



# Official Report (Hansard)

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Dodds, Mrs Diane (Upper Bann)  
Dolan, Ms Jemma (Fermanagh and South Tyrone)  
Dunne, Gordon (North Down)  
Durkan, Mark (Foyle)  
Easton, Alex (North Down)  
Ennis, Ms Sinéad (South Down)  
Flynn, Ms Órlaithí (West Belfast)  
Foster, Mrs Arlene (Fermanagh and South Tyrone)  
Frew, Paul (North Antrim)  
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Sugden, Ms Claire (East Londonderry)  
Swann, Robin (North Antrim)  
Weir, Peter (Strangford)  
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# Northern Ireland Assembly

Tuesday 26 May 2020

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

*Members observed two minutes' silence.*

## Assembly Business

### New Assembly Member: Ms Cara Hunter

**Mr Principal Deputy Speaker:** The Speaker has been informed by the Chief Electoral Officer that Ms Cara Hunter has been returned as a Member of the Assembly for the East Londonderry constituency to fill the vacancy resulting from the death of Mr John Dallat. Ms Hunter signed the Roll of Membership in the presence of the Clerk to the Assembly and me and entered her designation on 19 May. Ms Hunter has now taken her seat as a Member of the Assembly. I formally welcome her to the Assembly, and I wish her every success.

## Matter of the Day

### Troubles Victims: Pension

**Mr Principal Deputy Speaker:** Mr Jim Allister has given notice that he wishes to make a statement, which fulfils the criteria set out in Standing Order 24, on the failure to deliver a pension for victims of the Troubles. If other Members wish to be called, they should do so by rising in their places and continuing to do so. All Members who are called will have up to three minutes to speak on this subject. I remind Members that, during this period, I cannot take any points of order on this or any other matter until the item of business has been disposed.

**Mr Allister:** I am grateful, Mr Principal Deputy Speaker, for the opportunity to raise this issue. In the week when the leader of Sinn Féin told the innocent victims of the IRA that the actions of the organisation that made them victims were justified, all victims received the kick in the teeth that the pension that they had been long promised was not going to be delivered as promised. That is an appalling failure of Government. To think that those who lost the most in the horrendous Troubles are simply to be cast aside and told that what they were

promised by Government is not now at this point to be delivered is truly shocking. The reason for that is equally shocking. It is that it appears, we are told, that there is not agreement on the funding of that vital pension. I simply have this observation: why was the leverage of the opportunity of the New Decade, New Approach (NDNA) negotiations squandered? It was an opportunity to put the issue to bed. Why was the assurance not obtained that there would be funding, wherever it came from? That was the time to deliver. The victims were let down in those negotiations. Now, we are in the woeful situation that if the Executive are to negotiate with the Exchequer on the funding of the pension, the man who will go to negotiate — the Finance Minister — is a past member of the very organisation that made so many of the victims. A man who cannot even do his duty by the Quinn family will now, it seems, be asked to take forward proceedings with the Exchequer. What hope is there?

I have to ask the First Minister, Mrs Foster, what is the point in being First Minister if you cannot even deliver in this most demanding of situations? If you cannot deliver for the innocent victims of terrorism, what is the point in being First Minister? We are told that it is about finance. I wonder? I suspect that there is a party in the Executive dragging its feet on the issue, because it does not accept that the pension should be only for those who were innocent and who did not cause their own harm. Is that the real reason why there has been delay and failure to take this forward and failure to designate a Department? I suspect that it is. However, one thing is clear: the innocent victims — just as they have been in the definition of "victim" — have been let down again. It is an appalling indictment of Government.

**Mrs D Kelly:** I share the concerns about the failure to put in place the structures to allow victims' pensions to be paid. Victims have campaigned long and hard for many years, and, time after time, they have been disappointed. It is over three weeks since I tabled a question for written answer to the First Minister and the

deputy First Minister to ask for a progress report. Can it be confirmed that there is a heading in the Budget to allow money, should it become available, to be paid over the coming months?

It is about more than just money. There were structures to put in place. I would like to hear, from the First Minister and the deputy First Minister, what progress has been made on those issues. What correspondence have they had, and what meetings have they held, with the Victims' Commissioner, with those who campaigned, and with those whose lives have not changed since the day and hour that they were injured: the people who continue to struggle through the daily grind of life, suffering pain and trauma and loss?

**Mr Frew:** This is a very worrying time for victims; for those who suffered throughout the Troubles and for those who are suffering even in this relatively peaceful time because of their injuries and, in most cases, because of their loss. The pension, when it was announced, was a massive step forward for innocent victims. I urge the Secretary of State to stand by the legislation that was passed at Westminster to fund the pension. It is terrible that those deserving people are being let down again. I urge the Government to release the funding.

The Northern Ireland Civil Service should administer the pension, but, surely, the scheme should be funded from Westminster, as that is where the legislation was passed. Of course, innocent victims go right across the United Kingdom and the British Isles. The pension criteria apply to those who were injured through no fault of their own, and the pension was to be backdated to 23 December 2014. The legislation was in place long before the New Decade, New Approach deal, and those victims who are suffering were suffering during the years of direct rule. There is no doubt in my mind that the pensions must be administered and that the victims who have lost and have been hurt deserve this. Let us face it, for all that it is, the pension will never ever recoup the loss that they have felt.

It must be mentioned that there is a party opposite that was the political wing of the IRA, which caused so many of those victims. To hear its members speak in the media and demand that the British Government pay for their evil and for the cause, harm and pain that they dealt out to those innocent victims, is quite galling.

**Mr G Kelly:** I am sorry that I am late and apologies for not hearing the beginning of this.

Sinn Féin's position has been for a very long time that there is a wide range of people — I agree with Paul Frew, and he is the only Member that I have heard, so forgive me for that — in the victims and survivors' community, right across the board, and they deserve this payment. I also agree with him that the pension will not compensate them for the suffering that they have gone through — not only the deaths and the injuries that were caused, and that were caused to their families and to their extended families into another generation — but it is some acknowledgement of what they deserve. It is an acknowledgement from society that there was a conflict and that people were badly injured and continue to suffer over a long period of time. It is well past the time that they got the pension.

The pension has been agreed. I disagree with where the British Government have brought it to, in the same way that I disagree that they have not moved the Stormont House Agreement forward, because we are dealing with the pension, but we are also dealing with the wide-ranging issue of the community of victims and survivors who have suffered so much over that long period of time. To try to define it — or redefine it, as they are, of course, trying to redefine the whole issue around the structures around legacy — is the British Government's attempt to shy away from it. They are trying to be bloody-minded about where they are going with the issue, but there is a legal definition of a victim. It has been in law since 2006, and the Stormont House Agreement has been in place since 2014. My party, and I presume every other party here, has been trying to get the structures set up and to get the pension for victims moved along from the beginning.

The issue — Paul Frew pointed towards Sinn Féin — is around the British Government trying to redefine what a victim is and deciding who should and should not be one. There has been an issue around a small number of people, and I accept that there is a deep difference of opinion between unionists and republicans, but the Government have tried to spread that out to involve hundreds of people who may not be eligible for this pension. On the issue of money, which is the issue that has been in the headlines most, it is Westminster legislation: the Assembly was not set up at the time. There is an issue around the British Government and the fact — it has been said by the First Minister and the deputy First Minister — that the Executive cannot afford it. I notice that the amount is £100 million. I hesitate to think that £100 million will cover this.

**Mr Principal Deputy Speaker:** Mr Kelly, I am afraid that Members were limited to three minutes each.

**Mr G Kelly:** I beg your pardon. I will finish with that: I think that the pension should go ahead, but it should go ahead on the basis that the British Government need to pay for it because the Executive cannot afford it.

**Mr Beattie:** I apologise for missing the start of this Matter of the Day and for missing most of the contributions, which I am in no doubt were extremely worthwhile.

This has been a bad week for victims: it has been a bad week for the victims' payments scheme, and it has been a bad week for the victims who are involved in the historical institutional abuse data breach.

Victims are being victimised all over again.

**10.45 am**

There are lots of arguments about who should and should not get this pension. I have a view on that and will give it a minute, but the big issue for me is that nobody took any action to get it set up. The lead Department was supposed to be nominated on 24 February: it was not. The board to deliver it was supposed to be set up: it was not. Nobody was telling victims that it was not on track. We asked the Northern Ireland Office (NIO), the Executive Office and the Victims and Survivors Service (VSS), and nobody knew where it stood. It was not until about nine days before it was supposed to go live that somebody came out and said that it was not happening. That caused huge distress in the victims community, massive distress. We still do not have a lead Department and still do not have a date for when it will be set up. That is truly disgraceful. We knew that this was coming down the line.

We can have arguments here, and we will have arguments. I absolutely see where people will have a different point of view to mine on who and who should not get it. I can never stand up and say that a perpetrator is entitled to the pension. I am sure that people will understand why I am willing to say that, why I have to say that, why I will always say that: innocent victims always have to come first. I accept that other people will have different views. Let them have different views. Let them put their case across. My view will not change.

The issue about money is not a side issue, but it is not the main issue. The Executive Office

did nothing in regard to this, absolutely nothing. It is shameful. They need to take the blame for this. The issue of money is so unedifying. This is a UK-wide scheme. Innocent victims in Birmingham, Manchester, London and Warrington are entitled to the payment in exactly the same way as people in Londonderry, Belfast or Armagh are entitled to it. The UK Government have to put some money in, but we also have a responsibility here in our Executive. There has to be a conversation between our Finance Minister and the Treasury. We have to pay our way; we have to put our share in. That is what is not happening. There is no conversation, and that is a disgrace.

**Mr Lyttle:** It was my privilege to work with victims of the Troubles with organisations such as the WAVE injured group and the victims forum during my time as Deputy Chairperson of the former Committee for the Office of the First Minister and deputy First Minister and as a participant in the Haass/O'Sullivan talks as long ago as 2013. The Alliance Party has consistently and actively campaigned for the delivery of a pension to provide a degree of financial support, independence and recognition for those seriously injured in the Troubles. The extent to which victims have had to fight for that modest assistance is wrong. All parties signed up to this approach in the New Decade, New Approach agreement, and it is unacceptable that the pension has yet to be delivered. It must be recognised that the UK Government have a responsibility for funding the pension, given the commitments that they made during that agreement and, indeed, that the Executive Office made to its delivery. Victims have been let down for far too long, and Alliance will continue to do all that we can to ensure the prompt delivery of the pension scheme.

**Mr McGrath:** We also support this, because we want to see that finance and that funding making their way down to victims as quickly as possible. They have waited far too long. They have been given too many false hopes in the past, most recently in the NDNA document.

We understand that there have been difficulties for the Executive in what they have been dealing with, but the Committee for the Executive Office has continued to put pressure on to see a resolution and delivery of the scheme. We have also had cross-party agreement that the bill should be paid at Westminster. The funding needs to come from there. Quite a sizeable amount needs to be found. As referenced earlier, we have been given a wide range for how much the scheme could cost, and it is a considerable amount.

Given that the Bill to deliver the scheme originated in Westminster, it is the Committee's view that the finance should come from there. Also, the fact that many of the victims are from beyond the North — from places across the UK, Ireland and, indeed, the world — means that the funding originating here might not be fair. We certainly want to see the delivery of the scheme as quickly as possible.

**Mr Nesbitt:** I will speak partly informed by my experience as one of the commissioners for victims and survivors when that commission was set up in early 2007. There were four of us, and we had, at times, significantly different views on what we should do for the victims and survivors of our conflict. However, a common theme was listening to victims and survivors, and one of their common themes was that, on the day on which they or their loved ones were injured, there was an expectation that the state and the services of the state would form wagons in a circle around them and give them support. Did they need medical help? We had a health service for them. Did they need their children transported to school? We could organise that. Did they need short-term issues with cash flow addressed? We could do that. The common experience was that they were totally ignored. They were left to fend for themselves. As the years became decades and the decades passed, the common experience was a feeling that we wanted them simply to grow old, fade away and die. I think that all in the Chamber can agree that that is not what we want.

