increasing them. London is a key business route in and of itself, for Northern Ireland, and Heathrow is a crucial hub airport that is a gateway to the world. I welcome, and I am sure the business community in Northern Ireland will also welcome, the long-awaited decision by Her Majesty's Government to give the go-ahead for a new runway at Heathrow.

**Mr Clarke:** I thank the Minister for his answer and, in his usual fullness, he managed to answer my supplementary on connectivity. With the answer he has given, I am satisfied

that he has answered my question on connectivity for Northern Ireland.

**Mr Hamilton:** I re-emphasise the fact that connectivity is incredibly important. We have had challenges in Northern Ireland in ensuring that we have good connectivity through direct flights, but there is a particular interest on ensuring that Belfast has direct connectivity. That is not always possible and can be challenging, but, through hub airports like Heathrow and Amsterdam, into which we have a direct route, and Brussels, that can be just as vital not only for inbound tourism but for business and trade.

### HMS Caroline

T5. **Mr McCausland** asked the Minister for the Economy for his assessment of the significance of HMS Caroline, particularly in this year when we mark the centenary of the Battle of Jutland, given that it is a very important historic vessel that is docked in Belfast and has received five-star recognition as a tourist attraction. (AQT 410/16-21)

**Mr Hamilton:** I had the privilege of attending the official opening of the new HMS Caroline attraction in June. There was a fantastic investment of around £10 million, which was supported by the Executive. I am really pleased that Tourism NI recently awarded it a five-star visitor attraction rating, which means that it is of an outstanding level. Anybody in the House or outside who has visited HMS Caroline will agree that it is an outstanding tourist attraction that will benefit the whole of Belfast, and particularly the maritime area in Titanic Quarter.

**Mr McCausland:** I thank the Minister for his answer. Are there any plans to make the facility at HMS Caroline even more attractive for visitors? There is potential to improve the product and connectivity, which he mentioned, with the wider maritime history of the area.

**Mr Hamilton:** It is a great facility, but it is not in the best of locations at the moment. It needs to be kept in that area so there can be connectivity to Titanic Belfast and the Nomadic.

I recently agreed a process that will allow HMS Caroline to be moved from its current location. It is a little further out, beside the Pump-House, which is a much better and more accessible location for the vessel. It will also allow for an onshore visitor centre and for other parts of the attraction to be added to it, which will enhance it even further.

## Bombardier: Jobs

T6. **Ms Bunting** asked the Minister for the Economy, given that he will be aware of the worrying news about Bombardier in the East Belfast constituency, what discussions he has had with Bombardier and the unions that represent its workers. (AQT 411/16-21)

**Mr Hamilton:** I share the Member's concerns about the news that emanated from Bombardier at the tail end of the week. That is on top of the announcement in February, and it is another blow to the dedicated workforce in Bombardier's Belfast and Northern Ireland operations.

As soon as the news broke, I was in contact with Michael Ryan, who is the head of Bombardier's Belfast operation, to discuss the details and to offer my full support to him and the Northern Ireland operations. I made it clear that I will do all that I can to fight to save as many jobs as possible in Northern Ireland.

Some detail has been revealed. Around two thirds of the 7,500 jobs will go in the transportation sector of the business, which will not affect Northern Ireland. There were encouraging comments in the Bombardier statement about ramping up employment with the CSeries and the Global 7000 project, which are two key projects in Belfast. Even though this is troubling news, there are potential opportunities — a bit like Fujitsu — for Northern Ireland.

Yesterday morning, I met the Unite union to discuss the issue in detail. I will stand and fight alongside the union to preserve as many of the jobs as possible in Northern Ireland. We all know that the work that is done in Bombardier in Belfast is of the highest quality. Whilst the company faces huge challenges now and moving forward, I firmly believe that Bombardier in Northern Ireland has a strong enough operation, with a good strong skills base, which can help the company to get out of its current difficulties.

**Ms Bunting:** Minister, in an earlier answer, you mentioned the Executive's dedicated strategy to double revenue from aerospace, defence, security and the space sector. In light of last week's announcement, and given East Belfast's strong history and skilled labour force in this area, might there be opportunities for redeployment in or expansion of those other companies in East Belfast?

3.30 pm

**Mr Hamilton:** In spite of the news from Bombardier last week, I think that there are still huge opportunities for the aerospace, defence, security and space sector here in Northern Ireland. I mentioned the CSeries and the Global 7000 project. It is testament to the strong skills and dedication of the staff in Belfast and across Northern Ireland who work in Bombardier that they are involved in every major Bombardier project. I think that there are opportunities, and, last week, before the Bombardier news, we launched a new space strategy for Northern Ireland. I did not think that I would ever be in a position or a job where I would announce a space strategy in Northern Ireland. However, Thales, which is located in the Member's constituency — I had the pleasure of visiting it with her in the summer — is doing some fantastic work and is a real pioneer in the space sector. The new space propulsion centre that it recently opened offers huge opportunities for us to create more jobs and to do a lot more research and development in that sector here in Northern Ireland.

**Mr Deputy Speaker (Mr Kennedy):** Time is up.

## Assembly Business

**Mr Ford:** On a point of order, Mr Deputy Speaker. The first question to the Minister of Agriculture, Environment and Rural Affairs came from Mr McKee and was about pollution in the Annsborough river. Trevor Lunn mentioned a number of other pollution incidents, and you gently reprimanded him for extending the question. However, under question 3, in which Mr Eamonn McCann queried the governance of the Lough Neagh Fishermen's Co-operative, a question was allowed from Mr William Humphrey about fish stocks on the Erne. Will you agree to raise this issue with the Speaker, with a view to his issuing written guidance on the relevance of supplementary questions, since there is clearly a lacuna in Standing Orders?

**Mr Deputy Speaker (Mr Kennedy):** I thank the Member for his point of order. I will ask the Speaker to review Question Time and the questions that you referred to. I remind you that question 1 was specifically a constituency-based question.

**Mr Ford:** — *[Interruption.]*

**Mr Deputy Speaker (Mr Kennedy):** Order, Mr Ford. I have said that I will refer the matter to the Speaker for his impartial review.

**Mr Ford:** Further to that point of order, Mr Deputy Speaker. I think that you will find that question 3 was at least as specific as question 1 and was on a specific issue of governance, not on fish stocks.

**Mr Deputy Speaker (Mr Kennedy):** Your point is noted and will be referred to the Speaker. Lough Neagh seems to be a very big place that impacts on a lot of constituencies. Whether you know that is a matter for you.

We will move on. I ask Members to take their ease while we make changes at the top Table.

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

## Ministerial Statements

### October Monitoring

*Business resumed.*

**Mr McPhillips:** I thank the Minister for his statement today. Last week, in the company of colleagues, I met the chief executive of Translink, who raised concerns over the impact that Brexit would have on the capital and resource budget, especially in relation to the purchase of new buses. The Minister's statement notes that £10 million is to be allocated for the purchase of new buses. Will the Minister outline how much of that will be spent on upgrading the rural bus fleet?

**Mr Ó Muilleoir (The Minister of Finance):** Ba mhaith liom buíochas a ghabhail leis an Chomhalta as an cheist. I thank Mr McPhillips for his question. He could have caught the chief executive of Translink at lunchtime. He was outside the Building with buses that did not look terribly new to me, and he was there for a photocall in the wake of the news that I gave today, which is that we have put money aside from our stimulus package to buy buses. Some of those buses will be bought locally, which will give a boost to the local economy. I do not have the exact details of how the money will be spent. I think that the Member will be pleased that it will lead to an enhancement of the fleet, and it will mean that we truly have a 21st-century fleet to serve our people. Like him, I hope that Translink goes from strength to strength and that rural services are not diminished in the time ahead but in fact are strengthened. This injection of funds into the fleet will be helpful towards that objective.

**Mr Beggs:** The social change fund was established to enable the Executive to quickly

respond to more urgent ways to address social need, yet, surprisingly, in the Minister's statement, he has announced that £7.1 million has been returned unspent and yet another programme is being developed to distribute funding. With only five months remaining in this financial year, can the Minister advise how the community regeneration fund will run in a transparent manner and how it will be applied for? How can we be assured that it will neatly knit with the emerging community planning process that councils have been developing to get maximum value for the buck?

**Mr Ó Muilleoir:** I thank the Member for his question. He and I are on the same page when we say that we are disappointed that it took a long time to get social investment fund money out the door. Whatever the misgivings and discussions in the Chamber, I think that he will be pleased that, in recent months, we have started to see letters of offer issued, whatever the questions around some of those, and we are seeing that injection of funds that was envisaged from day 1. He can take it from me that the £5 million that we have set aside for community regeneration projects will be spent between now and April. It is different from the funds that he referenced in one key respect, which is that it is for capital expenditure only. I am confident because, when I meet Ministers, they always have key projects that are in a queue waiting. If Ministers had all the money that they requested from me, many more projects would be triggered and would be going ahead to start to receive the investment that they require. I am confident that we have projects ready and waiting.

The Member is exactly correct. If these projects cannot be delivered in a five-month period, they will not be delivered before the end of the financial year. That, therefore, precludes any project that would have to start from ground zero, as it were. We are talking about oven-ready projects, and I think that you will find in your constituency and certainly across Departments that Ministers have projects ready and waiting to come forward. However, I want to stress that this is a small intervention of peace-building projects, and I hope that, next year, if the Executive agree, we can bring forward a much larger stimulus package that would make a real impact in many more constituencies and be much greater in scale than what is envisaged here today.

**Mr Allister:** I want to return to the renewable heat debacle. It appears that the Minister has had to find £20 million from central resource DEL that he does not really have because he is now substantially overcommitted by the need to

bail out part of the £30 million deficit this year. Since this was a 20-year scheme, does that mean that the longevity of that for that period will affect a similar level of shortfall going forward?

**Mr Ó Muilleoir:** I thank Mr Allister for his question. I am confident that it will not be repeated. I did not find money in this monitoring round, if you recall. I found it in June, when we placed £20 million in the centre as a sort of contingency because we did believe that that pressure would come this year. We estimated that perhaps there would be another £30 million. I am not sure, Mr Allister, whether you were in and caught the questions earlier. The Minister for the Economy, who has responsibility for this area, managed to make internal reallocations so that, thus far, at least we have not faced an additional £10 million pressure. I will repeat this because perhaps you were not in. He can be sure that it is my intention not to have this particular issue rolling on for 19 more years. In fact, I think that there is an imperative on us to make sure that that does not happen because every pound that we spend in dealing with the overspend on RHI is a pound that we take away from vital front-line services.

I said earlier, and I repeat, that I am pleased with the focus that the Economy Minister has brought to the issue. I am pleased with the strategies that his officials are working on. I look forward to the Economy Minister being in a position in the near future to come forward and give him, me and the House some comfort over how we are going to get to grips with the issue.

**Ms Mallon:** I thank the Minister for his statement. I ask him to clarify what appears to be a confusion, if not a contradiction, in his statement. In his opening remarks, he said:

*"The approach now adopted by the Executive to the monitoring round process no longer requires the submission of bids by Departments."*

Flip one page over, under "Internal Reallocations". There he stated:

*"It is good practice that Departments seek to manage any emerging pressures internally before bringing forward bids for additional allocations."*

Which is it? Are there bids or are there not? If there are bids, as is stated on page 3 of his statement, why do he and his ministerial

colleagues refuse to share them with the relevant Committees and the House?

**Mr Ó Muilleoir:** I thank the Member. I am going to bring a little bit of illumination into your life. You are absolutely right: the system has changed. The system that you and your colleagues would have been used to was a system in which people immediately drew up bids, usually as long as their arm and usually chancing their arm, and every Department said that it really could not do without moneys to meet these pressures. What we have come up with is an entirely different system. It is an Executive united in common purpose, where, every day, there are engagements with other Departments. In fact, in some of those Departments, we now have working groups that are trying to look into the future and predict problems coming down the tracks so that we can budget efficiently and effectively. We tell every Department to try to make allocations, as the Economy Minister did for the renewable heat incentive (RHI), in their own Department and that, if it is going to come forward with a bid, it has to be really serious, thought-out and value for money. The key point is that we do not want shopping lists or wish lists. If a Minister comes to me with a real pressure, we can discuss in concert with other Executive colleagues how that is met.

The system that we have today is evidence of that working. We now have a situation in which the key pressures facing the Executive in toto — the Executive across the board and not just one silo of education, agriculture or health — have been dealt with in an efficient and timely manner that exhibits value for money. I know that the Opposition fret about the process and how the process has changed, but the most important issue of all is that this system delivers for ordinary people, as it has today. As I said, Chris Conway of Translink is outside the door, because it has delivered for him. It has also delivered for roads maintenance, which I know will bring cheer to many of those who are still concerned that we do not budget adequately for roads maintenance at the start of the year. I know that that is a point that you have brought up, a LeasCheann Comhairle. It will bring some succour and comfort to those people that we are delivering. I am happy to focus on the minutiae and on process, but, ultimately, I want my focus to be on delivery, and that is what we are doing today.

**Mr McNulty:** May I ask the same question, please?

**Mr Ó Muilleoir:** I refer the Member to Hansard to read the same answer. *[Laughter.]*

**Ms Gildernew:** You do not want me taking a fit of the giggles in the middle of this, a LeasCheann Comhairle.

I thank the Minister for his statement and for answering the questions with his usual honesty, clarity and a few other things. How important has the input been of the Welsh and Scottish Secretaries and the Basque Finance Department — I know that he has had discussions with them recently — on the work that he is doing?

**Mr Ó Muilleoir:** I thank the Member for controlling her giggles and for that question. The support that we have received from the Scottish Finance Secretary, Derek Mackay, and the Welsh Finance Secretary, Mark Drakeford, has been very refreshing. As I have said previously, when we speak with one voice, we represent 10 million people. More than that, it is true that when we speak together, the Treasury listens.

### 3.45 pm

I have no doubt that yesterday in London we got a more sympathetic hearing to requests that we made around our individual Budgets and the need to call a halt to austerity and have a fiscal stimulus. We received a more receptive ear to that message because we spoke together, so I thank the Ministers for forming a coalition — a Celtic coalition — on that matter.

It is also important to thank the chair of Newry, Mourne and Down Council, Councillor Fitzpatrick, because her council hosted the pre-meeting of the three Finance Ministers in Newry, in the heart of the area that will be affected most by a Brexit, if it happens. That shows that councils are working with the Executive to deliver.

In terms of the Basque autonomous region, we saw today the fruits of that work. All parties here have supported Professor Bengoa's work in trying to make sure that we manage change in the health service rather than manage crisis. Three officials came from the Basque Country, including the deputy Finance Minister, who, for what it is worth, ended up singing with the Belfast Community Gospel Choir and the former Minister of Justice on Friday night. They bring a really fresh perspective to matters fiscal, because the Basques raise all their finances and then pay Madrid. As you know, we have a different system, whereby the block grant

comes here. In the Basque Country, that system engenders and nurtures a very entrepreneurial society. We have a memorandum of understanding with the Basques in other areas, including health. We have started a discussion with them, which will be of benefit to all of us.

**Mr Deputy Speaker (Mr McGlone):** Sin é mar dheireadh leis na ceisteanna ar an ráiteas. That concludes the questions on the statement.

## Rationalisation of the Court Estate

**Mr Deputy Speaker (Mr McGlone):** I have received notice from the Minister of Justice that she wishes to make a statement on the rationalisation of the court estate.

**Ms Sugden (The Minister of Justice):** I am grateful for the opportunity to come before the Assembly to make a statement on the proposals for the rationalisation of the court estate.

The Assembly will be aware that, following a public consultation exercise, my predecessor announced on 8 February 2016 his decision to close courthouses at Armagh, Ballymena, Lisburn and Strabane and reaffirmed his earlier decision to close the court buildings in Limavady and Magherafelt.

As Members know, in early May 2016, judicial review proceedings were commenced, challenging the decision to close Ballymena, Lisburn and Strabane courthouses. In view of that, when appointed as Justice Minister, I indicated that none of the six courthouses would close pending the outcome of the judicial review proceedings. Since taking that decision, I have had time to listen to a range of views on the issue and reflect on what will be a changing justice landscape during the Assembly mandate and beyond.

In determining the future shape of the court estate, it is important that I do so in the context of the Programme for Government. This represents a real opportunity for us to adopt new and innovative approaches to problems that have often seemed intractable, and I am determined that we should look for more radical solutions based on the concept of problem-solving justice.

My Department is already working on a pathfinder project that will lead to the establishment of a pilot substance misuse court and, in due course, a family, drug and alcohol court. Plans are also in place to further build on

the success of the domestic violence court that has been operating successfully in Derry/Londonderry. Those are just some examples of how a problem-solving approach to justice has the potential to make a real difference in people's lives.

Separately, it will be important to consider carefully the emerging recommendations of the review of civil and family justice, which is being led by Lord Justice Gillen. The preliminary reports from that review recommend greater use of mediation and alternative dispute-resolution procedures, the digitalisation of court processes and the establishment of civil and family justice centres.

As we look to these and other opportunities to improve the way we deliver justice in Northern Ireland, I have concluded that now is not the time to proceed with court closures of the scale envisaged. Consequently, I have decided to reverse the decision taken in the previous mandate, and I have instructed my officials to advise the High Court accordingly. I have not taken that decision lightly, and I am, of course, aware that the Northern Ireland Courts and Tribunals Service will have to find savings in other areas of its budget if it is to deliver the efficiencies that are expected of it. However, given the changing justice landscape, I have concluded that we should retain maximum flexibility within the court estate for the time being.

At the same time, I have asked the chief executive of the Courts and Tribunals Service to establish a review of what the future of court services should look like in 2020 and beyond. This Courts 2020 review, together with the decision I am announcing this afternoon, will ensure that we plan for a modern courts service that delivers access to justice for the people of Northern Ireland.

I commend this decision to the House.

**Mr Beattie:** I thank the Minister for her very welcome statement that these six named courthouses have received a reprieve. That is welcome for access to justice. She will know that my party has been calling for this all along; so, of course, it is a positive move, and I thank her for it. The question might be this: with the Courts 2020 review, what guarantees can she give that we will not be back in a position of uncertainty in the very near future?

**Ms Sugden:** I thank the Member for his questions and kind wishes. There is an opportunity with this decision to look at our

court system and see how we can better utilise court services. I have very much followed a policy of problem-solving justice, and I referred to the domestic court in Derry/Londonderry. We are also looking at a substance misuse court. In my tenure as Justice Minister, I would like to try to tackle some of these issues upstream and stop people getting to court in the first place. There are opportunities in the community to enable that to happen. We could perhaps use the courts estate to facilitate that type of approach. I think that this is a very positive decision. I have listened to the House and to local government. This is not something that was wanted, and that is why I have come to my decision.

**Mr Frew:** I thank the Minister for this statement and her action. This is a strong decision: to reverse the previous Minister's decision on courthouse closures. The wrong decision was taken then; the right decision is being taken now. Although justice was devolved to us a number of years ago, maybe we are only now starting to see the spirit of devolution entering the officialdom of the DOJ. It is a very good day for democracy, as opposed to the courts.