I think of someone like Jennifer McNern, who, one day in 1972, went for a drink in a Belfast city centre bar called the Abercorn and has been in a wheelchair ever since, denied, like thousands of victims and survivors, the opportunity to work for a living and save for a pension. The argument for providing that money is compelling, and I thought that we had agreed to do so. Is it a question, really, of who funds the scheme? Is it a matter of whether Treasury provides £100 million above and beyond the block grant or we take it from the Executive's Budget? Or is it about something else? Is it about who qualifies for the pension? I accept that we have a definition in the 2006 Order, but we have done plenty for people who were injured by their own hand. If somebody hurt themselves with their own gun or bomb and presented at A&E at the Royal Victoria Hospital, the NHS did not ask how they got injured and, if it was by their own hand, say, "Away you go". We have a compassionate, caring state and services, but this goes beyond that. This is about saying to people like Jennifer

McNern, "We owe you", and we must find a way to do it.

**Miss Woods:** I thank the Member for bringing the matter to the Chamber and giving me the opportunity to speak. I share the concerns about the process failing to be up and running as promised. It was supposed to launch at the end of May. The delay to the opening of the pension application is yet another harsh setback for the victims. The lack of clarity on who will fund the scheme is stalling the process again. That represents another setback for the very people whom it is for, not to mention the scheme's inclusion in the 'New Decade, New Approach' document, the agreements made and the commitments given. As others have said, this is not new. The pension was agreed in 2014 and signed into legislation in January.

I echo the call of colleagues in the Chamber: we need answers from Executive Ministers, from the First Minister and deputy First Minister. I urge them to attend the Chamber to take our questions and give us some solid answers. What conversations have happened with Westminster? What of the Secretary of State? What conversations have happened with the various Departments and Ministers here about the setting up of the structures? Why is no clarification being given to anybody? For years, many have said that they would do all that they could and that there was a determination to get this through: let us see it. Let us see the determination to get it sorted for the sake of victims. I expect that a quick resolution of the matter is to be found with the Executive and the Treasury. Promises were made: it is absolutely time to deliver. Otherwise, our post-conflict political system will yet again fail to assist the very people who have suffered and suffered greatly.

**Mr Catney:** I am ashamed, in a way, to be here debating this today. Again, I go back — I do not want to go on with you — to when I was very young and had a small public house on Donegall Quay in Belfast. In that bar, I saw every atrocity that happened, every customer who lost their mum, their dad or other loved one or was hurt, damaged or injured. When I look back, I look back not at dates but at the faces of those families. I was lucky and feel privileged to have grown up in Moira. I worked in a little bar there called the Four Trees, and I remember, among those early atrocities, there was a Sergeant Brown, God rest him, who was murdered in Rostrevor. As a young man, I found myself walking behind that coffin, and so many more have I walked behind since.

Folks, I do not care where this comes from. We need to get a solution, and the victims need to be paid. No more crocodile tears, and no more playing politics. Just do the right thing. My colleague Mike mentioned the bomb in the Abercorn; no one of my vintage could forget that. There are all these tragedies, whether it is a father, mother, brother or sister locking up a pub, a business or a shop late at night and being assassinated simply because they chose to do something else in their spare time or to try the best they could to bring the community together. Folks, we are making great progress. This needs to be launched. It needs to be delivered, and it needs to be delivered now.

**Mr Principal Deputy Speaker:** As no other Member has risen in their place and indicated that they wish to speak, we will move on.

## Committee Business

### Committee Membership

**Mr Principal Deputy Speaker:** As with other similar motions, this will be treated as a business motion, and there will be no debate.

*Resolved:*

*That Mr Patsy McGlone replace Mr Pat Catney as a member of the Committee for Agriculture, Environment and Rural Affairs; and that Ms Sinead Bradley replace Mr Patsy McGlone as a member of the Committee for Justice. — [Mr McGrath.]*

## Ministerial Statement

### COVID-19 Response

**Mr Principal Deputy Speaker:** I have received notice from the Minister for Infrastructure that she wishes to make a statement. Before I call the Minister, I remind Members that, in the light of social distancing being observed by parties, I have relaxed the Speaker's ruling that Members must be in the Chamber to hear a statement if they want to ask a question. Members do still have to make sure that their name is on the speaking list if they wish to be called, but they can do this by rising in their place, as well as by notifying the Business Office or the Table here directly. I remind Members to be concise in asking their question to the Minister. This is not an opportunity for debate, and long introductions will not be allowed.

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

Thank you, Mr Principal Deputy Speaker, for the opportunity to update Members on the ways in which my Department is responding to the coronavirus pandemic.

We have now entered our ninth week of restrictions on the ways in which we all previously lived. Those restrictions have imposed significant challenges on our family life, our communities and our economy, but they have saved lives. It is crucial that representatives and the public know that their actions have protected our health service, slowed the spread of this deadly virus and protected our families and our communities.

The people of Northern Ireland and the politicians in Northern Ireland, for the first time in a very long time, have all come together, showing that, when we work together, we can take steps forward even in times of crisis and unprecedented change. As we start to take early, tentative steps towards recovery, maybe seeing relatives and friends outdoors for the first time in months, it is important for us to remember why we must continue our resolve in our fight against coronavirus.

It is so important that we do not act in any way that could undermine the huge sacrifices that we have all made so far.

### **11.00 am**

As your Minister for Infrastructure, it is my responsibility to play my part in our fight against COVID-19 and in our road map to recovery. Members will know that my Department has worked tirelessly throughout this period to find solutions to the countless challenges that the crisis has produced. I am delighted to say that today I can announce further progress that will assist citizens across the North.

One of the challenges that has proven more complex to resolve during the crisis is the issuing of driving licences for people requiring medicals. I am pleased to say that a solution is now imminent. As I announced earlier, a new EU regulation will become law in the coming days that means that driving licences with an expiry date of between 1 February and 31 August 2020 will be treated as being valid for a further seven months. That extension will automatically apply to all driving licences expiring during the period. For some lorry and bus drivers, it will remove the requirement to have a medical assessment conducted at this difficult time. It will also help any customers who could not access the website or were finding it

difficult to renew their driving licence online. The extension will also allow the Driver and Vehicle Agency (DVA) to start processing provisional driving licences again. Road safety is my key priority. I therefore remind all drivers that they have a responsibility to notify the DVA if they have a new or worsening medical condition or disability that may affect their ability to drive.

I very much regret that, as taxi driver licences are not covered by the EU driving licence directive, the extension provisions cannot be applied to them. For those taxi drivers who do not have a medical condition to declare, however, my Department will renew their five-year taxi driver licence without a medical report, although they may be asked to submit a medical report at some future date. For those with a medical condition, I will do everything in my power to ensure that they are prioritised for medical appointments and licence renewal. I know that that will be a welcome reassurance for many drivers, as many Members have contacted me over their constituents' concerns. I am grateful to my team in the DVA and across the Department, who have worked to find solutions that will help many drivers here.

I am also well aware that the continued suspension of vehicle-testing services has caused significant inconvenience for those customers who require certification for specialist vehicles and where a temporary exemption certificate is not applicable. I have listened to representatives from the freight and manufacturing industries. Given the impact that the suspension has had on business and on the delivery of essential services, I am pleased to confirm that, from 1 June, the DVA will introduce a statutory authorisation process that will permit the continued use of ADR vehicles on our roads, provided strict conditions and control measures are in place for those heavy vehicles.

I can also advise that proposals to reinstate individual vehicle approval (IVA) testing safely from 1 June are at an advanced stage. Following consultation with staff and unions, a risk-assessed process has been agreed, in line with social-distancing guidance, to ensure that my staff and our customers are protected during the testing process.

I am committed to ensuring that staff in the DVA — indeed, staff from across my Department — feel safe and supported as they return to delivering essential services. As part of my ongoing commitment, I have said that engagement must continue with the unions to ensure that, as we move forward, we do so

together, supporting and protecting workers as they work to protect customers and deliver services. Comprehensive advice and guidance on all those positive steps will issue to customers shortly and will be available on the nidirect website. I know that a number of other DVA services have been suspended. I can assure Members that each will be considered, risk-assessed and resumed as soon as it is safe to do so.

The focus of my Department's work has been on finding creative solutions to problems arising from COVID-19. I am proud that my team has been able to deliver so much over the past number of months. On roads, we have focused on emergency repair work. We are now in stage 1 of the Executive's recovery process, however, so it is appropriate to extend the works carried out by my Department to the maintenance of public roads. As our internal and external contractors have come to grips with new ways of working that allow staff and the public to be safe when works are carried out, confidence has built to an extent that resurfacing and surface-dressing programmes and minor capital work schemes are being taken forward. That decision was not taken lightly and involved discussions with the industry and trade unions, as well as with officials on the engineering and the health and safety sides. However, let me be clear: the works will be allowed only if the contractors involved provide evidence that the risks have been properly assessed and addressed and that mitigation measures such as compliance with social-distancing requirements and the provision of appropriate PPE can be met and are adhered to.

I am committed to moving forward when and where we can, but, to do that, I must be absolutely assured that health and safety is protected. As Members will be aware, the Department for Infrastructure is vital to our recovery. Our work in running water, public transport and road services will underpin our economic recovery and development. That was true before COVID, but now it is even more fundamental. As a Government — indeed, as an Assembly — and as a society, we need to invest in infrastructure if we are to build our way into the new normal; developing a new world that supports growth and seizes the opportunity for real change.

Change will be easy, at times, and, at others, much more difficult. As we look to recovery, there will be difficult decisions for the Executive and for Ministers. The stark reality is that resources are low and the job of Government is to make decisions that will best protect our communities. That means being open, honest

and transparent. I want to advise Members that it is no secret that my Department faces significant budgetary challenges; those I have inherited and new pressures from loss of income due to COVID-19. I welcome the Executive's commitment to supporting public transport and their allocation to my Department of £30 million towards helping to address the funding pressures. However, I must be honest with the Assembly that I am growing increasingly concerned that, to date, we have not seen the same recognition and understanding of the funding crisis that NI Water is experiencing as a direct result of COVID-19.

Members, the public and businesses expect Northern Ireland Water to look after our health and well-being through access to clean water and proper sanitation. Likewise, Northern Ireland Water, as a publicly-owned company, is rightly looking to the Executive to provide the essential funding that it needs to replace the lost income and increased costs of the current pandemic. Going forward, whether it is about washing our hands, building more homes or helping businesses to restart, Northern Ireland Water is fundamental, and I hope that the Assembly, across all parties, will support me in ensuring that resources are directed to protect our communities and economy as we look to recovery.

While investment in infrastructure means that we get the basics right — we can protect our water system and our public transport network and keep the lights on and our roads safe — it is through infrastructure that we can also transform our communities, improving lives and making Northern Ireland an attractive place to live, to visit, to work and to start a business. It is time for us all to start thinking bigger and bolder.

I fully acknowledge that lockdown has been challenging and that many people have been waiting and longing for things to return to normal, but, in looking back, we need to consider the best of what "normal" entailed and what we have learnt over past months and to imagine and plan for a better, greener, healthier and happier future. I have said it before, and I will say it again: we need to seize the chance for change. For that reason, I also want to provide you with some further detail on how my Department and I will lead a green recovery.

Since social-distancing measures and lockdown were introduced, air pollution across all of Europe has dropped measurably. Northern Ireland is no different. Transport is the second-biggest contributor to greenhouse gases here,

and, with far less traffic on the roads, the benefits to our environment have been immediate and significant. However, the reality is that, as more of us move back to our workplaces and get out and about, our traffic volumes will increase again.

In my last statement to the Assembly, I announced that I would be creating, in my Department, a walking and cycling champion to spearhead delivery of our commitment to increasing the percentage of journeys made by walking and cycling. I have invited stakeholders to join an advisory group to help the champion to identify opportunities so that we can move quickly in making changes on the ground. I want to build real momentum, and we are seeing progress. Some of the interventions that are being trialled and tested may only be needed for a short time, but, in the longer term, I will consider permanent changes to our streetscapes that will transform how our town centres facilitate walking and cycling. Above all, I am determined to make changes that will underpin a green recovery and improve public health.

While I am focused on the prize of a sustainable future, one immediate need is helping people with social distancing in our city and town centres. As a result, my Department is taking forward pilot schemes in Belfast, Derry and Newry. In Belfast, Hill Street and Gordon Street in the Cathedral Quarter have been pedestrianised and footpaths have been widened across the Linen Quarter. In Derry, I will provide extra space for people along the riverfront and I will work with the council and other stakeholders to bring forward plans for reducing traffic within the city walls as businesses begin to reopen. We are also working in partnership with Newry, Mourne and Down District Council on innovative solutions in Newry. Initially, changes will be made with cones and temporary barriers. If something does not work, I will remove it and try something else. My Department will be flexible and responsive but it will not be afraid to try new approaches.

I am grateful for the support and can-do attitude and approach of the three councils that my officials have been working with so far to bring early ideas to fruition. It is so important that, in partnership, we learn from each other as we navigate our way through these unprecedented times to deliver for all our citizens. As well as creating a number of pop-up cycle lanes, my Department is looking at ways in which we can support communities, particularly those in disadvantaged inner city communities, that do

not have easy access to space for recreation and leisure.

I have no interest in imposing change from on high. Councils, local businesses and communities know what will work best in their locality and change will only last if we work in partnership. That is my commitment and my approach. However, that is only one example of how my Department is helping to shape our recovery. In conversations with business, the green sector and other stakeholders, the understanding that infrastructure spending will be crucial in restarting the economy is reiterated time and time again.

In the wake of COVID, but also with the looming disaster of Brexit that faces these islands, we all need to roll up our sleeves. We must now get to grips with the serious pressures. That means working together; it means working inside and outside government, across the public and private sectors and across these islands. We need to be willing partners and ambitious leaders. This is our chance for change — our opportunity to show that leadership in the Assembly and in the Executive can deliver for our citizens and our communities.

**Mr Principal Deputy Speaker:** I thank the Minister for making her statement to the House. Before I call the Chair of the Infrastructure Committee to ask her question, I remind Members that this is not a meeting of the Ad Hoc Committee on the Response to COVID-19. Therefore, it is established in Standing Orders that questions on the statement will be given an hour; they will not be given an hour and 15 minutes. Members must be succinct and ask their questions directly, and Ministers must be succinct in their answers also.

**Miss McIlveen (The Chairperson of the Committee for Infrastructure):** I welcome the content of the Minister's statement and, in particular, the extension for driving licence renewals and the resumption of IVA testing. However, I was disappointed to hear from the Finance Minister last week when he informed us that discussions on support for hauliers concluded that an intervention was not necessary and also that no package for the taxi industry had been presented to him for consideration. I would be interested to hear from the Minister for Infrastructure on those issues.

The Finance Minister also reiterated that furloughing staff was up to individual Ministers and not the Executive. Given the budgetary pressures across the Department, including

those on Northern Ireland Water, which were highlighted in the statement, may I ask the Minister for clarity: at what point, if any, during this crisis did she or her officials ask Translink, DVA and community transport to explore the possibility of furloughing staff? In hindsight, was there more that she or her officials could have done to lessen the financial pressures that are being felt in those areas of business?

**Ms Mallon:** I thank the Chair for her question. DAERA leads on the issue of the hauliers, and my Department has been working with a cross-departmental group of officials to make a case to DfT and to the Treasury.

The Finance Minister is correct: at this time, it is Treasury's assessment that there is not sufficient evidence to bring forward a financial package for our haulage industry. However, I assure the Member that my officials will continue to do all that they can, working with DAERA and the Department for the Economy, because we recognise the critical role that our hauliers are playing during the crisis.

#### 11.15 am

The Chair of the Committee will be aware of the number of items of correspondence that I have sent to Executive colleagues on the need to provide support for our taxi industry. That support is outwith my Department's responsibility as we are responsible for regulation.

The Chair also asked about furloughing. At the request of the Finance Minister, my Department carried out a detailed analysis on the potential furloughing of Translink and Northern Ireland Water staff. We presented that analysis to the Finance Minister. He has not come back to raise additional concerns, so I assume that he accepts that analysis. Ministers are responsible for looking at the furloughing of their arm's-length bodies. It is my understanding, however, that responsibility for the furloughing of Northern Ireland Civil Service staff lies with the Finance Minister. As Minister for Infrastructure, I cannot alter the terms and conditions of individual civil servants within my Department.

I can assure the Chair that I am aware of the difficult financial situation. I made a number of bids to the Executive, but only one has been accepted, which was the £30 million for Translink out of the £95 million that was sitting centrally. Some of that money has gone to our ferries and airports. We are, therefore, doing everything that we can within my Department. However, the reality is that the financial

situation that was facing the Department for Infrastructure prior to COVID was deeply concerning, and that has been compounded by the COVID crisis.

**Ms Kimmins:** I thank the Minister for her statement. We are supportive of exploring ways to build sustainable infrastructure — that is very much welcomed — but concerns have been raised by businesses and people in the community about the removal of parking spaces. It is something that I have raised with the Minister in the past number of days. The Minister mentioned the importance of not imposing change in areas when going through this, but there has been confusion, particularly around the plans for the city centre of Newry in my constituency. Over the past few days, it has come to my attention that local businesses were informed at pretty much the last minute of plans to start work yesterday. That work has been halted, and I welcome that. There needs to be proper and meaningful consultation with those businesses and key stakeholders, as you mentioned in your statement. That is important. They know the locality best, and they know what will work well for them. Will the Minister elaborate on her plans to engage with those stakeholders? There seems to be conflicting statements, even from her colleagues in the area, about whether the work is due to start or what is happening. It is important, because we want to do this right. It has to be done with the people and not to the people.

**Ms Mallon:** I thank the Member for her question. She is absolutely right: it is important that we do this and that we do it together. The Member will know that I established the active travel champion, who is leading on the consultation, and she may know that, this week, I am due to meet the council group leaders to discuss plans.

My Department has been working with the councils, but I have been clear that while my Department can provide the drive and impetus, it is not best placed to provide the detail. Local communities know what will work best. I am clear that things have to be done in consultation with local councils and the partners within the council area. I am also clear that I am not imposing change from the top down. I became aware of the confusion in Newry, over the weekend. I assure the Member that I have not signed off on any plans.

As we go through this, it is important that we understand how that confusion arose and that we learn from that to ensure that it does not happen in Newry, or in any council area in the North. I want to reassure the Member that I am

committed to partnership working, to pursuing the active travel agenda and to tackling regional imbalances. I look forward to working with her and others as we deliver the change that will work.

**Mr McGrath:** I thank the Minister for her statement and for the work and leadership shown within the Department during these difficult times. I have been contacted by many in the community transport sector who do fantastic work for many of the most vulnerable in our community. Will the Minister give some assurances to the community transport operators over funding support as she looks forward to her budget?

**Ms Mallon:** I thank the Member for his question. I recognise the vital role that community transport plays, particularly in rural areas. I am keen to support the community transport sector in the redeployment of its services to help some of the most vulnerable during the COVID crisis. It has made a tremendous contribution, and I put that on record.

My officials sent letters to the community transport sector about an interim quarterly payment. That was to provide some sense of reassurance and certainty, at a time of great uncertainty, while I finalise budget allocations.

I reiterate that I recognise the importance of community transport. It has demonstrated that over and beyond, in its response to the COVID crisis. I am committed to supporting it.

**Mr Beggs:** The Minister spoke of the need for a green recovery. Some capital infrastructure projects can reduce congestion in the middle of Belfast city centre, improve the air quality, create construction jobs and improve the efficiency of the whole Northern Ireland economy. Will the Minister provide an update of the progress of the Yorkgate/York Street interchange, which will bring many benefits at different levels? It is important that it progresses.

**Ms Mallon:** I thank the Member for his question. There is a danger of falling into a false dichotomy, where you are either for active travel or for investment in our road network. I recognise that this is all part of getting us to the right place. York Street is an Executive commitment. It was subject to legal challenge, which has put back the project, but it will bring multiple benefits as the Member outlined.

**Mr Muir:** Research issued yesterday showed that 56% of commuters with a driving licence, who used public transport prior to the pandemic, are considering buying a car and using it as a means of transport. That is a matter of real concern. In England, a scheme has been announced where you get a £50 voucher to cover the cost of repair of a bicycle. Is that something the Minister is considering introducing? Also, when is the capital going to be released for greenway funding?

**Ms Mallon:** I thank the Member for his question. He points to an issue of great concern. Given the robustness of the messaging to people, to stay at home and engage only in essential travel, we have a real issue when it comes to restoring public confidence and encouraging people to come back to use public transport in safety. The Member will be aware that Translink has implemented a number of measures, including protective screens, deep cleaning and a range of policies and procedures to protect people in the use of public transport.

I have set up the walking and cycling champion. She has been tasked, along with the steering group, with looking at a range of measures that have worked right across the board. One of the issues that they will be examining is that of the voucher scheme that the Member has raised.

**Mr Hilditch:** I thank the Minister for her statement, which is fairly positive. Looking at the active travel element, we discussed these matters with our super cities, Londonderry, Belfast and Newry. Will the Minister give assurance that these schemes will also be rolled out to other provincial towns?

**Ms Mallon:** I give the Member that assurance. Initial engagement gathered momentum around the cities of Belfast, Derry and Newry, but that is not to the exclusion of other areas. This will work only if we are able to roll it out, so I am committed to engaging with councils across the North, and with communities and businesses, so that we can see the active travel agenda pursued and implemented right across Northern Ireland.

**Ms Anderson:** I thank the Minister for her statement. As you know, your Department has received the highest amount of capital spending that it has ever done, and I am conscious that there have been nine years of austerity. In your statement, you talk about road safety, regional inequalities and connectivity. Can you assure me, the people of Derry and those of the north-west, that you are fully committed to the two

flagship projects, the A5 and A6, and that they will continue to progress under your watch?

**Ms Mallon:** As the Member knows, I am committed to regional development and to the continued progression of the A5 and A6. The succinct answer to your question is yes.

**Ms Bunting:** I welcome the Minister's statement. I declare my membership of the Northern Ireland Policing Board. Over the past number of years, we have seen a steep decline in the number of taxis that there are to service the community, including a very low number that are equipped for wheelchair users. That is now coupled with a significant increase in drink-driving during the lockdown period. I am grateful for the Minister's movement on medicals and the extension of licences, and I note her answer to the Committee Chair, but what is the state of progress between her, the Minister for the Economy and the Minister of Finance to assist that key sector?

**Ms Mallon:** I thank the Member for her question. On the issue of taxis, I assume that she is talking about financial support for the sector. She is not on the Committee, but the Committee had requested evidence of what I have been doing to try to raise that matter. In March, I think, I wrote to both the Economy Minister and the Finance Minister. The sector has been hard hit. We need to understand how we can assist it. There is also the outstanding issue of social guidance. I have been in correspondence with the Economy Minister on that.

I am very clear that I recognise that the industry needs support. I am also very clear that I want to work with all Executive colleagues to ensure that taxi drivers get support. However, there is also a number of sole traders who find themselves in a similar situation who have not been able to avail themselves of the hardship or financial support schemes that have come through from the Department for the Economy. On that and on all matters, I am keen to work with Executive colleagues. Given that we have different roles, responsibilities and remits covering that particular issue, it is only when we work together that we can address it within the financial difficulties that we all currently face.

I recognise the issue of disability access to taxis. I have looked to see what is being done in the Republic of Ireland, for example. The Inclusive Mobility and Transport Advisory Committee (IMTAC) sits on my steering committee on efforts on the walking and cycling champion. IMTAC is very clear that that is a

particular issue. I would like to see more being done in my Department and across the Executive on disability access and the rights of the disabled community.

**Ms Ennis:** The Minister's statement talks about recovery and how she can play her part in that. I suggest to her that one very obvious way in which she could play her part would be to finally make a decision on Casement Park. It is a vital project, which has Executive approval. It would play a significant role in the economic recovery. When will she finally give clarity and make a decision on Casement Park?

**Ms Mallon:** I thank the Member for her question. It gives me an important opportunity to establish the facts. The Member will be aware that my Department is working at pace to process that application so that it can be brought as quickly as possible to me. That is a statutory process which must be completed before it comes up for a decision. I am sure that no Member or anyone who has any interest in any planning application that is before my Department would want due process not to be followed.

On that application, I am advised that my Department anticipates that all necessary responses will be received soon, and that officials can make a recommendation to me. I know that it is a long-awaited decision. After three years of no Government, it is important that progress is made across the board for communities and economic recovery, particularly as we look to the future beyond the pandemic.

**Mr Catney:** I thank the Minister for her statement. It is very encouraging indeed. Going forward, are there any projects in the Department that might be able to be rolled out quicker that would generate capital spend and could jump-start or boot the economy as it comes out of the crisis?

**Ms Mallon:** I thank the Member for his question. A number of Executive capital projects are referenced in 'New Decade, New Approach'. Work is continuing on the A5 and A6. Work has commenced on the transport hub. It is recognised right across the world that infrastructure and the investment in infrastructure that the Member has pointed out will be the bedrock of recovery. We face a very difficult and serious recession. Evidence from around the world shows that we need to build our way out of that recession. That is why I am keen that my Department plays its fullest role. Working with Executive colleagues, we can

envisage investment in infrastructure, and we can try to do exactly that: build our way out of the incoming recession.