The Minister mentioned innovation in the courtroom, a problem-solving approach and the establishment of civil and family justice centres, which were, of course, mentioned in Lord Justice Gillen's report. Will the Minister detail the work she has done on that aspect and whether Ballymena courthouse could be used for one of those centres or pilot schemes?

**Ms Sugden:** I thank the Member for his kind wishes and comments on how we could better utilise the courts system. At this stage, I cannot confirm how we might use the courts. We are very much in the early stages as to how we can better utilise facilities in the courts estate. However, we will be looking at all the aspects of how we might utilise them. It will not be done just on a cost-cutting basis. I can confirm that the previous proposals would have realised a saving of about £800,000, and that is something that we will have to find. However, I am confident that, with the new approach that I am taking within the Department, we will be able to find those savings. I will want to have conversations with local government, councils and elected reps so that they have some way of determining the services in their constituencies. At the end of the day, that is what we are here for.

**Ms Boyle:** I, too, welcome the statement. It is a good news story, particularly for my area, Strabane. I take the opportunity to congratulate

the many local solicitors, myself and a party colleague who lobbied your predecessor on this matter. Had closure proceeded, it would have significantly impacted on the people of Strabane in public service delivery, jobs and the local economy.

Minister, given the heavily fortified exterior of Strabane courthouse, can you confirm whether a move away from that militarised fortification will form part of the 2020 review of courthouses?

**Ms Sugden:** I thank the Member for her comments. I am quite happy to look at it as part of the review. This provides a fresh opportunity to see how we can move forward with the courts estate. It is something that the Member has raised with me in several questions and in conversations. Therefore, as part of this review, let us see how we can look forward for the Courts Service in 2020.

**Mr Attwood:** My question is not about the decision but about how you came to it. This time yesterday, you said in the Chamber:

*"I cannot comment on any aspect of the courts estate, pending the judicial review. When that has come to a conclusion, I am happy to have a conversation". — [Official Report (Hansard), 24 October 2016, p29, col 1].*

Will you explain to the House how you had that position yesterday and a different position today? Will you explain to the House whether you received any legal advice that might have led you to that conclusion? Will you explain to the House how, overnight, you have come to a different decision from yesterday?

**Ms Sugden:** I thank the Member for his question. I am sure that he will be happy to know that I take the views of the House quite seriously. Mrs Barton asked me a question yesterday about the courts estate, and these things came to my mind when I considered this decision. The judicial review was expected to start this week, but it had not begun. From my perspective, I was taking all these things into account when I made this decision today. It is perfectly reasonable that I would want to consider the views of people in the House and then come to a decision like this. I am sure that the Member would expect that of me.

**Mr Lunn:** I thank the Minister for her answers so far. She said that she hoped that the various initiatives that she has put in train would lead to less demand on the Courts Service, but less

demand equals less requirement for courthouses. Is this not a review of a review? A perfectly good review was done under the previous Minister, which made firm recommendations and produced potential savings. While this review of a review goes on, how much will it cost the Courts Service?

**Ms Sugden:** I thank the Member for his question. One of my concerns about how my predecessor came to his conclusion is that a full impact assessment was not done of the implications of the courthouse closures. We have to be quite mindful that, whilst we are in government, of course we need to look at saving money, but we also have to assess how our decisions will have a wider impact on society. I have considered that in taking this decision forward. By all means, we need to look at our budgets and understand how we can make savings; that is the right thing to do. Equally, however, we need to look at how our decisions affect public services because, essentially, that is what we are here for: to provide good public services for the people of Northern Ireland.

I am fully aware of the challenges around the money that we need to save, but there is a better way to do this. This is a new mandate, I am a new Minister, and I have new priorities. I want to move justice forward in an innovative and radical way, and I will not just try to cut the fat from the system, of which there is very little left.

**Mrs Cameron:** I thank the Minister for her statement and her comments so far. I am delighted with this announcement, which is not about protecting buildings but protecting services and looking at a new and better way of working our courts system, and I welcome that. Is she considering using the courthouses for things other than court business?

**Ms Sugden:** Yes, indeed. We need to look at this from internal and external perspectives. That is why, further to my announcement today, I have instructed my officials to do that assessment and chat to the stakeholders involved in order to understand how we could better use these buildings throughout the estate. I want local communities to have ownership of the courthouses. We are considering all options; I am quite happy for Members to share their views on how we can best do that, and I know that a number of Members have already done that in the past six months. There is an opportunity now to see how we can move forward with our court buildings.

**Mr Kearney:** Tréaslaim leat, a Aire, as an scéal dearfach seo. Scéal iontach atá ann. Thank you, Minister. This is good news: well done. I thank you for your consideration and the manner in which you have brought the news to the Assembly. Will you confirm that the terms of reference that are set for the chief executive of the Courts Service will be premised on access to justice and problem-solving justice and will have due regard for ensuring that the most marginalised in our society will have access to the courts estate? Will you undertake to share the proposed approach with the Justice Committee when you are in a position to do so?

**4.00 pm**

**Ms Sugden:** Yes is the answer to all your questions. We have to be mindful of providing access to justice to the most vulnerable. When we look at the estate, that will be one of the considerations. I am happy to share that with the Justice Committee so that it, too, can have an input into how we can do this in the right way.

**Mr Douglas:** I, too, welcome the decision by the Minister. It is a very brave decision. As a member of the Justice Committee, I know that the Committee was lobbied by a lot of people, including a lot of families with children. The changes would have had a really negative impact on their lives, with some having to travel for 10 or 20 miles to get justice.

Your statement says that you will:

*"adopt new and innovative approaches to problems that have often seemed intractable".*

It continues:

*"My Department is already working on a pathfinder project that will lead to the establishment of a pilot Substance Misuse Court and in due course a Family Drug and Alcohol Court."*

They seem very interesting projects. Will you outline some of the ideas behind that thinking?

**Ms Sugden:** I thank the Member for his question. The problem-solving justice approach is, in its basic form, a common-sense approach to justice and one that is mindful of the hurdles that get in people's way and can lead them into the criminal justice system. I have reiterated time and again in the House that I do not believe that anyone is born bad; I believe that it

is a product of the circumstances that they find themselves in. We often find that people with mental health issues and people who misuse drugs and alcohol or perhaps have other social and economic issues are led by those circumstances into the criminal justice system. We have seen in other parts of the world, namely America and Scotland, how taking this approach has almost given offenders the opportunity to realise that it was down to their circumstances and to take a different approach to justice. It serves no one to put people in custody. If we can do it in a better way, it will have positive repercussions not only for wider society but, on a pragmatic level, for reducing the heavy resources currently in place.

The problem-solving justice approach is innovative and new. It will take time to work through, but we are keen to move forward with it. In the new Programme for Government, it will be the overarching theme that threads its way through my priorities in the next five years.

**Mr Beggs:** I, too, welcome the statement by the Minister reversing the decision to close the courts. Her statement highlights a range of alternative court systems: a substance misuse court, a family drug and alcohol court and a domestic violence court. These are different models, and she may well need homes for those alternatives. Her statement says that in order to allow the "Courts 2020 Review" to take place:

*"now is not the time to proceed with court closures of the scale envisaged"*

When does she envisage the review will be completed, and might some of the reprieves be temporary?

**Ms Sugden:** I thank the Member for his question. The Criminal Justice Inspection report that led to my predecessor's decision to close a number of courthouses across Northern Ireland demonstrated that the service that we were providing was underutilised. However, the approach of just closing those courthouses was the wrong one, in the sense that we have to have an understanding of the wider impact of courthouse closures on access to justice, which some Members talked about. I will take the widest possible view of this. It would be remiss of me as Justice Minister not to consider the wider implications, whether they fall within my remit or not.

The Northern Ireland Executive are in a new space, and we are trying to work together on these issues. It is quite a message to the

House that the majority have welcomed my statement. We are at the beginning of the process, and I welcome all Members playing a part in that. Up to now, you have been very good at sharing with me your views on this area. Now that I have made the decision, I will be happy, moving forward, to hear those views.

**Mr McCartney:** Gabhaim buíochas leis an Aire. I thank the Minister for her decision. I have to say that I was a bit surprised that a wider impact assessment was not carried out on the previous decision. That aside, one of the features of the review was the underuse of courthouses, so a strategy has to be put in place so that they are used more in the future. What are the Minister's views of what that might entail? As part of the previous process, the decision to close Strabane would have meant more business in Omagh. It was obvious that there were disability access issues in Omagh that the previous Minister said would be addressed. I hope that addressing disability access will still be on your agenda.

**Ms Sugden:** I am happy to look at all these things moving forward. That is the right approach to take. Yes, the last review showed that there was an underutilisation of the court estate, but, again, we need to be more creative in how we can use our court estate. That might not be for court proceedings; perhaps we can use them as mediation centres or advice centres. One of my overarching and key messages as Minister of Justice is that, if we can tackle these things upstream, hopefully they will not get downstream. That is when we have our problems and when we have already lost. An approach that stops these issues going to court is not just good for budgets and resources but good for the people of Northern Ireland because it means they do not have to go through that system. We need to be creative in how we do this. Just because we have never done it that way before does not mean that we cannot do that moving forward, and Northern Ireland is now in a position where we can start to satisfy these new ways of thinking.

**Mr Robinson:** After the extensive lobbying by my DUP colleagues and me, I warmly welcome and thank the Minister for her statement on reversing the decision on courthouse closure. Does the Minister agree that access to the justice system is essential in modern society, especially in rural areas like Limavady in her constituency?

**Ms Sugden:** Absolutely. Everybody has an entitlement to access justice, and, as a

representative of a rural constituency, I am mindful of the particular challenges around access to justice in rural areas. Yes, I welcome his comments. All these things made me come to this decision. I think that it is a positive decision, and, if anything, it demonstrates that I have listened to the people of Northern Ireland.

**Mr Ford:** The Minister has made it fairly clear today that this decision is her personal decision; indeed, she rather suggested to Mr Attwood that it was one that she had taken in the last 24 hours. The decision is to reverse my decision of last February, which was based on a consultation and based on solid evidence produced by the staff of the Northern Ireland Courts and Tribunals Service, including an impact assessment that, it appears, has not been seen by members of the Justice Committee or, indeed, by the Minister herself. Given that it is the Minister's personal decision, could she tell us how she plans to fund the £1.1 million that will now be spent on keeping half-empty courthouses in operation, not to mention the ongoing costs for the Police Service and Prison Service, both of which would have seen reductions in expenditure? Since it is her decision, she clearly has a plan for how to fund it.

**Ms Sugden:** The Member is absolutely right: it is a personal decision because I am now the Minister of Justice. In coming to the decision, I have had a wider review of the issues that have been brought to me. In anticipating what might have happened around the court estate, I have listened to Members. I have received numerous bits of correspondence from local government to ask me to reconsider the decision, and I think that it is only responsible that I do that.

The Minister — the former Minister; I beg your pardon — refers to the wider impact assessment. I think that we need to do more, and I will certainly not do that in isolation as the Department of Justice. I will do that along with my Executive colleagues, other Members of the House, agencies and constituents across Northern Ireland. Yes, he rightly alludes to the fact that this was an exercise in cost-cutting, but I want to take a more strategic approach. It is not just about cost-cutting; it is about how we can best service the people of Northern Ireland.

**Mr Kennedy:** I warmly welcome the Minister's statement, in particular her decision to retain the historic courthouse in Armagh city. That will be warmly welcomed by my constituents. I hope that it will not be a temporary reprieve pending the outcome of the Courts 2020 review

announced by the Minister. Will she take the opportunity to pursue with her officials the possibility of using Armagh courthouse as a venue for problem-solving courts to help maximise its use?

**Ms Sugden:** Yes, I am happy to look at the entire court system to see how best it can be utilised, now that we are in this new space of policy development and are taking a more strategic, holistic approach to justice. I am happy to consider all venues for my new policy.

**Mr Dickson:** I have to say that I regret your decision and announcement today, Minister. You indicated that this is a personal decision. How many other personal decisions have you made as Justice Minister? Do you not make decisions based on facts, figures and information? Surely that is how to make a decision, not on a personal whim.

**Ms Sugden:** It would be quite difficult to remove myself from the role of Justice Minister. I stood here six months ago to the day and accepted the role. The comments that the Member makes are weak. I am a balanced person. I am independent and do not have party political baggage on any issues that come to the House. I take a balanced perspective on any issues that are brought to me. Perhaps I am the most balanced person in the House, because everything brought to me for a decision will be dealt with as and when it comes. The fact that the only people against this are Members from the Alliance Party, who happen to be the former Justice Minister's colleagues, suggests that it is they who have more personal issues here than me.

**Some Members:** Hear, hear.

**Mr E McCann:** If the Minister is not already embarrassed by the praise that has been heaped on her, I will say fair play to her for the decision that she has taken.

Still on the subject of access to courts and to justice, does she welcome the suggestion that the High Court ought occasionally to meet somewhere other than in Belfast? In Scotland, the High Court meets in three separate locations; in Wales, it is 15; and in England, it is 28. Here, it is Belfast, Belfast, Belfast. If the High Court were to meet occasionally in Derry, that would improve access to the courts for people in Derry, Fermanagh and Tyrone and would also be greatly welcomed by lawyers and other court workers in Derry. As a final point, Derry people who have to travel to Belfast and back again for court arrive exhausted —

**Mr Deputy Speaker (Mr McGlone):** Question.

**Mr E McCann:** — and are therefore under a disadvantage compared with others. I speak from some experience in the matter.

**Ms Sugden:** I thank the Member for his comments. They are well noted, and I am happy to look at the issues that he has addressed in conversations with the Lord Chief Justice, who has ultimate responsibility in that area.

**Mr Allister:** I greatly welcome the decision, particularly the reprieve for the very historic courthouse in Ballymena, a place I spent many happy, challenging and, I suppose, rewarding hours. *[Laughter.]* It is patently obvious that this right decision was made in anticipation of defeat in the upcoming judicial review. What lessons have been learnt or will be learned by officials in her Department who thought that, with the aid of the previous, compliant Minister, they could railroad through such ill-judged decisions?

**Ms Sugden:** Since becoming Justice Minister six months ago to the day, I have learnt an awful lot of lessons, but perhaps the biggest is that, as the Government, we have to listen to the people of Northern Ireland. We can do that through the Assembly or by going out and chatting to people, and I believe that that is what happened on this issue. We can truly reflect the wishes of the people of Northern Ireland by giving them the services they want.

**4.15 pm**

**Mr Girvan:** I thank the Minister for her statement to the House and welcome it. I want to ask her about staff. On the previous Minister's announcement, the PPS had already made a decision and had taken the opportunity to either relocate staff or ask them to go under the voluntary exit scheme (VES). Is there any understanding as to what will happen to those staff? Will they be offered the opportunity to come back to their facilities?

**Ms Sugden:** I thank the Member for his question. Indeed, I will be meeting the Director of Public Prosecutions this afternoon. It is certainly something about which we will have a discussion, particularly further to this decision. I realise that it is a departure from the previous Minister's decision on this. We are mindful of all those things as we move forward. I am quite happy to have that conversation when I meet him shortly.

## Executive Committee Business

### Rates (Increased Reduction for Recreational Hereditaments) Regulations (Northern Ireland) 2016

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

*That the Rates (Increased Reduction for Recreational Hereditaments) Regulations (Northern Ireland) 2016 be affirmed.*

As an deis seo a thabhairt dom an rún seo a chur os comhair an Tionóil inniu.

The regulations that are before you are the Rates (Increased Reduction for Recreational Hereditaments) Regulations (Northern Ireland) 2016. Before turning to the content of the regulations, I think that it is important to provide Members with some brief background and context to the statutory rule.

The rule is made under a new enabling power that is provided by the Rates (Amendment) Act (Northern Ireland) 2016. That Act came before the House in the previous mandate at the beginning of this year. It amended existing rating legislation in order to provide a power to enhance rate relief subject to criteria prescribed in subordinate legislation. It was the intention at that time to use the new power to enhance support to unlicensed community amateur sports clubs, subject to final consultation.

An eight-week targeted consultation took place earlier this year, which aimed to strike the correct balance between the views and interests of sporting organisations and the wider business and hospitality sector. These regulations now implement those consultation proposals, and I am happy to say that they will secure an increase to 100% rate relief for community amateur sports clubs without a licensed bar area on their premises.

I feel that my Department has struck the correct balance between the range of interests at play at this particular time in ensuring that the extra relief is targeted towards sports clubs that meet the criteria that are laid out in the regulations that are before you.

Looking to the future, I know that my officials are looking at other possible adjustments in this area; for example, the wider treatment of golf clubs — raised repeatedly by Mr Wells at the

last Committee — which is an area that is not without its inconsistencies and was discussed as part of the Committee's policy consideration. Those other areas are not, however, the subject of the debate. The scope of the subordinate legislation is, as Members know, fairly limited and largely dictated by the primary legislative provision.

I will now turn to the technical detail of the draft regulations. Regulation 1 contains the citation, commencement and interpretation provisions. The rule will come into operation the day after it is affirmed by the Assembly. Regulation 2 provides that the reduction in the normal rate in accordance with article 31(3) and (4) of the Rates (Northern Ireland) Order 1977 shall be 100% for a hereditament that is occupied by a community amateur sports club and is not a hereditament on which a person may under licence, other than an occasional licence, or a protection order sell intoxicating liquor by retail, or in respect of which a club is registered under the Registration of Clubs (Northern Ireland) Order 1996.

An interpretation provision is also provided in regulation 3 to ensure that the use of the terms "occasional licence" and "protection order" are consistent with their meaning in the Licensing (Northern Ireland) Order 1996.

Now that the technical overview has been provided, I very much look forward to hearing Members' comments. I commend the regulations to the Assembly.

**Mrs Little Pengelly (The Chairperson of the Committee for Finance):** The Minister has outlined that this statutory rule is being made under powers conferred by the Rates (Northern Ireland) Order 1977.

I will speak first in my role as Chairperson of the Finance Committee. At the end, I will make some remarks, although they are not particularly controversial, in my role as a DUP member of that Committee.

The purpose of the statutory rule is to enable the Department to provide that the current relief may, in cases prescribed in the regulations, be increased from 80% to 100% of normal rates under article 31. As outlined, the changes are as a result of the Rates (Amendment) Act, which received Royal Assent shortly before the end of the last mandate. If I recall correctly — those who were Members in the last mandate will also recall this — there was some controversy around the private Member's Bill and some concern that the measures would not be taken forward. I am glad that the Minister

has continued the work of the previous DUP Finance Ministers in examining and bringing forward this very welcome relief for amateur sports clubs.