**11.30 am**

**Mr Nesbitt:** The Minister made reference to individual vehicle approval tests being resumed. Can she clarify whether that will happen on 1 June or whether it remains, to some extent, a work in progress? When it does resume, will the prioritisation of vehicles that deliver essential services include bin lorries?

**Ms Mallon:** I can assure the Member that IVA testing will resume on 1 June and that, because we recognise the critical role that key workers are playing, there will be a prioritisation process and it does include our bin lorries. Yes, it will commence on 1 June and there will be a prioritisation process.

**Mr Boylan:** I thank the Minister for her statement. I welcome the measures. However, she did indicate that the taxi industry may lose out on driving licensing in some cases. Will the Minister commit to looking at other ways of licensing, such as discounting the cost of renewals, which is over £100, given the heavy burden that taxi drivers are under at the minute?

**Ms Mallon:** I thank the Member for his question. The Member will know that we have issued, free of charge, the six-month extension to PSVs. Taxi drivers without a medical condition to declare will now automatically get a five-year extension when they apply. Some may be asked within that to provide a medical assessment. There is a difficulty that it is proving enormously complex to resolve, and that is for those drivers who have a medical condition that they must declare. In all these things, I have to try to balance finding the solution while recognising that I have a duty to ensure road safety for taxi drivers and their passengers.

The Member will know that I announced that we were working in partnership with the BMA and GPs to ensure that those taxi drivers and key workers who need to have a medical assessment can get that. That is working in many places, and I want to put on record my appreciation. There are still some difficulties for those requiring specialist medical assessments because of the strain on our health service. However, I have set up a dedicated email address for taxi drivers who find themselves in this situation, and that will be fully available on [nirdirect](#). I am very conscious that it is difficult for

the group of drivers who require further specialist medical attention and assessment, but I will continue to do all that I can to find a practical resolution that does not compromise their road safety.

**Mr Lyttle:** I welcome the Minister's appointment of a walking and cycling champion and action on the long overdue pedestrianisation of the Cathedral Quarter. The Minister is talking about big and bold actions and supporting inner-city communities to access clean and active travel. What investment will be made in walking and cycling? Will that include the delivery of a toucan walking and cycling crossing to link the Braniel estate to the Connswater Community Greenway, investment in on-road cycle training for children and adults and greater access to trains and buses for cyclists?

**Ms Mallon:** Again, I thank the Member for his question and his passion for this subject. I am not in a position to be able to highlight specific projects and the projects that he named. However, I can assure him that we are working through budget allocations to put force behind this, if you like. I am very cognisant of the fact that you can do all that you can to promote walking and cycling but if you do not facilitate safe spaces in which to do so, people will not be able to engage in those activities. I can assure him that we are working, led by the walking and cycling champion, with people from right across society who are on the steering group and also with the local councils. Very soon, I hope to be in a position where we are able to confirm the specifics of the projects that will be taken forward in conjunction with the councils.

**Mr O'Dowd:** I thank the Minister for her statement and answers thus far. The Minister referred to building our way out of the recession that is coming towards us. Will the Minister commit today to bringing forward legislation to extend planning permission for those individuals and groups whose permission is now running to an end? My colleague Liz Kimmins raised this issue on several occasions with her, but, to date, we have not had a commitment to bring the legislation forward. The Minister will note, for instance, that the Communities Minister has been able to bring legislation through the House quite quickly. The House can give consent to speedy legislation when necessary.

**Ms Mallon:** I thank the Member for his question. It is an issue that I have been very conscious of. It is very difficult to quantify the extent of the problem of expiring planning

permission. I have tasked officials to do that but they are saying that it is very difficult to assess how many have had works commenced and how many have not. That is not to say that it is not an issue. The Member will know that I have said that we were exploring legislative options because primary legislative change is required in this instance. There had been discussions that the Executive would bring forward a Coronavirus Bill, and we had hoped to place this piece of legislation within that, but I am still exploring a piece of individual legislation. I am trying to weigh up, as construction works recommence, what is the best and most efficient and effective solution for people, but I can assure the Member that I have not taken the legislation option off the agenda. We are assessing it and we will continue to assess it. In the interim, we have provided advice. The chief planner sent out correspondence to all the councils. The option exists that people could renew planning permission at a much-reduced fee, but that is not ideal. There is now the added option of having commencement works started, given that we are seeing easements around construction work.

**Mr O'Toole:** I thank the Minister for the update. She talked about the difficulties that are facing Northern Ireland Water. Can she spell out, in a bit more detail, what it will mean for communities, including building, if we do not get more funding for Northern Ireland Water?

With regard to the development of Casement Park, Ulster GAA fans and others who are interested in that development will want to ensure that the process is done properly so that there are no more challenges. It is pointless to try to push through a speedy decision that will result in the development either falling through or there being more objections. Can the Minister confirm that, please?

**Ms Mallon:** I can confirm that — and I hope that this will be the case across the board, regardless of party politics and point-scoring — every application should be assessed and should follow due process. My job, as Minister for Infrastructure, is to do my job right, not to rush it, and I am committed to doing that.

The Member will know that Northern Ireland Water provides vital public services across Northern Ireland. Ensuring that it is financially supported is not only fundamental to Northern Ireland Water's future but critical for protecting our communities. It is important to point out the facts. First, businesses have closed, due to the COVID-19 restrictions, leading to a funding gap in Northern Ireland Water of £30 million. Secondly, despite the fall in business use,

demand for water has increased overall during lockdown, as we are using more water at home. Sewer blockages have also increased, with more wet wipes being flushed down drains, and Northern Ireland Water has had to adapt working practices to keep its front-line staff safe. All of that means that it is incurring extra costs. Thirdly, Northern Ireland Water is a regulated utility, with a delivery plan that has been carefully and independently scrutinised by the Utility Regulator. It is required to deliver a challenging efficiency programme, which it has done and continues to do. Fourthly, Northern Ireland Water cannot access any of the COVID-19 business support mechanisms for rate relief or loans that are available to the private sector. Finally, and perhaps most crucially, Northern Ireland Water provides the most vital of services to our population, providing clean drinking water, taking away and treating waste water and protecting our health at the very time that we need it most. How anyone can defend not providing Northern Ireland Water with the support that it needs baffles me. The fact is that if we do not invest in our water and waste water infrastructure, we will not be able to build the homes that we need, we will not be able to grow our economy and we will not be able to properly recover from this crisis.

**Mrs Barton:** I thank the Minister for her statement. She talked about looking forward to economic recovery etc and, obviously, that would include capital projects. There are a number of projects that I have heard spoken about, particularly in the east of the Province. What plans does she have to bring forward some of the projects in the west, particularly the south-west, such as the Enniskillen bypass?

**Ms Mallon:** I thank the Member for her question. I recognise that it is an important project and the Member has raised it with me a couple of times. Yes, we are in the process of finalising the capital projects that we intend to bring forward. I hope to be in a position, very soon, to update the Committee, and Members across the House, on those decisions.

**Mr Durkan:** I thank the Minister for her responses today and for her, and her Department's, response to the crisis that has engulfed us. I commend the Minister on not only her response to the crisis but her vision in looking beyond the crisis, particularly in the sphere of active travel. I was excited to learn of the Minister's proposals for her active travel plans for Derry city, which is in my constituency. Can she outline some of those, which I am hopeful will include the commencement of the Strathfoyle greenway in the future?

**Ms Mallon:** The Member never misses an opportunity to talk about this particular greenway. Yes, I have announced that we are looking at works on pedestrianising and widening streets around the riverfront. We are also working with the council to identify other opportunities for change. Again, this week coming, I am engaging with the group leaders across Derry city council, because I think that it is very important, which I spoke about earlier, that we do these things in partnership. There is no point in me coming into areas and imposing change; I need to be working with local councils, businesses and communities to understand what will work best in their locality, and that is what I am committed to doing not only in Derry but right across Northern Ireland.

**Miss Woods:** I thank the Minister for her statement, particularly the ongoing recognition of the need for a green recovery and a just transition. If councils are not involved in doing the work or piloting projects now on the reallocation of road space, how can communities that want to look at specific areas in their town and village communicate that to the Department?

**Ms Mallon:** I encourage them to contact the Department directly. They can contact the walking and cycling champion. Alternatively, they can come through Members to my private office or directly to me via my private office at the Department for Infrastructure.

**Mr Allister:** Can I take the Minister back to the lack of financial support for the haulage sector? I heard what she said to the Chair of the Committee, which was to the effect that the Department for Transport and the Treasury said that there was no need for support. In fact, last week in the Chamber, when I asked the Finance Minister about this, he said:

*"I know that part of the transportation money that we had been holding back was in anticipation of a request in that area. That did not emerge, and we went ahead, then, with the allocation to Translink." — [Official Report (Hansard), 19 May 2020, p28, col 2].*

That is very different from saying that the Treasury decided that there was not funds. That is the Minister of Finance saying that there was a pot of transportation money sitting in his Department, awaiting an application to support the haulage industry, but that it did not come and the money instead went to Translink. Is that correct? If so, why was the haulage sector neglected?

If I might, in her pursuit of green energy, will the Minister undertake to visit and meet Wrightbus to discover the exciting plans that it has for hydrogen buses, which, of course, Translink could greatly benefit from?

**Ms Mallon:** I thank the Member for his question. He will know that my Department has been working closely with DAERA and the Department for the Economy on hauliers. The Member may also be aware that £95 million came across and was being held centrally for a transport package. From that £95 million has come the support package for the ferries and the support package for the airports. Translink was allocated £30 million, but £59 million is being retained in the centre for that transport package.

I can advise Members only on what I know. I understand very clearly that we have been trying to make the case for our haulage industry, and we have been working with the industry in providing the evidence for that. We have been informed by the Treasury, in our engagement with the devolved Ministers and DfT, that the analysis undertaken by the Treasury is indicating to it that, at this moment in time, there is not the evidential base for a financial support package. I can report only on what I know.

As regards his invitation, I am happy to meet anyone to advance the green recovery agenda.

**Mr Carroll:** The Minister mentioned the importance of listening. I agree with her about that, and I urge her Department, her as a Minister and other Ministers to listen to the concerns of residents in the Casement Park area, especially about overdevelopment.

I have raised previously with the Minister how Belfast Roads Service workers, despite raising it several times with the Department, do not have appropriate personal protective equipment (PPE). I urge the Minister to intervene — it is an ongoing problem — to ensure that those workers who are working on roads, gullies and other works have protective equipment.

Given that they are ongoing concerns, what assurances will the Minister give us that, as her Department moves towards recommencing minor capital works, the workers who carry out that work will be protected and will have appropriate equipment?

**11.45 am**

**Ms Mallon:** I thank the Member for raising that important issue. The continuation of construction works is in line with current government advice that businesses should encourage their employees to work at home where possible, while accepting that certain jobs require people to travel to their place of work. While construction work was never included in the list of activities subject to closure or restrictions, it has been necessary to develop new, safe systems of working and to invest in additional PPE to allow various operations to be carried out safely. Because of that, I was only prepared initially to allow my Department's internal contractor to carry out emergency work. However, as additional PPE was procured and safe working systems were developed, in consultation with trade unions, I have allowed additional road maintenance and flood alleviation work to proceed, including a wide range of road maintenance operations and watercourse maintenance.

In addition to allowing our private contractors to complete work that had already been started or ordered, I have permitted new road surfacing, surface dressing and minor works to proceed. However, as I made clear in my statement, works will proceed only if there are guarantees and assurances that workers are being kept safe. I make it clear also that, if that is not the case, I need to be made aware of it immediately. I have asked officials for very regular updates on the provision of PPE for workers from Translink, Northern Ireland Water and right across my Department. I have also made it clear that, with the ongoing engagement with workers and trades unions, I want to be made aware of any safety concerns that workers have raised that have not been addressed.

**Mr K Buchanan:** My question relates to existing DVA services, to which the Minister referred. What is the state of readiness of MOT centres to open when it will be safe to do so? I appreciate that they are doing other work at present, but will they be fit to operate when it is safe to do so?

**Ms Mallon:** The Member will know that we initially said that we were suspending the DVA testing services until 22 June. I am keeping that under review. I am clear that, when it is safe to do so, we will reopen the centres and will do so in consultation with workers and trade unions. As a member of the Committee, he will also know that the installation programme for the new lifts has commenced and is due to be completed in July, and that will greatly assist with the situation. That is aside from the three centres that are being used as COVID testing

centres, and I have made it clear to the Health Minister that, if he requires any additional MOT centres as we roll out community testing, he will have priority use.

To reassure the Member, I am very conscious of public health advice and, obviously, of the Executive's pathway to recovery, and I will make my decisions in line with all of that.

**Mr McNulty:** Minister, you referred to getting things done when politicians work together. Is it not a terrible shame that Casement Park did not get over the line when Sinn Féin held the Ministry and was held back for a further three years by the collapse of Stormont? Given that investment in infrastructure will be key to economic recovery, what discussions, if any, have the Ministers for the Economy and Finance had with you to plan for economic recovery?

**Ms Mallon:** I think that there is frustration across the board in Northern Ireland about the missed opportunities and what could have been advanced in the three years when we were without a Government. I have clear about the role of infrastructure and the importance of infrastructure investment not only in the green recovery but in building us out of recession. I will continue to make that case with Executive colleagues.

I acknowledge that we are in difficult financial times. Every Department is struggling with inescapable pressures, but, as an Executive, we have a duty to support and protect our private sector. We also have a duty and responsibility to protect our critical public services — public transport and Northern Ireland Water — so I will continue to engage with Executive colleagues, because it is in all of our interests to ensure that we protect those critical public services.

**Mr Buckley:** I thank the Minister for her statement. Minister, you will be well aware of the delay in many works across your Department due to COVID-19. As we start to move towards normality, will the Minister commit to working with me to help residents of uncompleted developments across Northern Ireland — I think that there are three that stretch back as far as the financial crash — who have not had their roads tarmacked or their water mains connected due to mishaps with the developer and NI Water? Will you commit to working with me on Birchwood Manor, in particular, to see the completion of those developments and allow those residents to live in peace?

**Ms Mallon:** The Member will be aware that it is a complex issue. There is the issue of unadopted roads and the legal ramifications as regards what my Department can do. However, I am keen to work with all Members. I am happy to meet you — via Zoom, given the current circumstances — to see what we can do, working together.

**Mr Principal Deputy Speaker:** I thank Members for the succinctness of their questions and the Minister for the succinctness of her answers. It is all done in 36 minutes, so well done.

## Executive Committee Business

### Supply Resolution for the Northern Ireland Estimates Further Vote on Account 2020-2021

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

*That this Assembly approves that a sum, not exceeding £8,225,189,000, be granted out of the Consolidated Fund, for or towards defraying the charges for the Northern Ireland Departments, the Food Standards Agency, the Northern Ireland Assembly Commission, the Northern Ireland Audit Office, the Northern Ireland Authority for Utility Regulation, the Northern Ireland Public Services Ombudsman and the Public Prosecution Service for Northern Ireland for the year ending 31 March 2021 and that resources, not exceeding £9,050,940,000, be authorised for use by the Northern Ireland Departments, the Food Standards Agency, the Northern Ireland Assembly Commission, the Northern Ireland Audit Office, the Northern Ireland Authority for Utility Regulation, the Northern Ireland Public Services Ombudsman and the Public Prosecution Service for Northern Ireland for the year ending 31 March 2021 as summarised for each Department or other public body in column 4 of table 1, and column 4 of table 2, in the Northern Ireland Estimates Further Vote on Account 2020-2021 that was laid before the Assembly on 20 May 2020.*

**Mr Principal Deputy Speaker:** The Business Committee has allowed up to four hours for the debate. The Minister will have 30 minutes to allocate at his discretion between proposing and winding. The Chair of the Finance Committee will have 10 minutes to speak, and all other Members who wish to speak will have seven minutes.

**Mr Murphy:** This debate covers the Supply resolution for a further Vote on Account for the 2020-21 financial year. The associated document was laid in the Assembly on 20 May. I would like to explain to the Assembly why I am taking the unusual step of laying a second Vote on Account. The Budget Act (NI) 2020, passed by the Assembly in the March, included a Vote on Account that allowed Departments to continue to spend until Main Estimates could be considered in June. However, the response to COVID-19 has meant that some Departments have had to spend more than anticipated. The Executive have allocated an additional £1.2 billion as part of our response to COVID-19. In addition, many Departments have been front-loading payments in an effort to support business and community groups that rely on government spending.

Our analysis suggests that at least five Departments may run out of cash before 31 July 2020, the date when a Budget Bill would normally be expected to receive Royal Assent. One Department may reach that limit as early as 19 June. If we were to follow the usual process, Departments would run out of cash before the Estimates document was approved. Having examined the options, I advise that the only viable solution is the Assembly's approval of a further Vote on Account. That will provide authority for Departments to continue to spend until the detailed Main Estimates can be debated later in the year. I plan to bring forward those Main Estimates in the autumn, when the financial position will hopefully be more stable.

**Dr Aiken (The Chairperson of the Committee for Finance):** I thank the Minister for his opening remarks and his explanation of why it is necessary for the House to consider, in these extraordinary circumstances, a further Vote on Account. One of the key priorities for the Committee since the resumption of normal business has been to engage regularly with the Department on the financial landscape in Northern Ireland, first, to effectively scrutinise the Department's own resource needs and, secondly, to consider the Department's wider strategic role in coordinating financial resources across government. We particularly welcome the Minister's approach and that of the Executive. We wait expectantly to hear of the economic recovery plan from the Minister for the Economy, which is now, I think, about two weeks overdue. That engagement, along with the responsiveness of the Department in supporting the Committee's approach, has been useful in helping the Committee to develop an effective working relationship. We look forward to nurturing that important and necessary

relationship further so that the Committee can continue to provide advice and assistance to the Department effectively and scrutinise and challenge as required. By developing that approach, the Committee has been kept informed of the necessity for the business that we debate today. I express my thanks on behalf of the Committee to all the officials who have been in attendance or made use of teleconferencing facilities over recent weeks to facilitate the Committee's business by responding to the many and varied issues that have been raised with them not just by the Committee of Finance but by most of the Statutory Committees.

We are all acutely aware that much has changed in a very short time frame — in fact, change seems to be the only constant — but those changes have been necessary to keep us safe and support business and workers. We still have much to do to respond to the matters that are within our control by ensuring that Departments have the necessary resources available to them at the point of need. As has already been outlined, the response to the COVID-19 pandemic has resulted in Departments incurring significant spending that was unforeseen at the time of the previous Vote on Account; indeed, some Departments are already reaching their limits. Therefore, in order to alleviate the risk of Departments running out of money, we in the House must use our judgement for the continued well-being of our society.

As I alluded to earlier, officials from the Department were in attendance at our meetings last week to brief the Committee on the resource requirements across all Departments. During the evidence session, the Committee examined the reconciliation between the required resource limits against the Budget document and the associated COVID-19 allocations to understand how those sums were calculated and how the allocations were made. Members sought and received assurances from officials that, as a result of this Vote on Account, Departments would be sufficiently resourced until the Main Estimates and the Budget (No. 2) Bill are produced. Those are expected in September.

The Committee also heard that many payments to suppliers, the voluntary and community sector and other organisations were being front-loaded to earlier in the financial year to provide necessary support to those sectors, which we welcome. However, I also urge a degree of caution and an element of control to safeguard and ensure that there is a balance between the support required and the risk of a supplier being

unable to fulfil its contracted services or functions for the remainder of the financial year, when no further payments would be due.

Committee Members also explored with officials the opportunities that may exist for the Executive to use reinvestment and reform initiative (RRI) borrowing to provide other means of reigniting our economy. In response, officials helpfully provided clarification that such borrowing is drawn from the National Loans Fund, may be used only for capital expenditure and allows borrowing of up to £200 million. Until the true effects of this chapter in our history are fully known, we must continue to explore every option and every available resource to help us achieve our goals. We need to be innovative in our approach and maximise every possible avenue to ensure that Northern Ireland is able to survive, revive and, ultimately, thrive. That also needs to include maximising resources, such as financial transactions capital (FTC), which could be an effective tool to kick-start our recovery, particularly through some of our vital infrastructure projects like the York Street interchange.

The further Vote on Account is a necessary means to enable Departments to continue building on their efforts to support our society. Whilst the £1.2 billion that we have received from the United Kingdom Exchequer is significant, the task at hand is equally significant, and we should not underestimate that. Therefore, we must ensure that the finite additional resources that have been made available to us are used efficiently and effectively to ensure that we achieve the best possible outcome and mitigate the longer-term impacts on our economy.

Finally, following an evidence session from the Department on 29 April, the Committee asked to be informed of any occasions on which a Department intends to make use of sole authority of the Budget Act to carry out a function; the so-called "black-box provisions". Full details of those provisions were included in the papers provided by the Department last week in relation to the Vote on Account. I thank the Minister and his officials for listening to the Committee and for the improved openness and transparency that is now being demonstrated.

As I will outline during the Second Stage debate on the Budget (No. 2) Bill, the Committee for Finance has approved accelerated passage for the Budget Bill to be introduced by the Minister later today. On behalf of the Committee for Finance and the Ulster Unionist Party, I support the motion.

## 12.00 noon

**Ms P Bradley (The Chairperson of the Committee for Communities):** When we were here during the last Vote on Account, I do not think that there were many of us who thought that we would be back again a couple of months later for a further Vote on Account. Despite the additional expenditure on COVID-19, the allocation of 45% of the 2019-2020 departmental provision would have been expected to have seen us through until consideration of the Main Estimates in June. However, following a briefing by departmental officials on the Budget, I remember referring in the House to the considerable uncertainty regarding the Department's finances that was a consistent theme in that briefing, also all as a result of COVID-19. The fast, evolving nature of the crisis and the consummate response by the Department seemed to overtake proposed expenditure before the ink was dry on any briefing papers.

The Department for Communities has been at the forefront of supporting vulnerable people, with a range of initiatives implemented at great pace. That has involved front-loading expenditure, sometimes without knowing how much it will cost. I must say that, while necessary, we have sometimes reflected on what this will mean for subsequent financing of departmental programmes whenever we get back to normal, whatever normal may look like.

It is extraordinary circumstances when, instead of Main Estimates in June, we have another Vote on Account. The idea that, technically, Departments are running out of cash is remarkable. I do not know whether the impact of that has quite sunk in. A couple of weeks ago, the Committee heard from the Society of Local Authority Chief Executives (SOLACE) about councils and how they could be close to collapse in the next few months. Last week, we heard about the dire straits that the voluntary and community sector is in. Tomorrow, it is the turn of the arts sector, and, next week, the sports sector.

While I applaud the actions of the Minister for Communities and, indeed, all Ministers, I cannot help but think of the fictional story of the little Dutch boy who put his finger in the leaking dam to prevent people from drowning in the hope that someone would come and fix the dam properly. This Vote on Account and the subsequent Bill for its approval are clearly necessary to get us through the next few months, but what assurance do we have that our finances will be in any more stable a position when we come to autumn?

The cash requirement in the Vote on Account for the Department for Communities is 80% of its 2019-2020 provision, which is what we are told should ensure that it is able to continue to provide services to the end of October. I note and welcome the additional COVID-19 allocation of just over £20.3 million from the Executive and the potential for a further £20 million. No doubt every penny of this will be spent.

I also note that £23.5 million will be spent on welfare reform mitigations under the sole authority of the Budget (No. 2) Bill. The Committee has asked about the legislation necessary to ensure that this expenditure is on a proper footing, but, despite briefings from the Minister, there is still no sign of this. We cannot go on pushing this down the pipeline. If we are to have a sound hold on our finances, we need to agree on big-ticket items like welfare mitigations.

These are difficult times. As we come through this crisis, we may have to face up to the prospect of a very different society. We may have to accept at some point that limited financial resources bring with them difficult choices. That time may not be now, and it may not even be in the autumn, but, when all is said and done, we have to be prepared for a possible reckoning, and that is going to take considerable will, effort and vision.

**Mr Lynch:** I thank the Minister for his statement. As Members have outlined, we are faced with a unique situation, therefore the normal budgetary process cannot happen at this moment. The accelerated passage outlined is complex in nature, however, to be fair to the officials who came to the Committee, they did simplify it for us.