At its meeting on 14 September, the Committee considered the policy proposals and questioned the departmental official on certain aspects of the proposed rule. One of the issues of interest was the occasional licence. Members were particularly concerned to make sure that the purpose of the relief, which is to help amateur sports clubs, would not have the indirect or unintended consequence of supporting what were, effectively, commercial hospitality businesses. We were satisfied, after listening to the official's evidence, that that would not be the case. In response, the departmental official highlighted that the proposal under the rule was to strike a balance. He highlighted that, as clarified during the Department's consultation, the policy would align with the treatment of community halls and that any further reduction under article 31 would be conditional on a community amateur sports club not being a licensed premises and on it being registered within the meaning of section 658(6) of the Corporation Tax Act. Members welcomed that clarification and were content on that basis. Following consideration of the policy proposals and the statutory rule, the Committee recommended, at its meeting on 28 September, that, subject to the report by the Examiner of Statutory Rules, the rule be affirmed by the Assembly.

The rating system here in Northern Ireland requires reform. We have had some discussions already with the Department and the Minister in that regard. I know that all members of the Committee have a determination to do what we can to listen to the concerns of businesses in relation to business rates and make sensible recommendations on a system that is fair and equitable and which encourages business growth. The Committee will look forward to considering the wider review of the non-domestic rating system, which the Minister is considering at this time.

Today is a good news day for amateur sports clubs. I know that they will welcome this much-needed relief. Many amateur sports clubs are very small, so it can be very difficult in terms of fundraising. I know that it will also be welcomed by the many thousands of volunteers who help out at those amateur sports clubs and donate their time to the local community for the benefit of it. In relation to the rules being considered today, I am pleased to say that the Committee for Finance and I support the motion.

**Mr Smith:** I welcome the rates reduction. Thank you, Minister, for taking it forward. When it came in front of the Finance Committee, as the Chair commented, it was universally supported. The only concern, and the Chair mentioned this, was the issue around the growing list of reliefs. I know that you are taking that forward now in terms of looking at the non-domestic rate in the round. That will be an opportunity to look at all reliefs and make a judgement on them in terms of what we need to bring in to fund government services here.

I think that there is universal support for this issue. I add my support to it.

**Mr O'Dowd:** I thank the Minister. I support the proposal before us today. It is very welcome news for amateur sports clubs. I will err on the side of caution; without putting words into Mr Smith's mouth, we had a statement this morning from the Health Minister outlining her vision for our health service over the next 10 years, in which she quite rightly pointed out the severe financial pressures that our health service is currently under and will continue to be under in future.

It is always welcome to be able to stand up as an elected representative and cut a tax policy, but it is also important that we remind ourselves that we have to bring in tax revenue — in this case, rates — to pay for our public services. On this occasion, considering that we are giving a tax exemption to sports clubs, which, in turn, promote health and well-being, this is a useful exercise today.

**Mr Swann:** I thank the Minister for his announcement. Will he clarify — I am sure that he knows what I am going to ask next — that this will apply 100% rate relief to pigeon clubs? It was a very welcome introduction when he brought it about in October, and his predecessor had gotten into quite a flap about it. *[Laughter.]*

**Mr Ó Muilleoir:** It would be cuckoo not to include our friends in the pigeon-racing fraternity. *[Laughter.]* I thank Mr Swann for bringing me down to Cullybackey and introducing me to people who are involved in a community amateur sports club. They show the positive benefits that community amateur sports have on the community for health, well-being and community solidarity.

I thank all Members who contributed to the debate. I take on board very seriously the point raised by the Chairwoman of the Committee and Philip Smith that we need to make sure that

we are not in any way creating a situation that will make it more difficult for businesses in the hospitality sector to do well. Mr Wells mentioned golf clubs, and we may return to that in the future. I think that we have struck the correct balance. We are giving help to community amateur sports clubs that do not have bars, and they will get 100% relief. I think that that is right.

I will finish with a point that John O'Dowd made. This will cost us and our community £750,000, and it is the right decision. Given the positive impact that community amateur sports clubs have on community and society, the benefits are boundless. At the same time, someone has to take up that slack. We are transferring that over to all ratepayers. With regard to what Mr Smith and Mr O'Dowd said, we need to find a way to bring in more money in the time ahead. It is wonderful to be popular and to relieve clubs or other bodies of a rate burden — in this case, I am pleased that we can introduce 100% rate relief for community amateur sports clubs — but we will have to knuckle down and find ways to bring in more money. I hope that people are as positive when I come to the House suggesting ways to bring in more money to provide services to our community as they are today.

I agree with the Chairwoman that this is a good news day, from the First Step Stimulus package this morning to sorting out and giving additional support to our community amateur sports clubs.

*Question put and agreed to.*

*Resolved:*

*That the Rates (Increased Reduction for Recreational Hereditaments) Regulations (Northern Ireland) 2016 be affirmed.*

**Mr Ó Muilleoir:** On a point of order, Mr Deputy Speaker. I think that I was supposed to say, "I ask Members to support the measure, and I commend the regulations to the Assembly".

**Mr Deputy Speaker (Mr McGlone):** We have it on record now.

## Private Members' Business

### Small and Medium-sized Enterprises

**Mr Deputy Speaker (Mr McGlone):** The Business Committee has agreed to allow up to one hour and 30 minutes for the debate. The proposer of the motion will have 10 minutes in which to propose and 10 minutes to make a

winding-up speech. All other Members will have five minutes.

**Mr Storey:** I beg to move

*That this Assembly notes the importance of small and medium-sized enterprises to the economy of Northern Ireland; recognises their resilience in the face of many challenges; believes that many small and medium-sized enterprises are not realising their growth and development potential; and calls on the Minister for the Economy to ensure that the economic strategy supports small and medium-sized enterprises that want to grow.*

There can be no doubt that small and medium-sized enterprises make an invaluable contribution to the economic prosperity of Northern Ireland. SMEs, as they have become known — I include the self-employed in their number — provide 75% of employment and 75% of turnover through the way in which they operate in Northern Ireland. They also contribute 81% of gross value added (GVA) in Northern Ireland's private sector. They employ more people than Northern Ireland's large companies and the public sector combined. What we are discussing here this evening is, therefore, a very significant sector of employment in Northern Ireland. "The Times" business supplement recently said that the importance of SME business to the UK economy could not be overstated. They account for over 99% of private sector business in the UK and employ over 15 million people.

### 4.30 pm

The results and findings of research carried out by the Ulster University SME centre and the business school on behalf of the Federation of Small Businesses (FSB) make for interesting reading. Before I delve a little more into those figures, I want to place on record our appreciation and thanks for the work that the FSB carries out on our behalf and that of its members in Northern Ireland. We are pleased that representatives from the FSB have joined us in the Public Gallery today. For their work and representations on behalf of 6,000 local members — there are 170,000 across the UK — we owe them a debt of gratitude. We thank them for what they do, and we join them in their mission of supporting smaller businesses to achieve their ambitions, which is desirable.

I am glad that the House will not divide on the motion, which is welcome because it is important that we do not. We have often seen parties — we can be as guilty of it as any other

party; we are not puerile about these things — take the opportunity to play politics. Today, however, we are talking about people's livelihoods, about businesses and about organisations that, day and daily, make a contribution to the society that we all value.

You might ask why the motion focuses specifically and exclusively on SMEs. The answer, in many ways, is simple yet challenging. Northern Ireland is a small-business economy, yet it is huge in its achievement and success. We have only to look at some of our successes as a small region of the United Kingdom. Earlier, the Minister was able to confirm a 9.5% growth in exports — the largest in the United Kingdom. That says something about the resilience, tenacity and expertise of our business community.

The research that I mentioned, carried out by Ulster University on behalf of FSB, indicates that over 120,000 businesses in the SME sector currently operate in Northern Ireland. As I have already stated, they account for 75% of the turnover and employment in our private sector. That is significantly more than is the case for the UK as a whole, where the turnover share is less than 50% and the employment share is in the region of 60%. It was also interesting to note from the research that SMEs buy more of their labour and materials from the local economy than larger firms. That is another example of the way in which they make an invaluable contribution to our communities. The SME sector provides 81% of the private sector non-financial GVA or nearly half of the total GVA of Northern Ireland.

Not only are SMEs economically important but it has been stated in some of the FSB documentation that, socially, they play an important role. They make a substantial contribution to the sociocultural fabric of our communities. As Members, we can all think of companies in our constituencies, and where would we be if we did not have those companies or the impact they have not only economically but socially through the employment of local staff and engaging with schools, engaging with colleges and engaging with community organisations?

Obviously, the economic climate that our SMEs operate in is important. There have been encouraging elements, such as the improvement in the labour market, with over 41,000 net additional jobs created since 2012. There are now almost 30,000 fewer people claiming unemployment benefit compared with the previous peak in February 2013. The latest

Northern Ireland composite economic index, which was released a few days ago on 13 October, shows that economic activity increased by 1% over the quarter to June 2016 and by 1.6% over the year. The top three SME industries by numbers of businesses in Northern Ireland were construction at 21%, agriculture at 15% and wholesale and retail at 10%.

Before I deal with the challenges — there are challenges — I take the opportunity to mention two companies in my constituency, which, given that they started with very small enterprise, deserve to be mentioned. I am referring to, as I have done previously in the House, Christies Direct in Ballymoney, which is now a global player in the dog-grooming industry. A statistic that blew my mind when we visited the company a few weeks ago was that the company, which is based in Ballymoney, was started by Colin Christie and his wife and now employs some 50 people, has the second most visited website in the world for those products. It is second only to Walmart. For a company based in Ballymoney that started out of a grooming business that looked after cattle going to the Balmoral show, it is something to see that business operate today.

Of course, we have McAuley Engineering as well. It started with a loan to Jonathan McAuley from his father of £1,800. His late father, whom I knew well, Albert McAuley, a man of huge integrity, said to Jonathan, "Now, see what you can do with that". Last year, Jonathan's company recorded a turnover in excess of £10 million. That is within a very short time, somewhere in the region of seven or eight years. That is an indication of the calibre of what we have in Northern Ireland and what we can do despite all the challenges. I put it on record for those companies — there are many others — that they are valued and that we appreciate them.

While there has been much said about small businesses, we need to put it on record that help has been given. Sometimes we say we need more and more, and, yes, we could always do with more. However, help is being given to the sector by Invest NI, the Department, the new councils through the enterprise awareness that they are taking up, social entrepreneurship, Invest NI overseas events, the trade links the Minister for the Economy mentioned and the accelerator plan for trade and investment. All those things are important.

In the couple of minutes I have left, I want to say that there are also challenges. What are

those challenges? Those challenges were clearly set out by the FSB when, over a period of time, it published a number of documents. Those documents gave us a concise view of the challenges, which include regulation, access to finance and planning. It is shameful that a large construction industry, a homebuilding organisation —

**Mr Deputy Speaker (Mr McGlone):** Will the Member draw his remarks to a close, please?

**Mr Storey:** — in Northern Ireland, told us recently at an event in the House that it has 700 homes in the planning process, with some having been in that process for between seven and nine years. I think, Mr Deputy Speaker —

**Mr Deputy Speaker (Mr McGlone):** The Member's time is up.

**Mr Storey:** — that has to come to an end. I commend the motion to the House, and I trust that Members will support small business.

**Ms Archibald:** I welcome the opportunity to speak on the motion, which, of course, I am supporting. The contribution of SMEs to the economy of the North is well recognised. To underpin economic growth, we need to grow our private sector, and, with more than 99% of our private sector businesses being SMEs, enabling the growth and development of the SME sector will be vital. SMEs, as Mr Storey pointed out, account for some 75% of private sector turnover and 75% of employment and will be responsible for 89% of new job creation in the private sector up to 2018. All of that highlights the importance of the sector to our economy.

The SME sector, like every other, has faced difficulties over the past number of years. As well as an annual decline in the number of businesses registered here since 2009, there has been a marginal decline in the percentage of total turnover to the SME sector. Political and economic uncertainties, skills shortages and access to finance and marketing have been highlighted as barriers to growth for local companies. Mr Storey also outlined some other challenges. There is a direct correlation between innovation, exports and skills and productivity, growth and sustainable job creation. Many of those can be tackled with strategic measures aimed at the SME sector.

A couple of weeks ago, we discussed the importance of exports, but enabling businesses to grow also means investing in support for R&D and innovation. Improvements in

protocols and new product development are important steps in enabling business development, and those can be addressed through financial support measures and access to expertise or consultants. There are programmes already in place in this regard. It is important, however, that those are continued and expanded on and that businesses and individuals are made aware of the opportunities available to them.

Skills cut across many sectors, from hospitality to retail and from engineering to trades such as construction. We need to ensure that the curriculum offered addresses the skills need and, more importantly, that our young people are encouraged to pursue the types of career pathways that will provide a skilled workforce into the future. That may mean an attitudinal change on behalf of parents and teachers alike to enlighten young people about the variety of opportunities available to them.

PwC client experience of small local companies indicates that businesses that have experienced growth are more likely and willing to engage in upscaling. Some 73% of businesses here are sole traders, so even taking on one employee is growing their business. Scaling up of businesses is something that we will need to focus on. Mr Storey said that we will need to help businesses realise their ambitions. It is important that businesses be empowered to be ambitious, that they have access to finance opportunities and that the policy framework for, for example, business rates is conducive to expansion. We need to encourage more businesses to want to grow. Encouraging an entrepreneurial spirit is one thing, but putting in place the practical measures and support to make it happen is key. It includes a need to have adequate infrastructure in place right across the North, with road networks, broadband, mobile phone networks and access to energy supply.

We are facing uncertain times as a result of the EU referendum, so it is even more important that SMEs and other businesses be offered reassurance in ways in which that can be offered. Obviously, global economic factors are outside our control, but we must do all that we can to ensure that our SMEs are as efficient and competitive as possible.

Prior to being elected, I was a research scientist working in horticultural research, specifically in applied mushroom research. I had the privilege of working with mushroom growers the length of the country. As you may know, the Irish mushroom industry is being decimated as a result of the plummet in the value of sterling.

The Irish mushroom industry, North and South, had become very much streamlined over the past 20 years or so, and those who remained in it are hard-working, dedicated professionals who have embraced new technologies and innovation. They are the epitome of the type of entrepreneur that we need to be encouraging. However, they work in an industry of very tight margins, and it is an industry that is strongly interdependent, North and South. Businesses are under pressure right across the country. The current economic climate is such that it is making some of their businesses unviable, and that is deeply concerning. It serves as a reminder for us of the need to work towards political and economic stability where possible, and also of the need for us to ensure fairness throughout our supply chains. It also shows the challenges that we may face over the next months and years as the outworkings of the EU referendum unfold, and we will need to be champions of our businesses —

**Mr Deputy Speaker (Mr McGlone):** I ask the Member to draw her remarks to a close.

**Ms Archibald:** — and work to create a climate that embraces and supports economic development.

**4.45 pm**

**Mr Aiken:** I rise, as every Member of this Assembly should, to support this motion. Northern Ireland is, above all, an economy built on our small and medium-sized companies, farms, independent traders and the self-employed. The SME sector, as has already been pointed out, employs more people than all the large firms and the public sector combined. SMEs comprise over three quarters of all public-sector turnover. The sector, above all, is innovative, is ambitious and has vision. According to a recent Federation of Small Business survey, 80% of SMEs are looking to grow.

So how can we help them to grow further? There are three key areas that we can put forward to help this vital sector. First, taking a leaf out of the Economy Minister's Germany visit, let us listen to the sector, the unions, the key business groups and, indeed, the DUP's Conservative partners. Let us create an all-embracing manufacturing strategy that addresses the impediments to all businesses. Businesses that need a proper, cross-cutting government approach that cuts out red tape. Let us reduce the cost of doing business. Let us do things like protecting small business rates relief, and let us sort out, as Mr Storey said,

once and for all, our sclerotic planning process. Our best should not be 54 weeks but, rather, the 11 to 12 weeks that the leading council areas in England have.

We also urgently need to investigate the cost of logistics in Northern Ireland; the cost of sea freight, which is some of the most expensive in Europe; the cost of air travel and the state of our roads. I, along with the FSB, chambers of commerce, NIIRTA, the CBI and virtually everybody else, with the exception of the Infrastructure Minister, would like to see some of that £77.5 million that the Finance Minister identified today going towards the York Street interchange.

Secondly, we need to encourage our banks to pass on the quantitative easing that they have received and make bank lending affordable and accessible again to our SMEs. The Government must have a role in encouraging improved access to responsible borrowing, but they should also ensure that the SME sector is not penalised and disincentivised by some of the many predatory debt-recovery actions that are state subsidised and that largely state-owned banks have in the past followed.

Finally, it should be a matter of great regret for us to say this, but we should also take the lead in making sure that we encourage prompt payment to all our small and medium-sized businesses. It should be a matter of shame that some of the worst payers are our own Departments and councils. Indeed, whilst many companies have to build in 90-day payment receipts to large multinationals, it is ridiculous that we, including, I dare say, many of the Executive Departments, are taking more than 90 days to pay. I call on the Minister to publish all the payment guidelines for all our Departments and shame those that pay beyond the 30-day mark, and he should let us know how many of our companies are still waiting on payment 30, 60 and 90 days beyond.

I believe that, if we, in supporting this motion, were to follow the above three key points, we would be able to offer practical support for all our SMEs.

**Ms S Bradley:** As the economy spokesperson for the SDLP, I, like others, am pleased to support this motion. Like the mover of the motion, I pay tribute to the FSB, which has been very helpful, not just in presenting information to us but in Committee. It certainly has its finger on the pulse when it comes to small and medium-sized enterprises in Northern Ireland.

Rather than regurgitate the points that have been well made about how significant SMEs are in Northern Ireland, and in the interest of moving the debate on, I will look at the barriers to growth that have been expressed to us and that I have heard about through my work when speaking with businesses — views that have been reinforced by the presentations from the FSB. Some of those are, as we have already outlined, planning, the rating system, access to finance, access to broadband, corporation tax, VAT, labour, bureaucracy and red tape etc. It goes on.

Another statistic that jumped out at me was that smaller businesses with fewer than 10 employees are not really offered the level of support that is given to larger businesses, and that is because they are not considered to be high-growth firms.

In many of those small businesses, the owner is the senior management team, the HR team, the finance department, the IT department, and they answer the phone before sweeping the floor on their way out. Those businesses also need our support. There is an opportunity here for us to really reach out to them and accommodate and recognise the difficulty that they have with their time. So, it is about looking at growth but making a very real package that will deliver and resonate with such small businesses. If any strategy is serious about encouraging growth, it would reach out and be cognisant of that fact.

We have to then look at the wider context. I will visit my constituency in South Down, as other Members have done in their constituencies. When we look at the potential for growth we see that there is a very obvious need as the tourism sector in South Down has yet to be fully tapped into. We need to encourage the Executive to come out of silos because it takes that economic ambition and vision to recognise where the potential growth is in particular areas. It would be difficult then to brush aside such significant projects as the Narrow Water bridge, which, no doubt, would bring tourism opportunities to South Down. In the construction of the bridge, we would be looking at the building sector as well. So, we must commit and we must show that the breadth of our vision goes wider than simply looking at a document that does not resonate and does not reflect what is happening on the ground.