This Budget Bill is basically to avoid the Departments running out of cash before the Main Estimates are set out. It will give approval for cash and use of reserve to use funds during this public health crisis. We did not know the full impact of COVID back in March when the Budget Bill was passed. Since then, Departments have had to spend greater amounts of cash than anticipated. The priority became keeping people afloat, keeping wages paid and protecting livelihoods and businesses as best as possible.

When we discussed the Minister's request for accelerated passage through the Assembly, certain Standing Orders had to be suspended, and issues of transparency, accountability and the Main Estimates were discussed. However,

there were few options, as some Departments could run out of cash. Indeed, the Minister said today that that could happen as early as June.

The COVID-19 crisis has necessitated unprecedented high public spending. The scale, timing and pace of the crisis mean that the legislation is required to ensure that all public services can continue to be delivered during the COVID-19 period to support the health service, businesses and vulnerable people.

**Mr O'Toole:** We are back today with a further Vote on Account, one that is, I agree, necessary. I should say upfront that we, as a party, will be supporting the further Vote on Account and the Budget No. 2 Bill, which we will be debating technically later today.

Not only are we giving the Bill accelerated passage, as Seán Lynch said, but we are debating and passing both the Budget No. 2 Bill and the further Vote on Account a month before we normally would in ordinary Budget times. Since the Assembly came back in January, Budget debates have been a little bit like London buses: we waited three years for one and we get half a dozen at once. The truth is that we have had quite a lot of debates, but we have not had that much scrutiny. While, as I said, my party will be supporting the further Vote on Account and the Budget No. 2 Bill, there are concerns about the specifics of the provisions and also about the continued lack of anything approaching a Programme for Government or a joined-up, long-term policy response to COVID-19. That is critical, because we are being asked to make the further Vote on Account specifically because of the unique and exceptional contingency of the COVID-19 crisis.

First, on the specifics of the further Vote on Account: we are, in effect, voting to give the Department of Finance permission to disburse virtually all, and, in some cases, more than all of the full-year's cash — more than 100% of it — for Departments in order to prevent them from running out of money in the next couple of months. That is a reflection of the extraordinary pressures created by COVID-19, including decisions by Departments to front-load spending to ensure that contractors and community groups get the benefit of planned spending now when they need support the most. That is welcome in principle, but there are significant questions about our capacity to scrutinise how that money is spent. It will put extreme pressure on the Main Estimates, which come later this year, and also on the in-year monitoring rounds. It will put an extreme onus on the Finance Committee, of which I am a member, and also on the whole Assembly, to

give proper and detailed scrutiny to the monitoring rounds.

I also have questions about money that is being centrally held to deal with, as yet, unspecified priorities. I have a particular bee in my bonnet about centrally held items, given that I discovered, a couple of weeks ago, that we are still centrally holding £2 million a year to subsidise non-existent long-haul flights to North America at a time when we have no short-haul connectivity.

Anyway, back to those unspecified centrally held items. In a background paper given to the Finance Committee, the Department specified a particular category of allocation. In a summary document provided to the Finance Committee, the Department described some of the allocations that had been made as potential COVID-19 allocations, including the £95 million for the Infrastructure Department. The allocations were set out in some detail in the background paper, but they are not covered in the summary document that we have been provided with today, that is the further Vote on Account. The background paper made it clear that they are potential COVID-19 allocations, but, and I quote:

*"This should not be taken as confirmation that this funding will ultimately be provided to this Department. Rather, it is simply a working assumption."*

Now, the £95 million for the Department for Infrastructure — there are other Departments, including Health and Communities that have potential COVID-19 allocations — is particularly important, given what we have just heard from the Infrastructure Minister about the pressures facing her Department, Northern Ireland Water, and our transport network. If that £95 million is still a potential COVID-19 allocation, it would be helpful to have it confirmed, by the Finance Minister, that it will not be taken off the Department and reallocated elsewhere. Indeed, the Finance Minister's statement last week said that £59.5 million of the £95 million transport allocation remained unallocated. However, the background paper that the Finance Committee received indicated that it could be reallocated at a later date. It would be helpful to have clarity on that.

Moving on to the broader picture, it is somewhat discouraging and depressing, although I welcome the fact that his Department has moved fast on allocations, that we are having a major budgetary intervention in the absence of not just an agreed Programme for Government, but even a date for when we will

debate a joined-up economic and fiscal response to the COVID-19 crisis. Much of the action by his Department and the Executive has been welcome, but we now need something that is longer-term and less based on pop-up policy. COVID-19 has placed an extreme exigency on the Department, but we are getting to the place where we need longer-term policy.

When we debated the Budget a couple of weeks ago, there was some confusion. Some Departments were working to the draft 2016 Programme for Government, while others did not mention a Programme for Government at all. It would be helpful to know whether a new Programme for Government is in the offing and to what extent Departments are working from a draft Programme for Government in their budget planning. As the Chairperson of the Committee for Finance said, that would be helpful to know when we are debating a long-term economic and fiscal response.

There are many things that are unknown, as we come out of the crisis, but there are things that we do know. People treasure properly funded healthcare and the crisis has changed the way that we work and the way that we relate to places.

We have heard from the Infrastructure Minister about the long-term vision that she has for changing our towns and cities, and active travel. We know that our economy, and those around the world, will change fundamentally as a result of the crisis, but, in the short-term, there is also severe damage to sectors that are disproportionately important to our economy: hospitality and tourism, small independent retail and microbusiness in general. We do not just need an economic recovery plan, although we desperately need that, we also need a joined-up strategy that looks at our fiscal levers and the kind of society that we want in five-years' time.

To spell out what I mean, and as we have discussed many times in the Assembly, the sole fiscal lever that we have used and that has been politically acceptable to use by the Executive, is small business rates. Small business rates hit the sectors of the economy that are most uniquely damaged by COVID-19.

We will be going on to debate the Budget Bill later this afternoon and I will have time to expand further on some of my thoughts, and I hope that I will find some agreement with the Finance Minister. I will just leave with the thought that, while many of these allocations are welcome, we are over time for a joined-up economic and fiscal strategy. Friendly TV interviews are welcome, but I am afraid that

they are not enough when it comes to a long-term strategy. We need joined-up economic and fiscal policies.

**Mr Lyttle (The Chairperson of the Committee for Education):** I will begin by speaking on behalf of the Committee for Education. This has been a challenging year, in budgetary terms, for the Executive and the Department of Education. The Department of Education is struggling to overcome a backlog of financial pressures of over £400 million and, like all Executive Departments, it is faced with the challenge of responding to COVID-19.

The Department of Education advised the Committee for Education at the end of April that lockdown has reduced some of the pressures, but that many more have increased and that new pressures have arisen. The Committee for Education noted the substantial additional budget that was allocated to provide free school meal payments, increase Sure Start, support childcare provision, increase the early years' pathway fund, provide a substitute teacher hardship fund and to procure a substantial number of devices to aid equal access to distance and blended learning. The Committee for Education welcomes that additional funding and the vital support that it provides during the emergency.

Many Committee members also wish to see additional funding to support tackling holiday hunger, extending counselling services and in further support for vulnerable children. The Committee members also require further rationale for the additional funding that the Education Minister is seeking for preparatory and boarding schools. Notwithstanding those comments, the Committee for Education supports the Supply resolution for the further Vote on Account, as it applies to the Department of Education.

I will now make a few comments as an Alliance MLA and the party's spokesperson on education. We are in the midst of a global pandemic, and the focus of the Executive and the Department of Education must be on the emergency response to COVID-19. The Alliance Party supports the Supply resolution to allocate Executive funds, but the Executive, and in particular the Minister of Education, cannot forgo the action that is needed to address the financial crisis that is facing the education system, in addition to the challenge of COVID-19.

### 12.15 pm

The former chief executive officer (CEO) of the Education Authority warned in 2017 that,

without radical investment and reform, the education system would be unaffordable, socially immobile and unfit for 21st-century learning. Our education system has a crumbling school estate, excessive class sizes, a special educational needs (SEN) framework that fails children with SEN, the separation of children on the basis of community background at the age of five and an unfair and unnecessary approach to post-primary transfer. Despite the dedication and professionalism of our teaching and non-teaching staff, that is not the education system that we should want for our children and young people. Fundamental root-and-branch reform remains urgently necessary for education. It is concerning, therefore, that the Education Minister has suspended work towards the drafting of terms of reference for the independent review proposed by the Alliance Party and supported by the Assembly. It is also concerning that existing reports, such as Burns, Costello, Bain, Investigating Links in Achievement and Deprivation (ILIAD), Heenan and Sahlberg have not been implemented and that area-based planning has been so ineffective and sectorally based.

The focus on COVID-19 is, of course, understandable, and schools need urgent guidance on social distancing, curriculum content and blended learning now and to prepare for the proposed phased return to school in August. That focus, however, must not be used as cover to unduly delay the urgent action and reform needed to arrest the financial crisis in education, nor can investment and progress towards the childcare strategy, school budgets, the emotional health and well-being framework and the new SEN framework, including the SEN regulations and code of practice be shelved. The people of Northern Ireland demand better, and we must work together to deliver it. A well-resourced, innovative and integrated education system to deliver high-quality educational opportunity for all is needed now more than ever.

**Miss McIlveen (The Chairperson of the Committee for Infrastructure):** I welcome the opportunity to again outline the Committee for Infrastructure's consideration and views in respect of today's debate. First, I will reiterate the size of the deficit facing the Department going into the pandemic, and then I will speak about the impact of COVID-19.

The Committee's scrutiny of the Department's finances has highlighted again and again the stark situation that it faces. In January, the Department for Infrastructure told the Committee that its budget had a recurring structural deficit of £61 million going into 2020-

21, set to rise to £80 million in 2021-22 and to £90 million in 2022-23. That was before the COVID pressures that have since arisen. The Department's budget for 2020-21 has increased by 8.6%, which amounts to an additional £33 million on last year, but, despite that, it remains inadequate. The Department has warned again and again of the severe implications that that will have for critical infrastructure services.

The Minister told the Committee that she had yet to decide on the final distribution of allocations. However, given the issues already highlighted and the significant shortfall between available and required funds, we know that there will be pressures that the final allocations will struggle to address. The first is water and sewage. The Utility Regulator's determination on Northern Ireland Water funding is inescapable: it has not been funded to the recommended levels, meaning that it is unable to connect new housing developments and businesses to sewage networks at over 100 locations in Northern Ireland. The potential impact on the economy will only increase in the COVID recovery period and does not consider the funding requirements of the Living With Water programme over the next decade.

Water and waste water are, of course, just the first area of concern. Officials also told the Committee that, prior to the 2014-15 budget reductions, some £35 million would have been allocated to cover routine road maintenance and winter requirements. In recent years that budget has been cut to less than half that. The implications of that are stark but no less stark than the recent Barton and Northern Ireland Audit Office (NIAO) reports on structural maintenance of the road network, which recommended that the Departments of Finance and Infrastructure work towards ensuring funding of £143 million per annum on a recurring basis to prevent further deterioration.

Turning to community transport, we are all aware of the important role that it plays in connecting our rural communities, so the Committee noted with concern a reduction in the Department's provision to a number of those organisations in 2019-2020 amounting to some 35% of the overall baseline since 2013-14. The Committee noted that community transport initiatives across Northern Ireland assisted access to and facilitation of services that are the remit of other Departments and has raised the question of whether other Departments should assist with funding. The Committee welcomed the announcement by DFI and DAERA that joined-up measures have been put in place to support people in rural

areas who are isolated through COVID-19, but more of that could be done.

The list of pressures goes on: a contract to buy new carriages for the rail network; the procurement of new buses; funding for Waterways Ireland; and the design phase of York Street, to name but a few.

I have, of course, left the most notable shortfall until last. Translink has been forced to run its service at a deficit for a number of years and to use its reserves to supplement it. As the £19 million request for Translink in the monitoring round was unsuccessful, its reserves next year will be below the level of working capital that it needs, and we face the real possibility that it may cease to be deemed a going concern. The COVID-19 crisis has seen Translink's revenue streams dry up. As we gradually move out of lockdown and into our new normal, which will require social distancing, there will be an inevitable impact on our public transport service. Additional vehicles will be required to accommodate the safe transport of children to and from school and employees to and from their place of work. The question arises of how that will be funded. The money has to be found from somewhere, and the recent statement by the Minister of Finance was not encouraging. What impact will that extra requirement have on the budget, in particular, on green recovery schemes and on capital infrastructure projects?