The SDLP had put forward an amendment to the motion, and I think that it was simply to frame it in the context of the possibility of Brexit. We must consider that for any growth. We will very quickly look at the topic of sending our

goods elsewhere and at exporting our goods, and, difficult as it may be for some, we must embrace the fact that Brexit has its problems. There are potential problems not just for growth; businesses at this moment in time may be considering exporting but may put that decision on hold. Many have told us that they are reluctant to make decisions because there are so many question marks and so many unanswered questions. Based on this, it is difficult, particularly for small and medium-sized enterprises, to make the decision to go ahead and embrace the export market. It is something that we should all encourage them to do and try to set out that pathway in a way that they can embrace it fully and confidently consider the way forward. That said, I welcome the motion as it is presented, but I think that we missed an opportunity to widen it.

In summary, the Executive expressed their concerns earlier today that the Opposition tended to fret a little. I can assure the Minister that as a member of the Opposition, I never believed that he would bring forward an economic strategy —

**Mr Deputy Speaker (Mr McGlone):** I ask the Member to draw her remarks to a close.

**Ms S Bradley:** — that did not support small businesses and medium-sized enterprises. So, perhaps, he could reassure his own party colleagues not to fret.

**Mr Lunn:** As somebody who ran a small business for over 25 years, I am very pleased to contribute to the debate. I agree with Mervyn Storey and others straight away that the contribution of small businesses and the FSB in this country has been enormous and always will be, because Northern Ireland is an entrepreneurial place where people like to set up a business. That is why we have so many small businesses.

The motion refers to the economic strategy and the necessity for that strategy to support SMEs that want to grow. I do not know any that want to shrink, frankly, or stay the same size, but if they do, they will not last long, because growth is everything these days. The FSB reckons that 80% of its members are committed to growth, which is the way that it should be.

The current economic strategy dates from 2012. It was published by Arlene Foster as Enterprise Minister. It has a vision that effectively encourages private sector companies to compete in global markets. It is very export orientated, which, frankly, brings in

Brexit again because the situation around exporting may or may not become more difficult in years to come. The strategy notes the key drivers of innovation; research and development; skills; growth; exports; and infrastructure. It also notes the key sectors: business services; financial services; creative industries; tourism; social economy; and rural economy. I cannot help but smile when it notes that reform of the common agricultural policy will generate further opportunities for the agri-food sector — oh dear, oh dear. All those sectors offer opportunities for SMEs to prosper, and many have done so. Indeed, as Mr Storey pointed out, some of our best businesses started off as one-man bands, including Almac, Norbrook, Wrightbus, which I am surprised that he did not mention, and FG Wilson. I cannot really mention Norbrook without a shudder because we turned down insurance business from it when it was a one-man band; I cannot believe it. McAleer and Rushe is another one. I will move on.

SMEs can grow in various ways, whether through finding a good product, securing good contracts or innovation. More often than not, they prosper as part of the supply chain for bigger companies. Therefore, the more major contracts that come out of Departments or elsewhere, the better for SMEs. There are Executive delays such as with water infrastructure, Desertcreat, the Maze, John Lewis and, looming now, the York Street interchange. Let us see what happens with that. There are planning difficulties; Mr Storey mentioned one. We in Lisburn council have just completed a planning application for a golf course and a luxury hotel. It is a £60 million investment into that area, and it has taken 14 years — 14 years — to get it through the planning process. It is not quite there yet because the Planning Appeals Commission may yet have something to say about it.

I hope that I do not sound too much like a Brexiteer, but bureaucracy and regulation also eat up time and resources. It is a problem that, to my mind, is far more onerous on small businesses than on bigger ones, which have the capacity to deal with European and UK regulations. Somebody said that Invest NI currently seems to have a focus on high-growth companies with more than 10 employees. That excludes 95% of all Northern Ireland businesses, which is the percentage with fewer than 10 employees. I appreciate that there have been set-up schemes and encouragement schemes such as Go For It, Horizon 2020 and all the rest of it. If the new economic strategy is to improve on the old one, a greater emphasis on the needs of the vast majority of companies

in Northern Ireland, which are small and medium-sized enterprises, would be appreciated. We need to change the focus slightly to an emphasis on supporting smaller firms that show promise and give them every encouragement because it is the best sector that we have. We will support the motion.

**Mr Dunne:** I welcome the opportunity to speak in support of the motion. There is no doubt that small and medium-sized businesses are the backbone of our economy: 98% of all firms here are seen as SMEs. Our SMEs have the ability to create the employment and wealth that is required to transform and rebalance the Northern Ireland economy. As I think has been said, it is estimated that 95% of firms here have fewer than nine employees, so it is crucial that we do what we can to encourage and support growth. Small business owners are at the centre of our communities, where they live, work and invest funding and their time. Exports provide a real opportunity for small businesses to grow and be more competitive, and that reinforces the need for businesses to be ambitious and work in partnership with bodies like Invest NI in order to grow their export base and potential new markets. There is evidence that small businesses that export are more likely to survive, grow, prosper and innovate.

*(Madam Principal Deputy Speaker [Ms Ruane] in the Chair)*

Great opportunities exist for our SMEs through online sales, which gives them a platform to compete globally. One of our local SMEs is Chain Reaction, a cycle supplier. In fact, I used to buy parts for my son's mountain bike from that company. It has now expanded its business and been very successful throughout the world selling cycles and cycle parts.

#### 5.00 pm

Banks also need to play a role in supporting our businesses by having in place the right conditions for loans and business support programmes for ambitious businesses seeking to grow and expand. Challenges exist in growing and developing our local businesses. One of the major challenges is rates, and I am sure that every MLA is aware of it. We really need to address the issue of business rates, which continue to restrict business growth and cause real challenges for businesses across Northern Ireland, including those in our town centres. I look forward to hearing more from the Finance Minister about the ongoing review of the non-domestic rating system. I welcome his recent positive comments in the Chamber

that he is listening to small business owners and will take into account the need for realistic rating valuations on SMEs.

On the previous Enterprise Committee and through the life of the current Economy Committee, we have regularly visited SMEs across Northern Ireland. Time and time again, they talk about how energy costs are one of the biggest challenges for them. I know that the Minister will continue to work with suppliers, the Utility Regulator and other key players to ensure that we do all that we can to reduce energy costs for our businesses. Red tape and over-regulation are also regularly cited as challenges for our SMEs. Invest NI must support our SMEs by reducing and not adding to the complex regulations that exist.

It is worth pointing out that 70% of our manufacturing is carried out outside Belfast, much of it by our SMEs. That shows that a regional spread exists. It also highlights the need for the right infrastructure of good road networks, rail links, ports and telecommunications. It is crucial that our economic strategy supports our SMEs and encourages innovation and research and development to increase the confidence and skills of entrepreneurs and business start-ups. Our 11 councils, with their increased economic development role, must continue to boost business as they work with Invest NI to develop strategic plans. The Signal Centre, based in Ards and North Down, deserves recognition for the work that it has done over many years in supporting our local businesses. There is also a key role for our schools, colleges and universities in encouraging STEM subjects and developing sustainable apprenticeship programmes for our young people. That can benefit not only our businesses but, most importantly, our valuable young people.

**Madam Principal Deputy Speaker:** There is a mobile phone going off in the Chamber, so I ask Members to check their mobiles.

**Mr Maskey:** I support the motion. The tenor of the debate has been almost a love-in, especially compared with previous Assembly debates. I almost feel the need to throw in a discordant note to bring us back on track, but, thankfully, I will not have to. It is a very important message for the local business community, particularly small and medium-sized enterprises, that there will be no Division in the House today. That shows that all the parties and Members are very much at one not only in recognising local small and medium-sized businesses but in understanding the need to give them whatever support we can,

especially in times of uncertainty. It is important that we speak with one voice in the House today, and the local business community will very much welcome that.

As Gordon Dunne referred to, small businesses are often the heartbeat of our communities. They usually offer not only a very important service but a smiling face. Some are even the local font of all knowledge as they seem to be able to pass a lot of information back and forth within the community and their customer base. They are a very important aspect of our communities and are at the heart of many.

Mervyn Storey, when moving the motion, outlined the various statistics, which we must all take on board when developing our strategies, and Sinéad mentioned that in relation to the economic development strategy. It is important that we recognise the importance of the statistics and that they tell us that local small and medium-sized businesses are the mainstay of our economy and, as such, need our support.

My colleague Caoimhe Archibald and others referred to some of the challenges and difficulties that our businesses suffer. We all know the challenges that many of our local businesses face, including rates, digital connectivity costs, staff costs, pension contributions and, more recently, training costs and all the other overheads in running a business in uncertain times. It is fair to say that there are supports that we can give other than money, as we all know from our constituencies.

I urge all the Departments and the statutory bodies to consider the local business community in particular when they carry out public works. Again and again, we see works being carried out that cause disruption. Obviously, for the most part, when that disruption is finished, there is a much better product left for the local community to benefit from. However, while the works are going on, if they are not coordinated between the various bodies, people can suffer unnecessarily. We see that time and again. I use this afternoon's debate as an opportunity to ask the various government bodies to continue looking at their work schedules so that they can coordinate them with each other to minimise the disruption in communities.

In my constituency, on the greater Andersonstown Road, we have all seen in the last couple of days that the project for Casement Park has been relaunched. Hopefully, that will take a successful course in the time ahead. In that locality, you have the works planned for Casement Park, the new

leisure centre to be built by the City Council next door and the public works associated with the rapid transit initiative. That adds up to over £100 million of public money being spent in that area, so it is important that the work is coordinated in a way that minimises the disruption to the local business community and the wider local community and allows the business community in particular to pick up the benefit of all of that work when it is completed. It is a massive amount of public investment, and it needs to have a wider and greater benefit in the long run.

There are also important opportunities for local businesses, and I refer to the business improvement districts (BIDS) legislation, which was passed in the last mandate. It is interesting that people in a lot of local businesses I have spoken to recently have not even heard of that legislation. Just for the record, it is legislation that allows a local business community to come together to plan for new initiatives to draw more people to local businesses. That includes everything from clean-ups to traffic management to shopfront uplifts and all the rest. Again, I appeal to the business community to examine the BIDS legislation as an opportunity.

I want to make my last comments on the social enterprise sector, which is a very important and growing sector that provides a public service, job opportunities and social benefits.

**Madam Principal Deputy Speaker:** Will the Member bring his remarks to a close?

**Mr Maskey:** I urge the local business community and the local community and voluntary sector, for example, to look at the social enterprise sector, a sector that I look forward to working with in the coming mandate to develop business opportunities.

**Madam Principal Deputy Speaker:** The Member's time is up.

**Mr T Buchanan:** I am grateful for the opportunity to speak in the debate. Having, for many years, been in the construction industry and run my own small business, I find that it lies close to my heart. It is important that the Assembly takes the time today to recognise the value of SMEs to our economy.

It is a well-established fact that the Northern Ireland economy relies heavily on the small business sector; indeed, it has been mentioned that it is the bedrock of our economy. I think that we all agree with that. In rural

constituencies, they are better known as "home-grown businesses". In my constituency of West Tyrone, that sector has been the lifeblood of the rural communities. We have seen, especially in the engineering and construction industries, that such businesses have been responsible for the employment of many people in rural areas from the time they leave school until retirement age. We have seen family businesses and how they have sprung up. That seed has flourished, and many of those businesses have grown into substantial enterprises.

As we come to this debate, we do well to look at the important role that SMEs play in the growth of our economy. I know that this has been mentioned before, but a wee bit of repetition on the issue will do no harm.

Northern Ireland, although a small region, has the highest number of SMEs of all the regions throughout the UK. Although 98% of those employ fewer than 20 people, they nevertheless provide essential employment in our communities. It is worth noting that our SMEs provide 75% of all the private sector jobs and employ more people than the large businesses and the entire public sector combined. The SMEs have proven, without a shadow of a doubt, that they have the ability to create the employment and wealth required to transform and rebalance the Northern Ireland economy.

However, there are also challenges faced by the small business sector. I will mention some of them, because, sometimes, these are the issues that we do not want to face up to: the challenges that are facing businesses. If we want to help small businesses to grow, we need to do what we can in our power to break down the barriers that are a hindrance to their growth. Owing to the circumstances of the past few years, although SMEs were resilient to the many challenges that they faced, a number of them went to the wall, unfortunately. Those that were able to sail on through or hold on, now that we are out the other side, are beginning to rebuild. We must endeavour to remove, where possible, any barriers that are a hindrance to our SMEs going forward.

The business school of the University of Ulster, in a recent study, identified a number of barriers to the growth of our SMEs, including bureaucracy and the regulatory burden. The impact assessments for SMEs tend to be inconsistent, and regulation is not properly targeted, with the result that it is an added cost to and financial burden on our small businesses.

Again, as my colleague mentioned, business rates is another issue. When we go to meetings with small businesses, business rates is one of the issues at the top of their agenda. My colleague Sammy Wilson introduced the small business rate relief scheme when he was Finance Minister. That has been of benefit to many small businesses throughout the sector over the years. That is perhaps something that needs to be looked at, in order to see whether something more can be done.

Another barrier to the growth of small businesses is the cash-flow problems that they face. A lot of that is down to public bodies not releasing payments within the 30-day period. Again, that might be something that we can look at and do something about.

Another issue that was mentioned is planning.

**Madam Principal Deputy Speaker:** I ask the Member to bring his remarks to a close.

**Mr T Buchanan:** Planning is a serious issue that is holding back the growth of our SMEs, and it is something that we need to look at. I support the motion.

**Mr Chambers:** I am one of the few Members to speak on the motion who has earned a living from running a small business that has, for over 40 years, provided gainful employment for many others. It is opportune for me to confirm my already-declared interest.

My business has grown over the years owing to personal and family investments and sacrifices that have improved business capacity, with staff enjoying the benefits and job security that that growth has created. That type of personal investment and commitment is replicated every day right across the SME sector by operators mortgaging their home or using retirement savings or borrowings to improve or sustain their operation. The growth of our SMEs has been achieved despite the ever-increasing bureaucratic demands from statutory agencies that take more and more time and resources to deal with. Those demands can be a distraction from using innovation and business experience to grow sales, profit and, more importantly, employment opportunities. Oppressive red tape and a lack of official support for SMEs in surmounting the obstacles sometimes presented, for instance, by complicated planning regulations, which have already been referred to, can prove demotivating for new and existing entrepreneurs.

Some years ago, I was part of a local government fact-finding visit to Prince William County in the state of Virginia in the USA. Indeed, Dr Farry was part of that same visit. We called at a business park, under the auspices of their economic development team. It informed us that it could deliver all permissions, including planning authority, within 28 days of a formal approach by a new business. Business investors in Northern Ireland would drool at that prospect. Why can we not be as slick?

**5.15 pm**

Another initiative that we witnessed in the USA was in Virginia Beach, which was twinned with North Down Borough Council through Sister Cities International. It had its own version of Invest Northern Ireland, working with huge success in attracting large international investors. However, it also concentrated on what it called economic gardening, whereby it successfully encouraged and nurtured the growth of its existing small and medium-sized businesses. Volunteers with a deep sense of civic obligation and skills in accountancy, product development and other varied management areas were recruited. Small companies with issues or which might be in short-term difficulty or which lacked the know-how to grow were allocated a suitable mentor. This process actually worked and is an idea that our colleagues in local government here might explore or develop.

My party will support the motion, as we fully recognise and appreciate the range and number of jobs created by SMEs across many sectors of our economy. They generate export income, contribute taxes and collect PAYE on behalf of Her Majesty's Revenue and Customs. In the retail sector, they act as tax collectors of VAT, which is an additional unpaid burden. We must also acknowledge the contribution of the hospitality trade and the many arms of our tourism industry. The commitment of the farming community, with all the physical risks involved in its industry, is something that needs to be placed on record.

However, I am slightly disappointed with the rather weak wording of the DUP motion. It talks about the challenges, with little in the way of practical encouragement or solutions for struggling small businesses. It does not mention the biggest challenge faced by our SMEs in recent years that Brexit is presenting to us.

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

**Mr Chambers:** Yes.

**Mr Storey:** We tried to avoid the situation where this became a debate about Brexit. Does the Member not also recognise that, if we want to dismantle the regulatory burden on our businesses, this is a once-in-a-lifetime opportunity to do it in a way that would benefit them? One of the biggest problems we have had has been the imposition of European red tape?

**Madam Principal Deputy Speaker:** The Member will have an extra minute.

**Mr Chambers:** I await the outcome of all that with interest, but it is a fact that Brexit is, and is going to be, a challenge.

In calling for the Minister to ensure that the economic strategy supports SMEs that want to grow, I would expect, as Ms Bradley said, that he is already doing so. In conclusion, I would have liked the motion to have put a bit more meat on the bones, but I have no difficulty in supporting it.

**Mr Hamilton (The Minister for the Economy):** I welcome this debate and the opportunity to respond to the motion. Before I begin, I want to put on record once again how immensely proud I am of so many of our local businesses here in Northern Ireland. Across Northern Ireland, we have almost 125,000 businesses, the vast majority of which employ fewer than 250 employees. In fact, 70% of our private sector workforce is employed in small and medium-sized businesses, and 99.9% of Northern Ireland's business base is SMEs. As clichéd as it perhaps sounds, it is fair to say that SMEs form the backbone of our economy.

As part of my plan to make Northern Ireland more competitive, I am determined that we should continue to place a strong emphasis on encouraging local firms to grow. I am encouraged by statistics that show one in five businesses in Northern Ireland having experienced high growth in the period between 2012 and 2015. This is great news but no real surprise. In Northern Ireland, we have numerous examples of small local companies that have grown to become world leaders — companies such as Radox, Almac and Kainos.

Radox, formed back in 1982 by its current managing director, Dr Peter FitzGerald, is exactly the sort of success story that we should hold up as an example to SMEs across Northern Ireland. Beginning with a team of six employees, the company started out in a

henhouse, before relocating to larger premises in an apple store, which has since been converted to house the business's international headquarters. Now, Radox is a global leader in healthcare diagnostics, employing more than 1,400 employees across 145 countries and producing one in 10 of all cholesterol tests used worldwide.

I want to see more businesses follow the excellent example of Radox.

Part of my role involves travelling to other regions of the world in an attempt to attract inward investment as well as tourists. Northern Ireland needs to be outward looking and not afraid to learn from what others are doing well, understanding why they succeed and learning lessons for Northern Ireland.

As Mr Aiken mentioned, I recently visited the North Rhine-Westphalia region of Germany to look at their Mittelstand. The Mittelstand is the name given to the large group of small and medium-sized enterprises that drive the success of the German economy and are characterised by innovation, exports and growth. Our impression of the German economy is, perhaps, dominated by big-brand names like BMW, Mercedes-Benz and Bosch, but recent analysis by the German Savings Banks Association shows that it is the SMEs of the Mittelstand that are outperforming the country's largest companies in profitability. Mid-sized manufacturing firms like those that I visited make a huge, almost disproportionate contribution to the German economy. They account for an estimated 52% of Germany's economic output, employ 60% of all employees, and generate approximately €3 trillion in turnover annually. The Mittelstand is also incredibly innovative and plays a central role in the education and training system. Its success is something that we should seek to emulate here in Northern Ireland.