The Committee is aware that there is a COVID fund designed to mitigate the challenges arising from the crisis. In a briefing on the COVID response and the budget, the Minister set out a departmental estimate of up to £181 million of COVID-related pressures: £90 million to £114 million from the loss of revenue to Translink; between £17.5 million and £32 million for Northern Ireland Water; and £8.6 million for three months, increasing to £19.4 million for six months and £30.7 million for nine months, for the DVA. Despite that and the pre-existing shortfalls, the Committee found itself writing to the Finance Minister to seek clarification of why the Department for Infrastructure was the only Department not to have received an allocation from the COVID fund at that stage. The Finance Minister announced additional funding allocations in his statement last week, namely the £30 million set aside to mitigate Translink's loss of income, but it is clear that that is still just a drop in the ocean. The Committee looks forward to hearing that additional funding from the remaining £59 million of the transport budget that is still to be allocated will be earmarked for the Department for Infrastructure. However, it is clear that, even with this, hard decisions about key priorities will

need to be made, and that is without the Department's obligations under the New Decade, New Approach deal.

There is a strong argument that significant investment in infrastructure will not only mitigate existing risks but will be vital in kick-starting our recovery as we move out of lockdown. The Committee for Infrastructure will, of course, continue its scrutiny of the Department for Infrastructure's budget.

I would like to make some personal remarks on community transport. As a representative of a rural constituency, I am genuinely concerned, as we should be, about the impact of COVID-19 on the budgets of our local providers. Approximately 35% of their budgets comes from self-generated income. As a result of the lockdown and social distancing, opportunities to fill that gap have ceased. If we are to believe the deputy First Minister's assertion that social distancing is to remain in place for the next two years, many of those organisations will no longer exist. While I welcome the fact that DFI now assists those organisations to furlough staff, that will go only part of the way to easing their burden. If the Department for Infrastructure and the Department of Finance do not work together to uplift by some 20% to 30% the grant available to the organisations that need it, the service will be lost and very soon.

**Dr Archibald (The Chairperson of the Committee for the Economy):** The Committee is acutely aware that the Department for the Economy has been in the eye of the storm, so to speak, in responding to this devastating crisis. That, amongst other reasons, is why it is one of the five Departments likely to run out of funding by the end of June; hence the need for today's Vote on Account. As I have highlighted on a number of occasions, the Committee is extremely supportive of the response of the Department and, indeed, the Executive to COVID-19 so far. The Committee is advising on gaps and issues in that response as well as on strategies and solutions to recover and rebuild through our extensive stakeholder network. Members will acknowledge that, as a key driver of the COVID-19 response, the Department for the Economy must have its budgetary needs prioritised as much as possible. The Committee is aware that the Department is seeking to repurpose and reprioritise its budget and those of its arm's-length bodies as part of the June monitoring process to allow it to allocate further funding to its COVID-19 response. The Committee is very supportive of that proactivity on the part of the Department. Members also urge the Executive to consider making available any further funding that the Department may need to widen its COVID-19 response so that

more businesses and sectors can be included and to fund the recover through the upcoming June monitoring round. The Committee appreciates that the crisis and the job of keeping this place running require considerable funding. However, the Department for the Economy has a unique role in not only responding to the crisis but leading our recovery and rebuilding following it.

The Department for the Economy continues to lead the response to Brexit and the impact of the protocol. It is dealing with the RHI inquiry response, and it is driving forward strategies across a range of policy areas, including energy, tourism, further and higher education, skills and others, that will be key to our recovery when the terrible human tragedy of the COVID-19 crisis abates. The Department also leads on a number of key actions coming from New Decade, New Approach that will assist our recovery.

The Committee will continue in its work of scrutinising the Department for the Economy's use of its budget and supports today's Vote on Account. Members are also being very proactive in collating the solutions to the crisis that our stakeholders bring to us, allowing us to provide the Economy Minister and the Executive with significant information to inform our recovery and the rebuilding not only of our economy but of our society. I remind Members that Statutory Committees have a key role in advising and supporting Ministers in the development of policy. That is a role that the Economy Committee fulfils and will continue to fulfil, regardless of any obstacles.

I will now make some brief remarks as Sinn Féin economy spokesperson. Obviously, COVID-19 has had a huge budgetary impact, and there are real challenges facing the economy and wider society as we respond. The necessary measures put in place to protect public health have forced many businesses to close and workers to stay at home. The funding that has been made available to support businesses — £410 million in grant support and over £300 million in rate relief — has been most welcome, but the Minister will likely agree that further support will be required to help businesses recover and to protect jobs and livelihoods in the time ahead. Some sectors have missed out on the business support grants, including sole traders, small manufacturers with NAV over £15,000, some businesses in the most impacted sectors with NAV over £51,000 — they will need specific support to recover in the longer term — social enterprises with charitable status and the newly self-employed. They are all entrepreneurs or

SMEs that have invested their time, energy and money into their businesses, which are vital to our local economy and need support. The rates holiday, of course, has provided much-needed relief, but many of those businesses suffer from a lack of cash and are understandably reluctant to take out loans when they are unsure whether they will recover to repay them.

The Finance Minister has asked Departments to look closely at their budgets, and the Economy Minister must explore what further support is required and what funding in the Department can be redirected to support businesses to survive and to stimulate economic recovery, alongside what the Executive do in allocating funds to the COVID-19 response. The British Government will also need to step up with additional support in the form of financial and fiscal stimulus. The coronavirus job retention scheme has been vital, but its continuation and flexibility in the scheme will also be necessary in the time ahead.

It has become increasingly apparent that some businesses may only slowly come out of lockdown and some sectors will take much longer to reopen and longer still to become profitable again. It will be important that the Executive have a comprehensive plan for economic and societal recovery guided, of course, by the medical and scientific advice. I have been contacted individually and via the Economy Committee by businesses, representative organisations and others with innovative proposals on how they can reopen safely and possible support measures that will be required, not just financial but practical. It is vital that there be a collaborative approach to the recovery plan, and I welcome the continued work of the engagement forum, which has brought together businesses, trade unions and others. It must have a role in the longer term also. We must all — government, business, academia, community and voluntary — work together in the days, weeks and months ahead to come out of this. I support the Supply resolution.

**12.30 pm**

**Mrs Cameron:** When I consider any aspect of our budgetary process, I always revert to the fact that we all stand on a platform of delivering the best possible public services and the best value to the taxpayer, and that is certainly what my party stands for. Regardless of the Department involved, that should be at the very heart of the budgetary process.

As Deputy Chair of the Health Committee, I have sat through much evidence about the Department's budgeting, its drive for savings and so on. Surely the consequence of COVID-19 will be simply to obliterate all financial planning done in our health service to date. Already, we are seeing in-year pressures that are a cost of COVID-19. It will be no different next year and for who knows how long after. This is a budget that will continue to face unprecedented challenges. Who on these Benches does not want to see a more interventionist approach taken by our Health Department when it comes to the welfare of our older people, particularly those in care homes? How much will personal protective equipment (PPE) cost the health service moving forward? In the context of social distancing, how will we invest in our health service to ensure that patients receive the best care for the smallest risk? How do we address the huge mental health problems in our society? All of that is going to cost huge sums of money. We can add to that the obesity crisis among our population and the pressures that that brings to our health service. We also have an increasingly older population. Indeed, we are leading more medically complicated lives, thanks to our incredible NHS and those involved in research and development.

There will be more pressures to come on the health budget. The urgent need to step up our care and support for those with autism is clear. That is something that our Health Department has as yet not taken seriously enough, even though just over one in every 20 schoolchildren is now being diagnosed with autism. We can no longer look the other way when all those people are in need of help.

Those are immediate issues that need to be addressed. There is an urgent need to reboot our health service in the areas of routine surgery, diagnostics and cancer care, to name but a few. With those pressures being faced, surely we cannot allow the Bengoa report to gather dust. The longer that it does, the longer that our health service will fail to deliver on the fundamental principle of being the best value to the taxpayer and the best possible service.

Once again, I urge the Minister to set out his road map for reform and to be bold. Let it be an ambitious timeline that equips our health service to meet each and every possible challenge that comes our way. We have the best possible asset in our world-class staff, but we must support them, not just with the right pay and recognition but with the right tools to do the job as best they can.

COVID-19 ought to have given each and every one of us food for thought as to what really matters in life. Our time on this planet is short, and that should shape how we prioritise the spending of the public's money. That is what really matters. It is a test for this place to be mature and grown-up in taking those spending decisions and not to prioritise spending on areas that ultimately matter less and to much fewer people over, say, spending on tackling suicide or helping children with speech and language therapy. I certainly know where my priority lies.

**Mr Gildernew (The Chairperson of the Committee for Health):** Éirím le heolas a roinnt libh ar mhachnamh an Choiste Sláinte faoi na brúnna airgeadais reatha. I will provide some information on the Health Committee's consideration of current financial pressures. No discrete briefing has taken place on the Department's assessment of when its resources would be exhausted without today's initiative, but the budget briefing last month provided some broad brushstrokes on additional costs associated with COVID-19. Officials were keen to underline how uncertain the picture was at that point.

Mar is eol dúinn, tá pleanáil, maoiniú agus cur i bhfeidhm seirbhísí ina gcóir thuathail de dheasca na géarchéime sláinte, agus is cinnte go mbeidh said amhlaidh amach anseo. As we know, the ongoing health crisis has caused massive upheaval in the planning, funding and delivering of services, and it is likely to continue to do so. With strong warnings about the fluidity of the situation, the Department advised the Committee last month of its assessment that the costs of COVID-19 could run to upwards of £500 million in resource expenditure, which is significantly more than it had received at that point. Officials also expressed a degree of hope that pandemic costs would be met, however.

Cuireadh na Meastacháin seo leanas faoi chomhairle an Choiste. The Committee was advised of the following estimates: £104 million required for workforce pressures, including the deployment of retirees and students to provide additional front-line support, as well as overtime, accommodation for staff and recruitment costs; £232 million required for equipment and supply, including PPE, the increased cost of drugs and the emergency supply of medicines to vulnerable patients; and around £200 million for additional service delivery costs, such as increased hospital admissions, including ICU, COVID-19 testing, emergency dental facilities and supporting key delivery partners in the pharmacy and dental sectors. The Department was also estimating a

further £1 million to support digital health and communications as part of the COVID-19 response. Finally, a further £16.5 million capital expenditure was projected in relation to oxygen generators, IT requirements and COVID assessment centre facilities.

Officials advised us that it was not possible, at the time, to quantify a range of additional costs, such as additional ventilators being purchased, reconfiguration of hospitals, contracts with the independent hospitals for additional capacity, and ongoing requirements for PPE and testing as the pandemic progresses. More recently, costs have been incurred in relation to scaling up the contact-tracing operation. At that point, the Department had been allocated £205 million, with a further £150 million held in central reserves for PPE.

The Department acknowledged a number of financial knock-on effects of the pandemic. It forecast that, due to redeployments to deal with the crisis, there would be less capacity to conduct other routine services. The Committee has been advised of lower than usual attendance at GP practices and emergency departments, leading to concerns that patients could begin to present with cancers or heart conditions at a more advanced stage. Clearly, that is primarily a health concern, and people should be encouraged to come forward for their well-being, but it will also create greater pressure on the system as more advanced treatments or preventable surgeries are needed. We have been advised that, in deferring elective procedures, the already serious waiting list backlog is now worse, and, again, some people's conditions may have deteriorated to the point where they now need more serious interventions.

The Committee was advised, in April, that financial planning in health and social care (HSC) was likely to remain uncertain for the next three months at least, though additional costs, as I have outlined, are demonstrable. For all those reasons, though the Health Committee has not had a chance to come to a formal view on the Vote on Account, I am sure that Members will welcome extra resource going into the HSC at this time.

I will make a few additional remarks as the Sinn Féin spokesperson for health. The unprecedented nature of the COVID-19 crisis has put us in a political space where we must take prompt, effective and necessary action to reduce the virus's impact across our communities. Prior to the onset of the COVID-19 crisis, we were faced with significant budgetary pressures brought on by 10 years of

Tory austerity that has starved our public services across the board. Our block grant, which in real terms is £360 million below pre-austerity levels, has left us with health, education, infrastructure and other sectors starved of the resources that they so badly need.