Although it is clear that the German economy is very different to ours in many ways, I firmly believe that there are similarities between our SMEs and the Mittelstand that we can learn from. One that stands out is that 95% of German businesses are family owned, with many Mittelstand companies under their fourth, fifth or sixth generation of family ownership and control. There is clear evidence from Germany that businesses can remain in family hands — a common characteristic in Northern Ireland — and still grow and make a greater contribution to the local economy.

We can learn much from the German model. SMEs have always played an important role in

our economy and we should be proud that more small firms in Northern Ireland generate £1 million in revenues within their first three years in business than anywhere else in the UK. That is why I want to encourage even more businesses to start up in the years ahead, and why the Executive are investing in the skills and infrastructure that enable small and medium-sized enterprises to prosper.

A key challenge for SMEs is ensuring that they can reach their full potential. Large firms matter in small, advanced economies like ours. They provide critical mass, scale and specialisation that might be difficult to generate otherwise. Growing our businesses is, therefore, a priority. The profile of businesses in Northern Ireland shows that the vast majority, 89.2%, have fewer than nine employees, and only 2% have more than 50. Encouraging more companies in Northern Ireland to scale up and achieve high growth is, therefore, a key element in creating more employment opportunities.

Critical Power Systems Ltd is a wonderful illustration of exactly this. This Newry-based business recently announced that it was to invest £2 million and create 47 jobs with £345,000 worth of support from Invest Northern Ireland. It is a great example of an ambitious start-up company taking advantage of the manufacturing and engineering skills available locally to support its growth. Another great example is local firm Dunbia. With Dunbia, the Dobson brothers have grown their business from a small butcher's shop near Dungannon in 1979 to one of the biggest meat processors in the United Kingdom, exporting to over 30 markets and employing around 4,000 people.

In order to help more firms to grow, Invest NI is working on an ambitious new business growth initiative to help to support the scaling up of high-growth-potential Northern Ireland businesses. In the weeks ahead, I intend to outline how we hope to scale up more of our small and medium-sized enterprises in their turnover, employment levels and exports. Invest NI's growth and scaling division already focuses on providing intensive and bespoke support for SMEs with the greatest growth potential. A key characteristic of such businesses is the high ambition of the entrepreneur and a long-term commitment to invest and resource the business to drive growth. Invest NI support for scaling and pre-scaling businesses involves assistance with innovation, skills and trade development, and is tailored to address specific barriers to growth faced by each business. It is this type of intensive, wraparound support for our highest-growth-potential businesses that I want to see

us amplify and accelerate in our new business growth initiative.

The ability to access finance, an issue raised by many Members during the debate, remains an important issue for business. Accessing appropriate and timely finance can be critical to business growth. In recognition of this, my Department, in conjunction with Invest NI, continues to take forward a number of initiatives to address this issue for businesses. This includes making available £170 million across a suite of funds to help to support businesses. In addition, we have engaged with the British Business Bank to ensure that its range of funding instruments are operating effectively and being promoted widely in Northern Ireland.

Transforming Northern Ireland into a globally competitive economy will require considerable effort on many fronts. My Department is working hard at refreshing and renewing our economic strategy. In essence, it will be the road map that will, I hope, lead us to a time when Northern Ireland is once again punching above its weight on the international economic stage. It is my intention that the new economic strategy will be bold and ambitious, and outline a vision of how our economy will look in 2030 and beyond. We have come through the downturn and made significant strides forward in rebalancing our economy, so we now have the opportunity to push ahead and put in place a plan that will transform our economy for the better.

I want to ensure that we have the best possible business environment for start-up companies. I want more women starting up on their own. I want to ensure that we provide the appropriate help, support and advice to allow small companies to expand their businesses. This is a priority for me, my Department, Invest NI and the Executive. Indeed, in the last five years, up to 2015-16, Invest NI offered support of over £260 million to local small and medium-sized enterprises. That support helped to promote approximately 21,500 new jobs and resulted in total investment of approximately £1.25 billion.

I want an economy where an increasing number of businesses realise their high growth potential and scale up from small to medium-sized businesses, employing more people in the process; an economy where entrepreneurship and enterprise is endemic and reflected in a growing status as a start-up nation; an economy where innovation is embedded in the DNA of every company, irrespective of its size; an economy where our people possess the skills that they need to improve their lives; an economy where more of

our companies have an international outlook and export goods, products and services outside our region; an economy where government works tirelessly to put in place the financial, infrastructural and policy support to ensure that our economy thrives; an economy where we build industries on the back of where we are genuinely world-class in academic research; and, above all, an economy that works for everyone.

I believe that a real opportunity now exists to transform our economy. We have come through one of the worst recessions on record and are now on the path of constant improvement, growing in size and rebalancing from public-sector-led growth to private sector-led growth. Some, perhaps, have the impression that my Department is focused more on attracting inward investment than on growing our indigenous businesses. That is not the case, and it never was. Both are incredibly important to the future growth of our economy. That is why our new economic strategy will focus strongly on making Northern Ireland the top United Kingdom region for attracting foreign direct investment, and it will also include a suite of supports, policies and interventions aimed at helping our SMEs and, most importantly, aiding them to fulfil their potential.

I have found today's debate to be useful and informative, and I have no hesitation at all in supporting the motion.

**Mr Lyons:** For some people, 2016 has been a very strange year with a lot of strange things happening. Here we have it yet again. The House is united and, not only that, it is because of Mervyn Storey. It is probably the first time that that has happened in a long time.

I welcome the very positive tone of the debate, and I thank Members for their contributions. We have brought this debate and others to the Floor because we want to have a positive debate and a positive influence on the economic strategy. First, we had a general debate on the economic strategy, and we have since had a debate on exports. We specifically wanted to bring this debate to the Floor so that we could impress on the Minister the importance of growing our small companies and expanding our small and medium-sized enterprises into larger ones. We also want to identify the challenges and make sure that we are making the most of the opportunities. This has been an important debate, and it is important that we contribute to it.

**5.30 pm**

I want to put it on the record that there have been a lot of complaints from the smaller parties in the House about their speaking time and how they are not able to contribute to debates. The TUV, the Green Party and the socialists are not here. We probably have room for four or five more Back-Bench contributions, but they have not turned up. It is important to put it on the record that those who ask for more speaking time should turn up when they have the opportunity to do so. I do not know whether they do not care or simply do not work after 5.00 pm. We will leave that to them to answer. This is an important debate, and I do not want to repeat —

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

**Mr Lyons:** I am happy to give way to the Member.

**Mr Attwood:** If the Member now supports the principle that smaller parties should have the opportunity to contribute, even if they do not take it up, will his party at the next meeting of the Business Committee therefore support a proposal from the SDLP, Alliance and Ulster Unionists to build into the structures of debates more opportunity for smaller parties to participate?

**Madam Principal Deputy Speaker:** Before I call the Member, I ask you to come back to the debate in question. The debate is about small and medium-sized enterprises.

**Mr Lyons:** Absolutely. What I will say is that they should take up the speaking time available to them now rather than asking for more. However, I will come straight back to the debate before I incur the wrath of the Principal Deputy Speaker.

**Madam Principal Deputy Speaker:** I ask Gordon Lyons to come back to the debate. You have an extra minute because you took an intervention.

**Mr Lyons:** Thank you very much. A number of issues have been raised, and I do not want to repeat them. I thank the FSB for the work that it has done. I do not run a small business, but I am sure that those who do will be able to say how important the FSB is to them. Certainly, it has been helpful to us as elected representatives — I think that others will agree — in bringing the issues to our attention and helping us with briefings. We thank the FSB for the contribution that it has made.

The same issues come up time and time again, and I do not want to rehash them. However, as the Minister knows, I have raised the broadband issue with him frequently. Broadband is essential to growing our smaller enterprises. There are some real challenges with broadband, and it is important that we address them. That is especially true for smaller businesses in rural areas that are even more dependent on the Internet for communication, placing orders and all the other things that are necessary if a business is not only to be sustainable but to grow. We impress on the Minister the need for improved broadband, and we know that he is dealing with that. Other infrastructure issues need to be highlighted, such as energy and problems with the grid. I know that the Minister is taking action to address them.

There is one other thing that has not been mentioned during the debate that I very much want to welcome, and that is the Government's decision today to proceed with a third runway at Heathrow. That is critical not just for London and the south-east but for all parts of the UK. In Northern Ireland, in particular, we need to make sure that we are properly connected, and that connectivity can help all our businesses and our economy as a whole.

We discussed exports more fully in a previous debate, and it is important that we help businesses to export.

The whole business of rates has been touched on. It is important to note the success — Members will know of this — of the small business rate relief scheme. We all know of many individual companies and businesses in our constituencies that have been saved by that relief and have been able to keep going only because of the relief that is available. We want to make sure that it continues to be there for them.

The issue of planning was raised frequently. It is important that we have a planning system that is responsive to the needs of the local economy. I hope that other Members will join me in impressing on councils the importance of speeding up the planning process. On that point, I give way to Mr Storey.

**Mr Storey:** I thank the Member for giving way. I would like to add that there are issues with procurement. The current Minister, who is, like me, a former Finance Minister, will recognise the challenges in the procurement process, which has become very bureaucratic and burdensome to small business in particular. There are serious issues with the procurement

process, and it needs considerable work to make it fit for purpose.

**Mr Lyons:** I agree with the Member and not only in terms of Departments but in terms of councils. In fact, just this past weekend, someone from the Causeway Coast and Glens Borough Council part of my constituency came to me wanting to know what the procedure was in that council because they were looking to tender for work and did not have the opportunity to do that. It is important that local companies know the policies that are in place and how they can avail themselves of them.

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

**Mr Lyons:** I will give way to Mr Attwood.

**Mr Attwood:** Just to interrogate that last point a bit further, is it not curious to criticise the procurement provisions in Northern Ireland — I agree with the criticism — when actually, for the last 10 years, the Finance brief was held by the DUP, which was responsible for CPD? Do not take the prompt from the Minister; answer yourself. *[Laughter.]*

**Mr Lyons:** I can answer it. First of all, I am not in charge of the Causeway Coast and Glens Borough Council, which was the one that I was referring to, but, as the Minister has pointed out, a lot of the procurement and regulation issues have come from the European Union. I know that the Members in that corner of the House do not like any criticism of Europe, so I will move on.

I will say just a few things about other Members' comments. I thank Mervyn Storey for being the great uniter of the House this afternoon. He mentioned some of the good news stories in his constituency, dog grooming in particular. We are glad to hear about that. Caoimhe Archibald mentioned the need to be ambitious. That is a very important point. We are ambitious in Northern Ireland, and we realise the potential that we have. Steve Aiken mentioned our Conservative partners. That was an attempt to forget the past. We will work with this Government and any Government: it does not mean that we will be in an electoral pact with the Conservative Party. He did make important points on planning and prompt payments.

Sinead Bradley was able to wait three minutes and 16 seconds into her speech before she mentioned Brexit. I congratulate her for the self-restraint that she showed on that. I am also glad that she has such confidence in the Minister for the Economy, as she said that she

knew that he would be doing absolutely all that he could to help small businesses. Trevor Lunn mentioned some of the poor decisions that he has made when he has been involved in business in the past. I agree with what he said on planning. I do not know all the ins and outs of the planning application that he mentioned, but it is important that things are not left in the system for years and years on end. Gordon Dunne mentioned the importance of exports and, of course, mentioned local companies. It is important that we help small businesses to export in that way because exporting helps them to grow.

Alex Maskey talked about a love-in. I do not think that that is the word that I would use about the debate. He mentioned the important opportunities that can come, especially from the BIDs legislation. That is something that we want everyone to be aware of. Tom Buchanan mentioned the need for us to face the challenges that come, the importance of helping business and, in particular, cash flow. Alan Chambers told us a little of his biography and, indeed, of some of the junkets that he was on while he was on North Down council. I am sure — *[Interruption.]* A junket is any trip that I am not on. It is important to build relationships with other people.

I know that my time is running out. Finally, I want to commend the Minister on what he said about the need to target specific —

**Madam Principal Deputy Speaker:** Can the Member bring his remarks to a close?

**Mr Lyons:** — companies and areas of growth. It is important that we do that. We should not have a scattergun approach. Let us help SMEs to grow so that we can build a stronger —

**Madam Principal Deputy Speaker:** The Member's time is up.

**Mr Lyons:** — economy for all.

*Question put and agreed to.*

*Resolved:*

*That this Assembly notes the importance of small and medium-sized enterprises to the economy of Northern Ireland; recognises their resilience in the face of many challenges; believes that many small and medium-sized enterprises are not realising their growth and development potential; and calls on the Minister for the Economy to ensure that the economic*

*strategy supports small and medium-sized enterprises that want to grow.*

## **Education Services: Partnership Working**

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

**Ms J McCann:** I beg to move

*That this Assembly recognises the value of partnership working between schools and community services, including the role that this can play in increasing educational achievement for pupils; and calls on the Minister of Education to ensure that adequate resources are invested in developing and expanding such services.*

It almost feels as though we have been here before. We had an Adjournment debate recently on a similar topic, but this is a wider debate that, hopefully, other Members will get the chance to come in on. It is a very important area of work. There were a lot of good contributions from other Members in the Adjournment debate about education services in West Belfast several weeks ago. I hope that it will be the same tonight.

There is nothing more precious than our children and young people. Their health and education are probably two of the most important services that we, as parents and wider society, want the best from for them. Whatever life choices our children make or whatever career paths they choose to follow, it is essential that we give them access to the best educational opportunities that we can and provide them with the skills to equip them for whatever they face during their lifetime. Education and our experience of it, from nursery school right through to higher education, can present us with positive experiences and, unfortunately, some very negative ones. It offers us opportunities that we might not ordinarily have access to. Those very formative years are crucial to unlocking the potential in every child. We as policymakers, along with parents, teachers and all other stakeholders, have to ensure that all our children have equal access to educational opportunities and that they are all treated the same.

In the Adjournment debate that I mentioned earlier, I talked about a recent piece of research titled 'School Inspection in a Polycentric Context', which was launched in the Long Gallery. I apologise to the Members who were there for that debate, but I am going to make some points that I feel are very important to make. It was commissioned by the West Belfast Partnership Board and carried out by a group of academics from Dublin City University (DCU). The main message in the report was that schools on their own can reach only a certain level of attainment but that results can increase substantially when they work in partnership with other schools, teachers, local community-based services and parents. It had a particular focus on members of the area learning community of West Belfast, but there were four case studies, some of which happened in Europe, including in Bulgaria. I will repeat those achievements, because, as I say, they are very important. There was an increase of 11.4% in pupils in West Belfast achieving five GCSE grades from A\* to C from 2011 to 2015. There was a 12.3% increase in pupils achieving five GCSEs, including maths and English, from 2013 to 2015. That differential was even greater for those pupils achieving seven GCSE grades from A\* to C, including maths and English, with an increase of 12.7% over the past four years.

When we look at pupils eligible for free school meals, increases in GCSE attainment levels were even better. In 2015, there was a 15% increase in students eligible for free school meals achieving seven or more GCSEs, including maths and English, at grades A\* to C in 2015 compared with 2013. I am sure that Members will agree that those are really outstanding achievements for the young people of an area of social and economic deprivation. It is the worst constituency across the North. When we look at those results and the better outcomes for children and young people, we see that intervention and support programmes delivered in a partnership approach work.

It is also worth remembering that schools are only part of a child's education. We need to educate our children for life. It is not just about what they learn in school, it is also the influences of family and the wider community that are very important.

#### 5.45 pm

I want to emphasise the importance of involving parents in children's education. For early years development in particular, the importance of family and parental engagement that looks at developing increased aspirations for the child is

also very important. As parents, it is very important that we instil that type of aspiration in our children and young people.

We need to recognise the importance of community-based services such as extended-schools programmes and Sure Start. I do not want to leave anyone out, but I want to mention homework clubs, breakfast clubs and those types of full-service community schools, where support can be accessed either in the school setting or outside, in wider community-based provision. That is also very important. You have heard me speak about community-based education before in other debates, and I have also heard other Members support it. It is very important that we give the choice to people to have that community-based education. There are also huge benefits when a school partners up with a local community in the sharing of provision. Again, we see that working with sporting facilities in schools when school halls are made available to local community providers, including many of the youth organisations. Unfortunately, I still believe that we see far too many schools closed in the evenings and at weekends. I want to commend St Mary's University College, in my constituency, which opens its doors for all sorts of events for community organisations and, in particular, the West Belfast Partnership Board's programmes. They have an Easter school and a summer school, where young people can have extra tuition for their GCSEs. I think that is another part of why we are seeing the attainment levels going up.

The rise in educational achievement of our children and young people is, of course, only one part of the story. The entitlement framework was introduced to give a better choice of subjects to young people, especially those who want to go down the vocational route. All Members will be aware that all children are different and all children want to take different career paths. Some might want to choose an academic path, some might want to choose a different path. It is important that, no matter what journey they travel on or road they take, we have that opportunity open to them and they have the choice to take whatever path they choose.

That brings me to alternative education projects; they are very important. Not all our children and young people are suited to education in schools. We need to look at how we develop and grow alternative education projects. From my own experience of knowing young people who have gone through some of those projects, in some cases, it has taken those young people away from alcohol abuse,

drug abuse and even suicidal thoughts. I want to commend the people who run some of those alternative education projects that are based in the community.

Earlier today, we heard the Health Minister give a very positive statement to the Assembly on what she wants to see as the direction of travel for health and social care. I welcome her statement. In particular, I welcome her and her Department's commitment to programmes such as the early intervention transformation programme, which sees the Department of Health, the Department of Education and the Department for Communities all working together to find ways of intervening early in the lives of children to improve their educational outcomes. This is key to making the difference and giving all our children and young people the best start in life, not just for their educational outcomes but their health outcomes and all those other best outcomes that we want for our children.

Tackling health inequalities, poverty and deprivation are key areas that we need to focus on if we are to remove the barriers to equality of opportunity in education that our children face. Supporting families outside of school and providing support inside the school, through the nurture units provision that are there, and hopefully will be developed, is crucial.

To conclude, I hope that Members will support the motion and that the Minister will ensure that adequate resources are put into developing the services. We have had some very positive engagement already, and the Minister has seen at first hand some of the working in partnership with the community-based services in schools with teachers and parents. I hope that we all come together and support this motion tonight.

**Lord Morrow:** I do not think there is anyone in the House today who will oppose the motion, although we will wait and see. It seems to be a day of unity, with us all singing and dancing from the same hymn sheet. I think this follows on in that mode. I do not think anyone would oppose any steps or procedures that help our children and young people achieve their full potential, so we will certainly not divide the House on the motion.

I have no doubt that the Minister is committed to developing and expanding services. He said that in a previous debate, and it is on record, so I think we come to that position today with the Minister's blessing. I look forward to him responding to this when it is his turn to speak. It should, of course, be noted that he is on record as stating that his priority in education is

to ensure that all children and young people, whatever their circumstances or background, achieve their full potential. However, I sometimes feel that not enough emphasis is placed on the parental role. That role cannot be overemphasised, and young people and children could, in some cases, even get more support from parents. After all, children are only under the influence of educators and schools for part of the day. Parents and guardians perhaps could and should be encouraged in every way possible to do even more for their offspring.

A mainstream school, of course, is the best place for the vast majority of children and young people to achieve, but I recognise that some pupils and young people arrive with unusual circumstances and complex needs. There are many reasons why that may be the case — family circumstances, often; emotional and mental well-being; and trauma, to name but a few. It is cases such as these that require professional expertise from education authorities and other support, as stated in the motion. However, closer attention should be paid to continuing the ethos of learning in the family home or unit. I am a strong believer in that. It cannot be a matter for education services alone. Children and young people need the support, guidance and encouragement of their parents and guardians. It is essential to the overall development of the child or young person.

Many of us in the House are parents and are fully aware of the pressures, requirements, demands and commitments that that brings. Others will have known additional pressures with children and young people who have particular issues and challenges, requiring even more devotion and determined nurturing to ensure that the very best potential was achieved. That was our role, and we did it because we wanted to ensure the best outcomes for our children and young people.

The Minister is investing significant sums in partnership with other agencies — he is on record as saying that — including Sure Start, nurture provision and the Delivering Social Change early intervention programme, as well as the childcare and support programme. That is the right thing to do, as many of us are aware of the work that many of those groups do. When I was in Social Development early this year, I had the opportunity of directing £800,000 to women's centres across the Province that provide valuable childcare provision. I acknowledged that there was a gap in funding and was determined to address it, and I did.

Prior to this year, the per pupil funding rate for external alternative education provision (AEP) in Belfast has been static at £9,000 per pupil for some time. Again, I am looking at Hansard and quoting from the Minister in the past:

*"The EA has advised that the AEPs have never questioned this amount or requested higher levels of funding, since they were historically very successful in accessing funding from other sources. However, in the current financial climate, of course, this is no longer the case, as the Education Authority is aware that several previously reliable funding sources for the sector will not be able to assist them in this financial year."*

**Madam Principal Deputy Speaker:** Will the Member bring his remarks to a close, please?

**Lord Morrow:** I heard what you said, Principal Deputy Speaker, and I suspect that you are asking me to stop. There is much more I would like to and could say, but we will support the motion in principle.

**Mrs Overend:** As the Ulster Unionist education spokesperson, I am pleased to participate in the debate. I thank the Member for West Belfast for raising the issue.

All our children and young people deserve an education system that is tailored to their needs, abilities and potential. Our teachers and other education providers work very hard within the parameters and boundaries they are given to provide the best education they can for the children in their classroom, their school and the local area. However, 18 years after responsibility for education was devolved to Stormont, report after report has highlighted the problem of educational underachievement in Northern Ireland. Put simply, far too many of our young people enter the world of work without the basic skills in reading and writing needed to succeed in life. In addition, the data available on educational underachievement point, year after year, to the same socio-economic groups suffering the most, yet Minister after Minister has failed to come up with the goods to deal with that situation effectively. The Minister might say, "Until now", but we will hear what he has to say.

Catholic girls continue to outperform Protestant boys consistently and significantly, and there is wide variation in the performance of students by school type, with just over 5% of grammar school leavers failing to achieve at least five GCSEs at grades A\* to C, including English and maths; that compares with almost 60% of their

non-grammar counterparts. That means that four out of every 10 pupils attending our secondary schools leave education without what are seen as key employability qualifications. Most worrying of all is the gap in attainment for those entitled to free school meals — a proxy for poverty — with a significantly higher proportion of students with entitlement to free school meals leaving school without achieving any GCSEs at all. It is for those reasons, along with countless others, that partnership between schools and community services is fundamental to ensuring that the needs of all our young people are met.

One of the first visits I made after I was elected to this place was to a school in Belfast — it may have been in west Belfast — that had families graduating from a Families and Schools Together (FAST) programme, a programme initiated by Save the Children that brought parents into schools to help them to engage in their children's education, value its true worth and overcome any fears or problems they might have experienced in education. That, in turn, helped each child to work better at school and dedicate themselves to their education. I was totally impressed by that programme, and I know that it is duplicated by others in areas across Northern Ireland. It is certainly something that the Minister should support.

Given the parameters within which our schools are forced to operate, community services are often best placed to provide help and support to schools aimed at raising educational achievement; targeted health and support services for children, young people and families; family and parenting support; and community access to school facilities. The list goes on.

I support the motion, which calls on the Minister to:

*"ensure adequate resources are invested in developing and expanding such services."*

However, it is also extremely important that schools can commit to working more in partnership with each other to share best practice, reduce the duplication of services and ensure that the needs of the entire community are met. That can often be extremely difficult for schools to achieve. In Northern Ireland, much like the rest of the UK, schools are encouraged to be in competition, in the sense that they are measured against each other for the purposes of assessing quality and setting standards. Schools are forced to compete with each other to put children into seats, as that is how funding is allocated. In that context, there

is a difficulty in asking schools to move from competition to cooperation.

We often hear the terms "competitive collaboration" and "collaborative competition" being thrown around, but, ultimately, it is very difficult for schools truly to collaborate when they operate in that way. Perhaps we could look at having a wider conversation in the future, and I am interested in hearing the Minister's thoughts on that.

**Madam Principal Deputy Speaker:** Will the Member bring her remarks to a close?

**6.00 pm**

**Mrs Overend:** Unless the Minister is able or, more importantly, willing to tackle the high level of division and segregation in our education system, I fear that we will be unable to tackle any of these issues in a concrete way. I support the motion.

**Mr Mullan:** I begin by unashamedly suggesting that partnership working between schools and community services is invaluable in our children's education. Such links create immeasurable benefits for schoolchildren right across Northern Ireland, and I applaud the work of teachers and youth workers in creating and growing these links. The benefits to children that automatically flow from such endeavours are twofold: there is the obvious educational benefit, with services and programmes offered by community services that enhance learning in the classroom; and there are the social benefits to children who are involved in youth services from socialising with other children, often in a cross-community environment, and from learning key life skills through those services.

Jennifer McCann mentioned the wonderful work being carried out by the West Belfast Partnership Board, so I will not say anything further on that. It would, however, be very remiss of me not to mention a multimillion pound project currently in the pipeline in my East Derry constituency. I am sure that the Minister is aware of it. Limavady High School and St Mary's High School have taken the very brave step of joining together becoming connected by means of a unity bridge. I have no doubt that it will prove to be one of the finest examples of shared education in this country.

There can and will be progress and improvement in these networks of educational organisations and institutions across a whole range of areas, which it is impossible even to imagine any single organisation achieving on its

own. The link between extracurricular involvement and academic success is heavily apparent. I encourage putting any resources that we can into growing and improving these links, particularly those that ensure that all of our children have equal opportunity and equal access to these services. It is vital that youth services across the North are expanded to increase the opportunity for children in all our schools.

Research shows that there can be many barriers to pupils realising their full potential and achieving what they deserve educationally: their gender; community background; whether they are in care; whether they are a member of the Travelling community; or even changing school mid-year can have a detrimental effect on education and put children a step behind their peers before they even enter the classroom. The opportunities afforded to these children through community-based partnerships can be literally life-changing. They can mean the difference in students achieving GCSEs and whether or not a pupil reaches university, if they so desire. We have a duty and responsibility to ensure that all our children can avail themselves of these opportunities, so it is incredibly important that the Minister adequately resources and funds these programmes.

With such vital resources, it is imperative that proper measures and transparent protocols are in place to ensure that all bids for resources and investment opportunities are open and available to all community services in order to ensure that adequate and appropriate funding is awarded fairly and equally across Northern Ireland.

I welcome the motion and look forward to the delivery and enhancement of community services. It is important that we diversify the educational experience of our children. We must realise that learning is about more than the lessons learned in the classroom; it includes the social interactions, life skills and practical learnings that our community services can offer. With the increased integration of pupils with special educational needs (SEN) into mainstream schools, large proportions of children receiving free school meals and a substantial regional imbalance in educational outcomes and percentage of school-leavers achieving GCSEs, investment in community partnerships and educational programmes could transform our educational sector. We owe it to the current pupils in schools, and future generations, to protect and enhance the educational opportunities available to them.

**Mr Lyttle:** I welcome the opportunity to speak on this motion, to join colleagues in recognising

the value of partnership working between schools and the community sector and the role that this plays in increasing educational achievement, and to support the calls that are being made on the Education Minister to adequately resource and develop expansion for these services.

I pay tribute to our schools and the community sector involved in education across Northern Ireland. They are playing a vital role in the development of our children and young people, at times within extremely constrained resources. I am sure they will welcome the additional £13 million that has been allocated today for minor works and the provision of equipment in their settings.

Nelson Mandela said that education is the most powerful weapon to change the world and that it is an engine room of personal development. I wholeheartedly agree with those sentiments and, indeed, with the well-known sentiment that it takes a village to raise a child. That goes to the heart of what is in the motion, and Alliance would have a vision of a fully integrated, world-class education system that supports equal opportunity for every person to fulfil their full potential.

We believe that it is fundamentally flawed to separate our education system on the basis of religion and, indeed, to have two unregulated tests to transfer young people in year 7 from a common curriculum to a common curriculum in years 8, 9 and 10. I welcome the inquiry that the Education Committee will undertake into educational achievement and post-primary transfer.

We believe that early years investment is vital to improve our education system. It is vital to have high-quality, accessible childcare and family support services that will be provided by our community and voluntary sector, at times in cooperation with local schools. We also believe that children with disabilities deserve equal opportunity in the provision of education.

It is vital that the curriculum is provided in partnership between schools and the community sector to ensure that our children and young people have as wide a range of academic and vocational options as possible and that there is linkage into further and higher education to ensure wide-ranging career pathways. Indeed, former Minister for Employment and Learning Stephen Farry set as a priority that there is parity of esteem for vocational pathways such as apprenticeships. I welcome the recent development of the engineering apprenticeship that sees young

people, as early as 16, being able to enter into that engineering pathway as a result of good work done by the Institution of Civil Engineers. It is also vital that there are partnership approaches to ensure entrepreneurship and business skills education in our schools and, indeed, that computer programming skills are developed.

There is sound evidence for positive outcomes being achieved by the partnerships approach, and I welcome the comments that have been made about the West Belfast Partnership Board and the increase in attainment that it has achieved as a result of the partnership work in that area. That has indeed been recognised by DCU and the Centre for Evaluation, Quality and Inspection.

There is increasing agreement that strong links between schools and communities will serve to improve educational outcomes in their area. Therefore, I am delighted to be involved in work with the EastSide Partnership, established to provide a strategic direction for cooperation between schools, the community and the business sector in east Belfast.

We have produced the EastSide Learning framework to run from 2015 to 2025, with five priority areas, which are raising aspiration; encouraging working in partnership, looking at whole-school and full-service models; early years development; valuing all —

**Madam Principal Deputy Speaker:** Will the Member bring his remarks to a close?

**Mr Lyttle:** — educational pathways; and supporting sound area-based planning in our constituency.

**Ms Lockhart:** I support the motion. Schools very much remain a focal point in our community, and there is no doubt that they continue to be the heartbeat of our towns and villages. Traditionally, schools and educational establishments have been about one thing, and that has been educational achievement. Obviously, that is an important part of their overall objective. However, I believe that there is much more to schools and the role that they can play in the communities that they service. Community use of schools and community services connectivity is an area that I feel very passionate about, and there is no doubt that there is a further need to weave that type of connectivity into our overall educational policies and improve our linkages with the Department for Communities, as Lord Morrow said earlier.

We all know that there is a need to move away from duplication of services. I am therefore very supportive of partnership working with councils, sports clubs, health services, youth initiatives and one of the fundamental link-ups that we have heard about in the Chamber, which is the business community. For too long, government has had silo working, and I am very much of the belief that the reshaping of our government gives us a real opportunity to rethink how we do things and how we get the best out of our schools. The quotation that jumps out at me is:

*"If you always do what you've always done, you'll always get what you've always got".*

I feel that in this mandate there is a real desire to deliver. I therefore welcome the spirit of the motion today.

There is no doubt that we need real-world learning. The way in which to deliver that is to further integrate our schools into the community services that exist around them. That means making schools very much hubs not just for learning but for social interaction and lifelong learning. For example, in my constituency of Upper Bann, I speak to local businesses. I had a meeting with Moy Park recently at which I was told, "We cannot get the skills". There needs to be greater connectivity, and I know that the Education Minister, along with the Economy Minister, is very sympathetic to having a greater link-up between educational establishments, careers advisers and the business community, because, ultimately, we need to shape young people to suit the needs of our business community in the coming years.

There also needs to be better link-up around sports activities and sports clubs using our school facilities so as to avoid duplication. Again in my constituency, a great initiative has started where Glenavon Football Club is using the local Lurgan Junior High School as part of the training ground for its academy. That is a really practical way of opening up our schools to the community.

I have no doubt that school links in the community will improve educational achievement. I spoke to an educationalist recently, and he said that 30% of children's education is academic, while the rest is learning from their parents and from the community and businesses around them. I am therefore very supportive of that need for greater links.

Community service will allow for real-life application of learning. It will increase self-esteem, self-awareness and civic awareness

for the children involved. The children and young people involved in community work can often obtain skills such as problem-solving. It can also better equip students for the world of work and make them more attractive to employers. It provides great networking options, and I have no doubt that it will bring learning beyond the classroom.

In summary, I am very supportive of schools entering into their community. I look at my own area, and I think that it is absolutely vital that the connectivity and the link up between schools and the community happens so that educational achievement can be enhanced through learning in the real world.

**6.15 pm**

**Mr McElduff (The Chairperson of the Committee for Education):** Principal Deputy Speaker, I know that this debate has been on a subject close to your heart as a former Education Minister who initiated many community school partnership-type programmes under your stewardship. In my role as Committee Chair, I want to say at the outset that the Committee does not yet have a formal position on the issues covered by the motion, but the debate has rightly focused, to some degree, on the achievements of existing partnership arrangements in a number of constituencies.

It is very positive to hear Members speak in such positive terms about initiatives and programmes in their constituencies. Jennifer McCann tabled the motion and spoke first, and I commend Jennifer for her commitment and her passion as a constituency MLA for West Belfast. Evidently, she is very proud of the achievements in her constituency, understandably and justifiably so, because, in an area of social deprivation, attainment levels are being raised in a very organised fashion and in a fashion that is very well supported by the local community. These achievements have attracted international attention. I know that Catherine Seeley intends to make that point.

Some weeks ago, the transferor representatives were present at the Education Committee. I thought that it was very positive that Chris Lyttle made reference to the EastSide Learning partnership and that there was a great appetite on the part of the transferors to look at the best-practice model coming out of west Belfast and support its application. In fairness to the Minister, in his time as a member of the Committee and as its Chair, he also showed a strong interest in the

positive messages coming out of the West Belfast Partnership model.

Projects like extended schools and full-service schools have focused on key issues such as improving attendance. Attendance is a significant problem for non-selective schools, and all post-primaries with 90% or worse attendance are non-selective schools, often serving deprived areas. I think that that is why partnership working is absolutely essential. If it is achieving results in one area, it is right and proper for other areas to borrow and learn from this type of best practice.

A key Department of Education message in the last mandate and in the current mandate was and is the importance of family engagement in learning and education. The Member for Fermanagh and South Tyrone Maurice Morrow made reference to the key role of parents, and he always emphasises that.

The Achieving Derry programme is a long-term sustained intervention to improve standards in schools by improved partnership between schools and voluntary and statutory bodies, including, for example, health bodies. Last week, I visited Sacred Heart College in Omagh informally, and I was very pleased to learn of the excellent work that is taking place there by staff who are domiciled or resident inside Sacred Heart College and who go out and about, interacting with the Sure Start programme and also working in neighbourhood renewal areas where the Sure Start programme does not reach. I think that really good work is taking place in Sacred Heart College in Omagh, and people like Mrs Marion Bradley and Mr Paddy McMahon, the youth tutors and mentors, are doing great work in a partnership way, out and about in the community. I want to emphasise that the Strule shared education campus in my constituency offers a unique and iconic opportunity to test out some of these projects. I will leave it at that.

**Mrs Barton:** The purpose of developing partnerships between schools and any organisation or service is always to improve outcomes for our young people through the synergic planning of our education services. The motion is one that I support wholeheartedly. I ask that the Minister pays particular attention to partnerships between schools and allied professionals in the health and social care sector. No longer can our education and health services work in silos. Young people must be given the joint support and opportunities that they need to achieve their educational goals and reach their full potential. Without good health and well-being,

it is impossible for anyone, including our children and young people, to achieve their potential educationally. Whether it is eyesight tests being carried out by community nurses, dental services being made available in schools or the assessment of a child's psychological or social needs, the earlier that issues can be identified and worked on, the better it is for the child. Addressing health and social care needs equips children to make the most of their opportunities.

It is vital that educational psychologists, whether associated with education services or health services, are allowed to facilitate support for a child at as early an age as possible. In many cases, pupils are not referred for this kind of help until the end of Key Stage 1, even though they have presented earlier, whether for behavioural reasons or for other special educational needs. At that stage, it is often too late to minimise the impact on their education. I know that parents and teachers would welcome assessment earlier because, the earlier that support mechanisms can be put in place, the more pupils will enjoy and engage in their education. Teachers are dedicated, trained and committed professionals. However, they are not healthcare experts, particularly in mental health issues. While teachers can sometimes identify concerns in relation to a pupil's mental welfare, they must be supported in finding help for the pupils under their care to ensure that every child's needs are met. Working in partnership with an organisation such as the NSPCC would provide support in relation to teachers' concerns and could be available through a school counselling service one or more days per week.

It is our duty to make sure that, through partnership, we do everything to help our children achieve optimum results. Working in partnerships brings to bear the expertise of all kinds of professions in ensuring that our children have the best possible start in life. A school environment is a great one in which to compare a child's health and development, neither of which can be taken in isolation. Developing and expanding those partnerships will help contribute to the delivery of top-quality services. It would also give great comfort to parents and guardians who will know that their children have the support and guidance of people in a system who can look after their education and health needs from a number of perspectives.

In addition to partnerships with health and social care services that directly affect the health and well-being of our young people, there are partnerships that can have similar

benefits such as sports and recreational and other extracurricular activities. By partnering with community services that specialise in those areas, schools and communities can ensure that all our young people, from preschool to sixth form, have a well-rounded educational experience and an opportunity to excel. While it is essential that adequate resources are put in place to develop and expand partnerships and services, adequate resources must also be in place.

**Madam Principal Deputy Speaker:** Will the Member bring her remarks to a close?

**Mrs Barton:** Yes. Partnerships must be analysed and assessed by specialists.

**Madam Principal Deputy Speaker:** The Member's time is up.

**Mrs Barton:** I have great pleasure in supporting the motion.

**Mr Weir (The Minister of Education):** I thank the Members who tabled the motion and all those who spoke in the debate. In case there is any doubt, I am happy to support the motion.

There has been a broad level of consensus. It has been a fairly wide-ranging debate, as is sometimes the case in education. The broad tone is to be welcomed, and we have had consensus around the Chamber. To take Mr Mullan's point, we almost have a bridge between the parties and maybe even between Government and Opposition. The only brief nightmare moment was when the Chair of the Committee indicated that he had "informally" got into school. I have nightmare visions of Barry McElduff disappearing into Sacred Heart College in a school uniform. He is maybe about the right size if not the right age for the post. That is about as acrimonious as it got.

The last contributor, Rosemary Barton, made a valid point on partnerships when she talked about outcomes. There is a wide range of partnerships, and I will try to touch on some of them. However, we all need to focus on the end point, which is the outcomes that are produced for children. In many ways, therefore, partnerships are very valuable, but, in and of themselves, they are a means to an end. As the proposer of the motion said, it is about ensuring that all our young children, regardless of where they come from or what their background is, unlock their full potential. That is important.

For the vast majority of young people, the essential involvement is in a mainstream school learning with their peers because there is a need for socialisation, where they have access to the full curriculum and personal development opportunities that all our schools can provide. As with other things, schools do not and cannot act in isolation. At times, pupils come with a range of needs because of their backgrounds. Some of those needs will be physical, and some will be emotional and mental health problems due to issues that they face. Community support can be extremely useful in all circumstances, but, for young people who have challenges in their life, it can be of particular importance.

Many schools have recognised the benefits of collaboration, whether that is between schools, within a sector, between sectors, between the community and business or between other groups. That is vital. When you get that cooperation, it can contribute to pupils leading happier, healthier and more productive lives.

Education other than at school (EOTAS) services, which support students with more complex needs, was not touched on. Older children can be involved in EOTAS placements. That can be a valuable bridge because it can also involve community-based EOTAS, which providers can use to increase capacity and the overall flexibility of the services provided.

Crucially, a range of interventions can be made, and there is a key role for the community in that. Mention was made, particularly by the proposer, of nurture groups. The pilot programme was evaluated recently by Queen's University. I am committed to continuing to fund the 32 nurture groups, and, hopefully, that can be widened. Those groups have played a vital role, but it is not just about the impact that they have on individuals; they can have a strong impact on the whole school. Again, with nurture groups, it is not simply about what happens in a school; it is about wider community involvement.

Indeed, a number of Members who spoke, including the Chair and Lord Morrow, mentioned that there is also a key role for parents in nurture groups, insofar as they can help with some of the strategies. Nurture groups have also been able to build better links between families and community and voluntary groups. We also know that, when a community becomes involved with and supports local preschool, school and youth organisations, that can have a huge impact on the outcomes of the children in that community. Therefore, I encourage all communities to support their

education and youth providers, and I encourage parents to become involved in their children's education. As the proposer, Lord Morrow and others said, that degree of parental involvement creates a culture of learning and a culture that values education, which is critical to have in the facilities and extends into lifelong learning.

### 6.30 pm

The Department will foster collaboration between schools through area learning communities, and it will encourage parental involvement. A wide range of support is given, be it through preschool education, the entitlement framework, extended-schools money, the full-service partner programmes that were mentioned, youth programmes, or guidance. When looking at underachievement, a lot of the focus is also on early intervention: Sure Start, nurture provision, the early intervention programme through Delivering Social Change; childcare; and other targeted support. This year, for example, about £10 million has been made available through the extended-schools programme to service some of our most disadvantaged communities, and two full-service programmes are being piloted in north and west Belfast. The evaluation of those programmes has highlighted a wide range of benefits.

This follows on from our debate on the community contribution and, indeed, the wider contribution in west Belfast. Two of the organisations mentioned in that debate, the West Belfast Partnership Board and the Greater Shankill Partnership Board, provide wraparound services that have had considerable success. Such interventions are wide-ranging. Yesterday, I had the opportunity to visit St Paul's Primary School, which is off the Falls Road. I saw a number of aspects, but one of the key things was seeing where there had been work between local business and the school to provide additional facilities. The school has an interactive wall, which takes interactive whiteboards to the next level. As somebody who is a little bit of a technophobe, I had to get the pupils to show me how it worked, but it was a very good example of the level of cooperation that is happening in our schools.

Mrs Overend referred to the collaboration between schools. In my experience, schools will, to a certain extent, compete for children, and some schools are more aggressive than others. However, it is very heartening to find that there is some shared responsibility. We have seen good sharing between schools, and that is developing and moving to a further level. That needs to continue not simply between

schools in a particular area or schools in a particular sector but between schools in different sectors. That will be critical.

I want to turn to a few other points. Rosemary Barton made a very valuable point about allied health professionals. The Special Educational Needs and Disability Act that went through in the latter stages of the last mandate will be backed up by regulations, and there is also the Children's Services Co-operation Act. It is vital, and I think that this is accepted, that all statutory assessments are done as quickly as possible and that there is more collaboration. Work between the Department of Education and the Department of Health is ongoing. That has been happening for some time, but it has been a little bit piecemeal until now, and it is an important driver.

I will touch on a few other aspects that came up in the debate. The proposer and Ms Lockhart mentioned sporting facilities. It struck me, and I think that this is very important, that, if you embed a school in a community, the opportunity for the school's sporting facilities to be used in the evenings is vital.

Another thing struck me during my travels around schools. Look at the school enhancement programmes (SEPs), particularly those that focus on sports facilities or have led to new developments within schools. If you go back a number of years, there was a mindset that schools — it was apparent even in their design — were like some sort of castles with their drawbridges up. That mentality has changed, and when I see new builds or school enhancement programmes, it is very noticeable that thought is given — it runs as a constant — to how facilities can be developed so that they are not used solely by the school but can have a wider community usage. It might be a case of having different gates, different access points or whatever, but a wide range of things are being done. When it comes to delivery, I would praise the work of the women's centres; Lord Morrow mentioned that. They have delivered on a range of activities, and I welcome the decision that he took in relation to that.

Carla Lockhart and Chris Lyttle mentioned the critical importance of vocational routes as we move ahead in tackling underachievement, and that is undoubtedly the case. There will be an opportunity during this Assembly mandate to look at the curriculum. It is vital that, while protecting people's academic chances, we focus on how we can increase vocational pathways.

Mrs Overend referred to the FAST programme, and I highlight again that that is something that is made available through extended-schools funding. It operates in Twinbrook in Holy Evangelists' Primary School, and it is a good example of that funding.

I see that time is marching on. Carla Lockhart highlighted very clearly that there is also a need to ensure that there are strong linkages between schools and the business community. I know that there is an appetite in the business community for that.

As partners, much has been done, but there is much more to be done. The motion mentions support for expanding services, and I am very happy to give as much support as I can. When it comes to the Budget for 2017-18, I hope that the Members opposite can have some influence on the Finance Minister. I know that he is always very keen to be as accommodating as possible. The Budget is yet to be agreed, and I anticipate that we are still going to have a challenging Budget. I will always be arguing for additional funds for education, but this is where there are opportunities as well as challenges. At times when we are facing a level of austerity, it is important that with whatever investment is there, whether it is in education or any other area, we get the maximum return for our investment and help turn the curve, as the saying goes, for so many children, families and communities.

While the constraints of budget, particularly in terms of extension, can be a major challenge and there will be a certain level of restraint, partnership working affords us with an opportunity to have new ways of looking at things. Sometimes, that is not simply about better delivery but about more efficient delivery.

**Mrs Overend:** I thank the Minister for giving way. Does he agree that it is important that partnerships with communities and community groups can only truly be successful if there is complete transparency with regard to funding and safeguarding our children?

**Mr Weir:** Obviously, safeguarding is a sine qua non in that regard, and it permeates everything. In community development, particularly if we are looking to tackle educational underachievement, there are schemes that are brought from the grass roots up, such as those in west Belfast and on the Shankill. At times, there were attempts at government intervention years ago, which, because they were imposed down, did not take root in the community. However, where there is community buy-in, that is particularly important.

I am particularly committed to ensuring that we get that investment in early intervention, and a number of schemes have been put in place. The evidence that is being drawn from that will be critical as we move ahead. If we are looking to turn the curve and trying to make that particular intervention for many families, the status quo is not an option. Going forward, we need to look at things differently and use the data and evidence more effectively to prioritise investment.

I am committed to doing as much as I can, and I will also take on board all that has been said in this debate. All of us have a role to play in enhancing educational achievement, whether it is those of us in the Chamber or those of us in schools or community partnerships.

There can be positive links and this can be a win-win for everyone, so I am very happy to support the motion.

**Ms Seeley:** I welcome the positive comments from right across the Chamber and the cross-party support that the motion has received. I thank my party colleague for tabling it. I thank the Minister for being here with us this evening. I have to concur with his remarks about the height of my party colleague Barry McElduff.

On a more serious note, it is great to hear not only his support but a number of positive comments that inspire confidence, in particular those about the ongoing work on assessments, and the cross-departmental work with the Department of Health on that.

I commend the efforts of the West Belfast Partnership Board, which is one of the reasons why we are debating this motion. My colleague Jennifer McCann is immensely proud of what has been achieved, and rightly so, when she was quoting figures such as 11.4% and 12.7% in GCSE A\* to C attainment, including English and maths. She noted, and I concur, that schools are only part of a child's education. We need to educate our children for life, and I do not think that we can do that within the confines of the formal school setting.

I, too, have been impressed by what has been achieved in West Belfast, so much so that I recently tabled a question to the Education Minister to ask that he consider funding a similar project in my constituency of Upper Bann. I look forward to his response. I am sure that it will be very positive, as all his responses have been.

The face of education has transformed in recent years. I commend my party colleague John

O'Dowd for responding to societal changes and how that has impacted on how we deliver education. Differentiation, the entitlement framework, increased access to vocational subjects, and the extended-schools programme are all a testament to that. I am confident that the current Education Minister will continue in that vein.

In spite of all of that and the sterling efforts of our dedicated and committed teachers, increased class sizes in an era of Tory austerity, red tape and admin demands have undoubtedly impacted most on those children from socially deprived backgrounds. They are the very children who need education the most in order to break out of the cycle of poverty and deprivation, particularly children on free school meals, as the Member from Mid Ulster mentioned.

Active learning has played a pivotal role in transforming the classroom environment. However, a classroom environment is not conducive to all. Children have different learning styles. Although many of those can be catered for within the school day, some children require additional and targeted support to reach their potential. We owe it to those children to explore opportunities for them outside the formal classroom setting.

To further that, as was stated by my party colleague, the 'School Inspection in a Polycentric Context' report in our packs — I thank the Research and Information Service for those packs — notes that some educationalists have concluded that, alone, our education system can do only so much to tackle underachievement. That has influenced the notion that schools may not be able to improve further when working in isolation. As such, the idea of linking schools with other stakeholders and networks has become more prevalent, further signalling that we need to move towards having a more joined-up approach if we are to support and motivate children and young people to achieve their full potential.

It is therefore vital that we come together to ensure that those children requiring extra support and encouragement to achieve receive it and that students at risk of low attainment or underachievement secure intervention in a timely and appropriate manner. An example of that working is in the report published by the Minister of Health today: partnership in education and health helping to raise attainment for looked-after children by achieving in Key Stage 1 at level 2 or above a 7.5% increase in English and a 7% increase in maths.

Intervention, as mentioned by Rosemary Barton, a past teacher who has first-hand experience of the classroom, works best when it is done early and when a multi-agency approach takes place outside the formal classroom setting. I, too, have witnessed this as a teacher.

#### 6.45 pm

The West Belfast Partnership has demonstrated what can be achieved when there is a coming together of minds. Any failure to replicate such a high level of success would be unforgivable. However, I am aware that the Minister has targeted resource and investment to advance this, though, at this stage, only in the Belfast area. I will do all in my power to persuade the Minister to deliver programmes similar to this across the North, particularly to my constituency of Upper Bann, where I believe they would be hugely impactful.

Many local authorities and schools are already exploring partnerships. Often, school principals and their staff are well ahead of the game, but we need to create the framework for strong and secure partnerships with a range of organisations in order to deliver a personalised learning experience for every child and young person. This must include, as has been stated, further education colleges, youth and social workers, health professionals, voluntary sector providers and training providers, including employers, as my Upper Bann colleague noted. Indeed, the Member from Fermanagh and South Tyrone mentioned parents. I have noted the positive impact that parental engagement can have on a young person. In fact, if a parent has engaged, the child's experience of education can be totally transformed.

I am glad that the Minister specifically mentioned education other than at school (EOTAS) and the sterling work that is going on there for our children with additional needs, including behavioural problems. This kind of joined-up approach will offer children the opportunity to grow, learn and develop into fully rounded individuals, moving focus beyond academia to incorporate spiritual, physical and mental development.

As Chris Lyttle said, it takes a village to educate a child, and I am also impressed that he was the Member today who quoted Nelson Mandela. Schools should open their doors to communities and parents. Schools alone should not have to shoulder the huge responsibility for tackling underachievement. The resource in our communities is too significant to ignore, but any embracement of

this notion must receive endorsement from our Education Minister. It seems that we have achieved that endorsement today, and I encourage him therefore to replicate best practice in west Belfast and mirror it in schools across the North.

In addition, it is vital that our schools move from an era of competition to one of cooperation. Efforts around the achievement of the entitlement framework have demonstrated what can be achieved when we open our school doors to others. Sadly, this is not consistent across the North. Schools should not simply choose whether or not to open their doors to others; they should be obliged to do so.

I attended an event last week in which the Bulgarian inspectorate visited west Belfast as a result of a study commissioned by Dublin City University. They were here to learn from us. It made me feel an immense sense of pride to have educational professionals from other countries visiting the North to learn from us, though I have to say that I was not surprised. Our education system is to be envied. It has evolved over time and adapted to the modern world, and we must continue in this vein. We have huge resource in our local communities, and it would be foolish to ignore that.

I want to mention my constituency of Upper Bann. Local community organisations, businesses and activists have played a valuable role. In our primary sector, the healthy kids initiative is developing young people physically, addressing obesity and improving mental well-being in partnership with local schools right across the borough. In the secondary sector, Spark Youth Club, which received a council award in its first year and is based in Lismore Comprehensive School, offers an opportunity for children and young people aged between 11 and 18 with additional educational needs to socialise and engage in an array of extracurricular activities. Their parents are also invited to the youth club, and that gives them an opportunity to engage with other parents in similar circumstances.

In many instances, it is already happening, but it must happen in all schools and all educational providers. So that they are fully developed and impactful, we must invest in and resource these partnerships.

I thank Members for remaining this evening for the debate. I thank Members from all parties for their support. I thank the Minister for his support. I commend the motion to the House.

*Question put and agreed to.*

*Resolved:*

*That this Assembly recognises the value of partnership working between schools and community services, including the role that this can play in increasing educational achievement for pupils; and calls on the Minister of Education to ensure that adequate resources are invested in developing and expanding such services.*

*Motion made:*

*That the Assembly do now adjourn. — [Madam Principal Deputy Speaker.]*

## Adjournment

### The Future of Movilla High School

**Madam Principal Deputy Speaker:** In conjunction with the Business Committee, we have given leave to Mr Mike Nesbitt to raise the matter of the future of Movilla High School. The proposer of the topic will have 15 minutes.

**Mr Nesbitt:** I rise in an exceptionally positive mood to move the Adjournment debate. I welcome colleagues from the Strangford constituency and our near neighbour and now Education Minister, Mr Peter Weir. I look forward to what he will have to say at the conclusion of the debate, as indeed will Movilla's stakeholders as they seek certainty on the school's future. I also want to make an early declaration of interest: I have the honour and pleasure of serving as a member of the board of governors at Movilla High. I believe that there is nothing more important to our society than accepting the challenge of providing good and appropriate education for our children. Let me declare at the outset my motivation in calling for the debate. It is entirely uncontroversial. It is more a plea for information and certainty than anything else.

By happy coincidence, the debate takes place on the night Movilla High stages its annual achievement awards event, but this will be no ordinary achievement night. This year has something exceptional to celebrate: the best set of GCSE results in Movilla's history. The previous best was in 2007, when 37% of pupils in the school achieved five GCSEs at grades A\* to C. This year, however, Movilla came within an inch of 50%, and that success has echoed down the school corridors, adjusting attitudes and ambitions upwards and for the better. I hope that my Strangford MLA colleagues will join me in congratulating the pupils, the parents and wider family support groups, the school

staff, teaching and non-teaching, and the governors. In particular, I applaud the staff and parent governors for their unstinting commitment and dedication.

The GCSE results merited a full-page spread in the 'Newtownards Chronicle', and I would like to read a couple of quotations into Hansard. Under the headline, "Best GCSE Results Ever at Movilla High", the reporter began with these words:

*"A once struggling Newtownards secondary school on the turn-around has proved critics wrong with its best GCSE results ever".*

Then, the head boy, Jack Hawthorne, who aspires to a career as an army officer, was quoted as saying:

*"Movilla has been put down quite a lot in the papers, so it makes me really proud to show people what we can do. I believe that if it keeps going the way it has been, it will become a great school."*

I invite Members to reflect on those words:

*"a once struggling ... school on the turn-around".*

The head boy, an ambitious man with a life plan, celebrating personal success yet focusing not on himself but on the school, its achievements and its potential, and there is potential. After what nobody denies was a period that did not represent Movilla's finest hour, the school is improving. Movilla is indeed on the turn. There is new leadership, and I put on record my appreciation for Ian Bell, the new head teacher; the vice-principal, Simon Lemon; and indeed the entire staff, both teaching and support.

When I reported for my first board of governors meeting, what struck me was the passion being articulated for the school by the cleaning staff, who stopped me to tell me what was wrong with the school and how to fix it. People care about Movilla and are committed to its future. But you only fix with great leadership, so, again, I identify the work of Mr Bell, who has transformed Movilla in a manner I find reminiscent of how Ken Perry has transformed Dundonald High less than five miles away. Like Ken, Ian has his school's interests running through his veins.

There have been big changes at Movilla since the school was put into intervention by the Education and Training Inspectorate (ETI).

Massive strides have been taken to address key areas of weakness. It is characteristic of all involved in Movilla that there is no attempt to turn a blind eye to the problems. Issues are acknowledged and analysed, and strategies are developed to fix the problem. The ETI has endorsed the direction of travel, as witnessed by its feedback from its interim visit earlier this month. Movilla's results from August now show that the school is close to hitting Department of Education benchmarking with targets that are appropriate for our free school meal band, which stands at 53.4%.

Those standards and achievements have been accompanied by a much better community profile. Again, nobody hides the fact that the school's standing within the community had dipped significantly for a number of historical reasons. That is also being addressed actively and vigorously, with the result that the school has seen an additional 15 pupils transfer into Movilla since 18 August. There are strong indications that Movilla is becoming a much more attractive proposition for prospective parents. That is the good news.

It is not all good news. The challenges were highlighted starkly in black and white with last week's publication of 'Providing Pathways: Draft Strategic Area Plan for School Provision 2017-2020'. The draft strategy states that the core purpose of area planning is to ensure a network of sustainable schools that are the right type, the right size and are located in the right place. The six criteria are quality educational experience; stable enrolment trends; sound financial position; strong leadership and management by the board of governors and principal; accessibility; and strong links with community.

I return to praise my colleagues on the board of governors of Movilla High School because, within a couple of days of the publication of the Minister's document, the board met to analyse the implications for the school. With no hint of sentimentality or special pleading, the senior staff and governors discussed a RAG assessment of the six criteria to determine which were red, amber or green. While we believe that we have some green indicators, we also have some amber, and there is no avoiding the fact that a sensible, realistic assessment of our financial position is red. That cannot be ignored. Indeed, it is not ignored by the school, nor, we realise, can it be ignored by the Minister, not when the pathways document makes clear the number of post-primary schools that are operating in deficit and not when we also read that, by the financial year 2018-19, 97 of the current 197 post-

primary schools in Northern Ireland will be in deficit. That is 49% of all post-primary schools, and that is not a picture of a sustainable future. What we seek for Newtownards is a sustainable post-primary non-selective school.

Here is the dilemma or, to look at it another way, the challenge. We cannot ask the Minister to sustain the deficit at Movilla, but we must accept that a town the size of Newtownards must offer citizens a non-selective post-primary option within walking distance. The school has been diligent in consulting its stakeholders on options that were provided by the Education Authority, but it also consulted on an option designed by Movilla itself. That is because the board sensed that none of the options articulated by the Education Authority represented the best fit. Movilla engaged stakeholders. Of the 119 responses received by 10 May, only 4% supported any of the options provided by the EA. The remaining 96% — 114 people — proposed a variation to the EA's option 4 — now commonly referred to by us as "4B" — whereby Movilla High School would close as an entity, but the school campus would continue under the management of Bangor Academy. Pupils applying to the academy whose addresses were closer to the Newtownards site would be educated there, with the exception of those with siblings already attending the Bangor campus. A common uniform would be designed, one on which the name of the campus could be recognised; for example, the name of the whole identity could be "The Academy", with the two sites identified as the Bangor and Newtownards campuses.

Respondents expressed concern regarding the original EA option 4, which would have condemned all Newtownards children and young people who did not attend Regent House School to be bussed out of town for their education. That clearly conflicts with the pathways document's stated purpose of sustainable schools of the right type and size in the right place.

All respondents felt that the loss of non-selective post-primary education to GCSE level from the town of Newtownards was unacceptable. Movilla believes that retaining a non-selective option in Newtownards while operating as part of the current Bangor Academy would quickly make a significant positive impact on enrolment.

### 7.00 pm

Other measures offer the prospect of making the Movilla campus more attractive. I have

been working for some time with Ards Football Club to find a solution that will bring the club home to Newtownards. After a number of false starts that left the club still stranded in Bangor, we have identified that the old gravel playing fields at Movilla are a potential new home. It would be good not only for the football club and its supporters but for the school and the community. I have sensed in my soundings broad support for the proposal, which would give the pupils easy access to a 3G pitch and a smaller practice area. However, I recognise that the proposal is now in the planning process, that there may be a number of objections and that there are issues that the planners must satisfy themselves about, such as parking, noise and light pollution. I am confident that the football club has the answers, but that is for another day and another forum. In any case, while sporting facilities may help, they are not the whole answer. Those who want the best education provision for the children of Newtownards seek answers and certainty this evening about Movilla's future. On that basis, I look forward to the Minister's comments.

There is uncertainty over the future of staff. I understand that the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE) does not apply to teaching staff. However, I also believe that it would be wrong to suggest that there is a major issue, given that the children will still need to be taught and encouraged to learn and the current staff are best placed and motivated to do that. The bigger concern is what might happen if the school came under the management and control of Bangor Academy without long-term guarantees. Could it make radical decisions and reverse the direction of travel so heavily endorsed in the consultation? Specifically, can the school and the town be assured that the post-primary non-selective offer in Newtownards will continue to cover Key Stages 3 and 4 for the next 10 years at least? There is real concern that there may be an underlying ambition to turn Movilla into a junior high for 11- to 14-year-olds. The clear will of the people is for provision from 11 to 16.

In summary, the school is, rightly, celebrating its best ever GCSE results tonight, but nobody is wearing blinkers about the future. The Minister's pathway document makes clear the challenges ahead. Among them is the financial position, which is not one that Movilla can address and fix on its own. We stand ready and willing to secure imaginative and sustainable solutions. We have identified the fix: an academy with a campus in Bangor and a smaller one in Ards that allows Newtownards

schoolchildren aged 11 to 16 to walk to school, where they will find a campus staffed and resourced to offer excellence in education.

**Madam Principal Deputy Speaker:** I call Simon Hamilton, who will have up to eight minutes.

**Mr Hamilton:** My constituency colleague Miss McIlveen and I first entered public service in, I think, 2005, when we were elected to Ards Borough Council. The future and sustainability of Movilla High School has been widely debated and discussed in the intervening years. In many respects, whilst I acknowledge and thank Mr Nesbitt for securing the debate, it is a great disappointment that we have to have it at all. If we were to step back and address the House not as Members wishing to defend public service provision in our constituency, the notion that any town anywhere in Northern Ireland with a population of around 30,000 would not have a non-selective secondary school would be laughed at or thought of as ridiculous. However, here we are, as we have been for 10-plus years, debating, discussing and considering what a viable future for Movilla High School might be. A town the size of Newtownards should be able, and it is well able, to sustain a non-selective secondary school.

In many ways, when we see the investment that there has been in other new educational infrastructure, not too far away from Newtownards, it is a disgrace — particularly in the context of the closure some years ago of Scrabo High School, which was partly to help Movilla to be sustainable in the longer term — that there has not been the commensurate investment in the infrastructure in Newtownards. Whilst it is not the whole answer to the problem, by any means, it could have helped in making the school sustainable in the longer term.

Those of us who represent the Strangford constituency are all well versed and very familiar with the many problems and issues that have beset Movilla High School over the last number of years. There is the fact that it had some 440 suspensions in the 2014-15 academic year. Attendance at the school is well below the Northern Ireland average. Attainment in English is 30% below the Northern Ireland average for similar schools, and in maths, the achievement is around 25% lower than the Northern Ireland average for similar schools.

It has had many changes of leadership over the last number of years. I acknowledge the new

leadership in place and the good work that they are doing. Miss McIlveen informs me that the new deputy principal is someone who she used to teach. I am sure that has some bearing on the recent success, although she is too modest to say that herself. I am not sure how she feels about how old she is becoming given that the new deputy principal is somebody who she taught. I acknowledge and recognise the new leadership. I know Mr Bell, having been a former member of the board of governors at Movilla High School, and you would be hard-pressed to find somebody who is as committed to their school as Mr Bell.

It has had huge uncertainty, not least because of those changes in leadership. It has gone through some very well publicised controversies in recent times. They were well publicised in the media around the teacher strikes, assaults and so on, which did nothing for the reputation of the school or to attract new pupils to the school. As Mr Nesbitt mentioned, that all culminated in the school going into formal intervention in May 2014.

Over those 10 years or more, there have been many attempts — Mr Nesbitt referred to some them — to find viable solutions and ways forward for the school that would make it more sustainable in the longer term. One of the ideas that was put forward by the authorities at the time, the former South Eastern Education and Library Board (SEELB), probably in and around 2006 or 2007, was a suggestion that Donaghadee High School, which was not viable at the time, should be merged with Movilla and a new campus built. I hope that we do not look back with regret that that opportunity was not seized back in those days.

Whilst, of course, we are interested as Members who represent the Strangford constituency and the particular issues around Movilla, I do not think that we should take this problem and set it completely outside the wider education context. Yes, there are particular problems in Movilla, but it is part of a wider problem, particularly in respect of the attainment of young, Protestant, working-class boys in our education system. The Minister, I am sure, is well aware of the problems that that particular cohort of students faces and will wish, in his term in office, to come forward with some new ideas and innovative thoughts as to how those issues might be addressed.

There are glimmers of hope in the better exam results that Mr Nesbitt referred to, and that is good and encouraging. There are, of course, some examples from elsewhere. I think particularly of Ashfield Boys' High School,

where there has been a turnaround and the seemingly impossible has been achieved. Even though the situation from some perspectives may look desperate for Movilla High School, it is not completely without hope.

I am sure the Minister will remind us of his wider policy of area planning and the need for Movilla to work closely and together with other schools in the constituency. Lest those who are not from the constituency think that there are not good schools in the Strangford constituency, I say that there are many good schools in that constituency. Nendrum College, in my home town of Comber, and Glastry College in the Ards peninsula are very good schools, achieving consistently good results. There is hope and opportunity for Movilla to work in partnership with those schools or, indeed, with other schools to try to raise standards and give it some sustainability in the longer term.

We have to acknowledge, as Mr Nesbitt did, that this is an uphill struggle for Movilla High School. It has been an uphill struggle for many years. We have to acknowledge that pupils and parents are making a choice and heading in other directions outside the constituency and beyond Newtownards to have their children educated. That is a tide that is very tough and very challenging to stop, never mind put in retreat. As somebody who served on the board of governors of the school and saw the passion and dedication of the staff, I think that we all owe it to them to work hard and fight for the future of the school and to ensure that a town the size of Newtownards has a non-selective secondary school that it can be proud of.

**Mr Smith:** I thank my colleague for bringing forward the topic for debate this evening. It is an important debate about an institution that is crucial to the town of Newtownards. As Mr Hamilton said, Movilla High School has had a difficult time in recent years, with falling rolls and some difficult issues played out, unfortunately, in the media. I have to say, however, that my experience of the school has been very positive. When I was the Mayor of Ards a couple of years ago, I attended a number of events at the school, including its prize distribution evening, and I was always impressed by the efforts of the pupils and the creativity and enthusiasm of the teachers. Where else would you get a teacher using the production of a school Lambeg drum decorated with a famous Ards man who served in the SAS in the Second World War to gain children's interest in both history and music? Undoubtedly, the passion and creativity is there in the staff to engage the young people.

I have to say that the catchment area for Movilla High School is not the best set against the performance of the super output areas. A number of the areas in its catchment fall into the bottom 10% of deprived areas for education and skills in Northern Ireland — places such as Glen and Scrabo 1 and 2 — and there are other areas, such as central Ards, that are not much higher in the league table. That provides the school with undoubted challenges, but, as has been mentioned, as the only secondary school in a town of nearly 30,000 people, it needs help to grow and flourish. As Mr Nesbitt said, a new head has been appointed, and there are exciting projects in development, such as the proposal for Ards Football Club to develop a new ground on the site that could be used by the school as well. There are a number of positives.

My concern is for the school and its future and for the town, but it is also for the wider area. I recall, when I was on council, the SEELB, as it then was, produced a draft area plan for post-primary schools. It showed that the old Ards Borough Council area had a net loss of over 2,000 pupils leaving the area every morning to travel to schools in Belfast, Bangor or even the old Down District Council area. Of those, 1,700 were from the controlled sector. There is therefore a massive latent demand for secondary school provision in the area. The challenge is obviously to get people to go to the local school. The same report also projected that pupil numbers were due to rise at secondary level by over 5% in the next decade. More importantly, there is a massive growth in the requirement for sixth-form provision in the area. At the time, it was estimated at 35% growth in the controlled sector over the next decade. There is a need for provision in the town, and that has been undoubtedly proven by the Members who have spoken. The challenge, of course, is to help Movilla High School grow and attract more pupils. I hope that that journey, with the recent appointments and some of the positive news about exams, for example, has now started.

#### 7.15 pm

My colleague outlined a key option for taking this forward and ensuring that secondary provision can be secured for the town. I agree with him. It needs to be something that guarantees provision for pupils in the key stages from 11 to 16. I certainly support the school. My experience of it has been very positive. There is an ongoing need for a secondary school in the town, and I look forward to hearing what the Minister has to say

to see what actions we can put in place to support that school as it grows in the future.

**Mr Lyttle:** I welcome the opportunity to speak on the topic this evening. I offer apologies on behalf of my colleague Kellie Armstrong, the Alliance Strangford MLA, who regrets that she is unable to be here this evening. As Alliance spokesperson for education, I am glad to contribute to the debate.

Alliance has a vision for a first-class integrated education system that supports equality of opportunity for everyone to reach their potential. That includes the children and young people of Movilla High School in Newtownards. The Education Minister recently set out his priorities for area planning in 'Providing Pathways: Draft Strategic Area Plan for School Provision 2017-2020'. That should create opportunity for innovative and sustainable provision not only in Ards and the north Down area but across the whole school estate. It is, however, vital that local communities are involved in and listened to about what happens with education provision in their area. This evening has been a good opportunity for governors, elected representatives and all stakeholders involved in Movilla High School to put their views forward on the school and Newtownards.

We need proposals that are imaginative and put the needs of pupils at the centre of consideration, if the future of the school system in Northern Ireland is to be underpinned by an evidence-based plan and inclusive community consultation. The Minister himself has said:

*"the status quo is not an option." — [Official Report (Hansard), 17 October 2016, p43, col 2].*

We need to see innovative solutions in 'Providing Pathways'. The Education Authority will develop proposals to address school provision where sustainability is an issue. Alliance believes that funding should be directed to the pupil, that pupil needs must come first and that it must give children the best educational opportunities, provision and infrastructure possible. There are, I believe, six controlled post-primary schools in Ards and north Down, and Movilla High School is the only post-primary non-selective school in Newtownards. The Education Authority, therefore, has the ability to look at its existing school estate to consider an innovative way to ensure that appropriate education provision can continue in the best possible form available for children and young people in the area and in the right place, which may be across more than one campus.

Movilla High School has, as mentioned, faced challenges, but it has unique circumstances to overcome. It has a higher than average number of children in receipt of free school meals, a significant number of pupils with special educational needs and accommodation that is in need of investment and improvement. However, I join colleagues in welcoming the improvements and the progress that have been made, and I, of course, join them in congratulating everyone at Movilla High School on the best GCSE results it has had in its history. I welcome the leadership being shown by Jack Hawthorne, Mr Bell and the vice-principal, Simon Lemon, who says that the results are evidence that the changes that have been introduced are indeed bearing fruit.

It is, therefore, imperative that the Education Authority works to consider an innovative alternative solution to generate a sustainable, effective and non-selective post-primary solution that meets the needs of pupils and enables the local provision of suitable education to continue in the Newtownards area. I encourage the Minister to work with the Education Authority and all stakeholders to ensure that a proper plan for provision for children and young people in the area is put in place.

In closing, it is impossible not to note with concern a pattern of potential closures of controlled non-selective post-primary schools, and the Assembly is required and entitled to ask why that is occurring and to look for solutions. I welcome the fact that the Education Committee is undertaking an inquiry into educational underachievement, with a look at post-primary transfer as well. Hopefully, we will be able to make a mature contribution to some of these issues.

**Mr Weir (The Minister of Education):** I will be commenting on various things, but one thing I probably will not comment on, as a Bangor supporter, is the future of Ards Football Club.

I do not agree with everything that Mr Lyttle says, but I will pick up on one point: our principal focus should always be on the pupil and on providing that pupil with high-quality access to high-quality education.

Last week saw the launch of the Education Authority's (EA) draft strategic area plan, and it is out for consultation. While I have commented on it, the pedant in me will say that it is neither mine nor the Department's, it is the Education Authority's plan, so just to correct that. As I said in my statement to the Assembly, the document that has been

produced highlights, for the first time, the strategic issues facing our education system in the primary, post-primary and special education sectors. I clearly stated the importance of helping communities understand the high-level issues that need to be addressed so that they can contribute to the solutions that are needed. The document listed the special schools but did not refer to any particular school. I would encourage everyone in the community, and elected representatives and schools, to contribute to the consultation during the discussion on the draft area plan and when more localised plans come forward. I want people in the community to have information on the context and know that area solutions are required if we are going to ensure that all pupils have access to equality of education and fulfil their potential. It is about looking at what is best for the overall area and what is best for the pupil.

It is therefore a little bit regrettable that just one week later we get a spotlight from one Member on a single school rather than focusing on the wider issues and outcomes that need to be addressed. Mr Nesbitt talked about wanting to get certainty tonight. Mr Nesbitt is either showing a lack of knowledge of the process or is, alternatively, being a little bit mischievous. He mentioned a range of options for Movilla, whether that is closure, any of the four options of the EA, the 4B option, or indeed any option. He should know full well that if any of those options come forward, that would be a development proposal and, as Minister for Education, I would have to give a legal ruling on it. Therefore, I cannot be drawn into comment on any individual school which could be perceived as predetermining any future decision. I am a little bit disappointed that the Member does not know that.

It is clear that the provision of education at Movilla, particularly for its pupils, is an important issue, because of the impact on individual pupils. But, focusing on a single school can be counterproductive. It can highlight and heighten the concerns of parents, pupils, teachers and the wider community. It can unintentionally focus on what is negative about a school to the exclusion of what is being achieved, often in very difficult and challenging circumstances. The Member has highlighted a number of the issues that the school is facing. I welcome the improvement in its results, but it has also been acknowledged in the debate that it is a school that is in formal intervention; it has a projected deficit over £1 million, which has been highlighted; and it has had a problem with enrolment.

Setting that aside, and looking at the wider context, it is incumbent on the board of governors of every school to ensure that it is effectively managed. The first duty is to ensure that pupils receive a quality education. I want boards of governors and principals, of whatever school, to examine critically the sustainability issues facing their school and how they can be tackled to benefit pupils. Every school should work with the managing authority to ensure that sustainability issues are proactively addressed.

I now return to the situation in Newtownards. Philip Smith highlighted the fact that, in Newtownards, with a population of 28,000 to 29,000 people, there is clearly an issue about the post-primary provision to meet the needs of young people in the town, but let us put it in context: Newtownards is larger than Newry City, Coleraine, Antrim, Omagh, Banbridge or Armagh. It is inconceivable that the town does not require and cannot support a good school. As indicated in the catchment area, enough pupils reside in the local area to support a large and vibrant controlled post-primary school, yet, every day in Newtownards, young people leave the town to attend other controlled post-primary schools in Comber, Bangor, Dundonald and, indeed, parts of Down.

It is a perfect example of why we need strategic planning rather than focusing in on individual schools, and why we need sustainable schools serving pupils well. When we look at that, it is important to ensure that, whatever schools we have, particularly at post-primary level in years 8 to 12, provide a sufficiently broad and balanced curriculum.

I want local communities and elected representatives to engage in meaningful and mature debate about what is best for our young people to equip them for further education, training, work and life in the 21st century. I want them to let their views be known, and I reiterate that I urge everyone to engage actively in the Education Authority consultation on the draft area plan to help to shape future education provision in the best interests of all young people. When we reach the point at which there is a finalised area plan and we move towards more localised detailed plans, I want people to engage with that.

The process cannot be about sectors, managing and planning authorities or even Departments. Ultimately, it has to be about young people and their needs. I want our young people to have a first-class education system that develops their knowledge and skills and draws out their talents. If we are to achieve the Programme for Government outcome:

*“to give our children and young people the best start in life”,*

we need to take these steps in a strategic manner. The key point is that we need to ensure that schools are serving our children and young people.

*Adjourned at 7.28 pm.*

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