The health service is a case in point. Staff shortages, record levels of waiting lists and unaddressed, significant and growing health inequalities across our communities are just some of the challenges that we faced when the Assembly resumed in 2020. As the COVID-19 crisis took hold in our society, it was clear that our health service was ill-equipped to deal with the pandemic. Shortages of the most basic equipment highlighted, in no uncertain terms, that austerity had left us exposed and vulnerable in any emergency. The 'New Decade, New Approach' document raised hopes that we, as a decision-making body, could begin to address the impact of Tory austerity. Sadly, the British Government reneged on many of the promises contained in that agreement, and we are left with public services and a health service that, quite frankly, operate on life support.

The impact of COVID-19 cannot be overstated. Sadly, we have lost loved ones, friends and neighbours. The economic crisis that we face will be significant and perhaps unlike anything that we have ever seen before. We know that the crisis will be exacerbated by the economic and political upheaval of Brexit; a reality brought to us by the worst instincts of British exceptionalism and one that we, as a society, did not vote for.

Thug COVID-19 dúshláin dúinn san am atá romhainn, ach léiríonn sé gur gá dúinn rudaí a dhéanamh ar bhealach difriúil. COVID-19 has presented us with many challenges for the time ahead but it has also shown us that we must do things differently going forward. We must choose a path of economic and social justice. We must build a health service that protects all our citizens from ill health and disease. We must build homes to address the housing crisis. We must address the inequalities that exist all across our society, in health, in education and in opportunity. We must invest in our communities, in our people and in our public services.

**Ms McLaughlin:** I accept the urgency with which the Supply resolution needs to proceed through the Assembly. It is driven by the critical need to secure access to cash for Departments to continue to deliver services in the face of the evolving COVID-19 situation. However, I

believe that the challenge that we collectively face is the need to be strategic and coherent as we deal with the worst health and economic crisis that we have ever known. Sadly, I do not believe that the Executive have sufficiently shown the way out of the economic crisis. Yes, it is good that many businesses are being rescued, but we need a plan and I do not see one.

The Executive have gone back to the good old days of ministerial compromises without having a joint approach. The old ways of divvying up the money between the two largest parties have returned, but to what end? We are likely to be out of money very quickly and, perhaps, with limited lasting impact. What exactly are our priorities? Are we clear that there is no going back to normal? I will suggest some priorities. We have a generation of young people who are leaving school, college and university with no jobs to go to. We need a blended skills training and work-based programme that will enhance their skills instead of giving them their first taste of the labour market by being unemployed.

Next is the sustainable infrastructure that must be adapted to the needs of our changed economy and society. We need broadband to be rolled out across all of Northern Ireland. The Department for the Economy has told me that 89% of Northern Ireland has serviceable broadband, but that leaves 11% of properties without good enough broadband. For that 11%, that means the impossibility of working from home and, for many, the impossibility of keeping their job. It means the impossibility of studying from home; it means social isolation and vulnerable people being unable to do home shopping. It has an impact, especially on women who are isolated at home and who continue to take on the majority of caring and parenting roles. We need to ensure that the North has broadband that is fit for the 21st century. We need the fastest possible broadband, delivered at the fastest possible rate to the greatest number of properties and within a reasonable budget.

We also need to accelerate investment in water infrastructure. Reflecting on the Belfast and Derry city deals, that will help to drive our economy out of the deep recession that we are heading into. Without adequate water infrastructure, however, those developments, too, may be slow to provide the growth that we need. We also need to reflect on how our economy and society will be reshaped by coronavirus. The nine-to-five, Monday to Friday office routine has had its time, at least for the moment. That will change how we use our urban centres and our investment strategy.

We need to focus our support on the type of economy that we want to build for the future; that is, the green economy. We need the green new deal. That is the focus of the European Union as it seeks to build its way out of the crisis. It is the focus of many in the Democratic Party in the United States and it is a programme that has won support here from the trade unions, youth movements, employers and many political parties. We need to get on with creating jobs, improving our quality of life, reducing heating costs, improving air quality and cutting carbon emissions. That is our vision for the future.

While we will support the Vote on Account today, there needs to be a greater focus on developing a plan for Northern Ireland.

It is a shame that we have not seen a coherent vision from the Executive. That is now their challenge; that is now our challenge. It is a collective challenge.

**12.45 pm**

**Mr Chambers:** Whilst recognising that we are not in normal budgetary circumstances, it must be remembered that, under the 2020-21 Budget that was previously announced by the Finance Minister, our health service was left facing a shortfall of £71.6 million against forecast inescapable pressures. The Finance Minister will have been well aware that his Budget allocation of only a number of weeks ago would not have enabled the health service to maintain even existing services. Similarly, his Budget allocation had not granted the Health Department a single additional penny to deliver on the further priorities set out in the 'New Decade, New Approach' document, for which, it was estimated, an additional £169 million was required. Whilst delivering everything contained in New Decade, New Approach was always going to be a long shot, we need to remember what some of the more important pledges were. The requirement included much-needed investment in enhancing and developing services and covered vital funding for enhancing and reforming social care, growing the social care workforce and improving its pay levels, for example. That is something with which, I presume, the Finance Minister still agrees.

In addition, a further £50 million was sought to fund an elective care action plan in order to allow us, as a society, to get to grips with what were already truly abhorrent delays in our waiting times. I dread to think what the length of

our waiting lists will have grown to post-COVID. I am aware that the Department of Health has already listed £30 million as an inescapable cost pressure to maintain existing services, specifically to control waiting times for red flag, urgent outpatient assessments and elective treatments that have a direct impact on patient safety and clinical outcomes when diagnosing and treating cancer and other time-critical conditions.

To be clear, the Finance Minister's previous allocation to the Health Department would not have allowed the Health Minister to make any progress on tackling waiting lists. Given the hugely destructive impact that COVID-19 has had on elective care services, can the Minister give a commitment that neither he nor his Department will be found wanting when the Department of Health inevitably seeks the necessary resources to try to repair some of the frightening damage that COVID-19 has inflicted on our already appalling waiting times?

I return to the recently announced mental health action plan, which recognised that there will be a surge in mental health issues post-COVID-19 as we continue to return to normality. Minister, will it be resourced? What will be the level of that financial support?

In the debate, there have been numerous mentions of Tory austerity. We need to place on record that we are grateful to the British Government for the financial help that they have given us as we fight the virus and try to mitigate the impact on our economy. We need to take our blinkers off and recognise that support.

**Mr Principal Deputy Speaker:** The next Member to speak is Mr Paul Frew.

**Mr Frew:** I was not expecting to be called so soon, Mr Principal Deputy Speaker, but I will carry on.

**Mr Principal Deputy Speaker:** Wing it.

**Mr Frew:** I will have to wing it. Of course, I always wing it, Mr Principal Deputy Speaker.

We find ourselves in a completely unique situation. One of the biggest worries that I have is that officials in the Department are out of sync with the normal practices that they have always gone through. We should not forget the fact that, for a long period, there was no Assembly or Executive. Circumstances were not normal to start with, which would have put officials at a disadvantage straightaway. Then

the crisis happened; this emergency that we have to deal with. We have tried, since we cranked up the Assembly and Executive, to get into a normal situation where we have a Budget and a Vote on Account. Things were cranking up to normal, and then we were blasted by this emergency. We are left in a position where Departments will run out of money.

This is not normal. As an Executive and Assembly, we have to deal with this surreal problem. I give credit to the officials who have had to work and firefight through this emergency, with all these figures, facts and pressures. I give credit to the Executive, and the Minister, with regard to last week's decision on the rates. It is a game changer. The rates decision means that businesses that were contemplating going out of existence can now survive. It is massive weight off their shoulders. It has to be welcomed, and I take the opportunity to welcome it in this debate. It is a massive thing for businesses.

We have a situation where a number of our critical Departments will run out of money. We have been left in a position where the Department has had to bring a further Vote on Account. We are in a surreal situation. We understand the mechanics of that, and why it is the case. We have no choice but to support this further Vote on Account. However, what really worries me, in this House of scrutiny, is how the money is going out. Out of necessity, it is flooding out the doors to get money on the ground to finance the emergency. Where is the scrutiny, the value for that money? Where is it going? Is it going to service providers and contractors that may not exist to fulfil contracts in the coming months? Is that something that we need to be careful of? What about value for money in purchasing some of the stuff that we have had to acquire? Is it the case that we have had to purchase at above inflationary prices, because the demand is there? How will that information get through to the scrutiny Committees so that informed decisions can be made as to how we move forward and learn lessons?

I do not for a moment suggest that, after this is all over, we look back with rose-tinted glasses, or blinkers, and be critical of Ministers who have had to make fast decisions. I am not saying that. However, I worry about value for money and how the public pound is spent. It is bound to be the case that, when we have excess flows of money in quick time, mistakes will be made. We have to make sure that those mistakes are kept to a minimum and, at the end of it, they do not happen again, if we go to another situation like this.

We should be thankful that we are in the United Kingdom, where we have the capacity to draw down Barnett formula money of £1.2 billion. That has helped and saved our people through this crisis. We would not have had that ability if we were in any other jurisdiction, or on our own. Being in the Union is invaluable. You cannot measure it. It is much more than £1.2 billion: every year, it is much more than that. It is not just about financial or monetary terms. It is about being in the place, the nation of the United Kingdom. This is just one illustration of the capacity and the strength of being in the Union.

Many Members said that we need to get to a point where we are not only fighting the crisis but have a strategy or plan to move forward and recover. I am yet to see that recovery plan. I am yet to see a Budget that is aligned with a Programme for Government that would help with most of those issues, because of the way in which it is written at present. I know that we are talking about another Programme for Government. However, the previous draft Budget was not far off the mark. It was all about making people's lives better and the sorts of things that will be needed in the recovery.

I will mention one thing about the details of the Vote on Account that has worried me since it first appeared. It seems to be the case that everyone — every Department, every arm's-length body and everything in between — will get finance, even when they are not running out of money. It worries me that the only body that will not get money is the Northern Ireland Authority for Utility Regulation. I know how it is funded and that it is not the same as the Department. I know that it is not the same as the Food Standards Agency, the Northern Ireland Assembly Commission or the Northern Ireland Audit Office. However, the principle remains because those three bodies — the Food Standards Agency, the Assembly Commission and the Audit Office — have all got higher Vote on Account allocations that are not related to the COVID-19 response but rather recognise that their 2020-21 Budget outcomes are higher than their 2019-2020 positions.

**Mr Principal Deputy Speaker:** Can the Member bring his remarks to a close?

**Mr Frew:** Those bodies have received funding that is not related to the COVID-19 response. Why is it the case that the Utility Regulator is working on 25% of its budget from the previous year and has received no money from the Vote on Account? It seems bizarre to me. I worry about that going forward.

**Mr Principal Deputy Speaker:** For someone who was winging it, the Member used plenty of time.

The Business Committee has arranged to meet at 1.00 pm. I, therefore, propose, by leave of the Assembly, to suspend the sitting until 2.00 pm. When we return, we will continue with this item of business. The next Member to speak will be Ms Karen Mullan.

*The debate stood suspended.*

*The sitting was suspended at 12.57 pm.*

## 2.00 pm

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

*Debate resumed on motion:*

*That this Assembly approves that a sum, not exceeding £8,225,189,000, be granted out of the Consolidated Fund, for or towards defraying the charges for the Northern Ireland Departments, the Food Standards Agency, the Northern Ireland Assembly Commission, the Northern Ireland Audit Office, the Northern Ireland Authority for Utility Regulation, the Northern Ireland Public Services Ombudsman and the Public Prosecution Service for Northern Ireland for the year ending 31 March 2021 and that resources, not exceeding £9,050,940,000, be authorised for use by the Northern Ireland Departments, the Food Standards Agency, the Northern Ireland Assembly Commission, the Northern Ireland Audit Office, the Northern Ireland Authority for Utility Regulation, the Northern Ireland Public Services Ombudsman and the Public Prosecution Service for Northern Ireland for the year ending 31 March 2021 as summarised for each Department or other public body in column 4 of table 1, and column 4 of table 2, in the Northern Ireland Estimates Further Vote on Account 2020-2021 that was laid before the Assembly on 20 May 2020. — [Mr C Murphy (The Minister of Finance).]*

**Mr Deputy Speaker (Mr Beggs):** Members, we now return to the motion on the Supply Resolution for the Northern Ireland Estimates Further Vote on Account 2020-2021.

**Ms Mullan:** As has already been pointed out, this is an unusual measure that we are being asked to support today but, without doubt, we must do so. The unusual nature of this measure is reflective of the uncertainty that the COVID crisis has brought with it.

I will take this opportunity to commend the Finance Minister, and my party colleague, Conor Murphy. Since the outset of this crisis, the Minister has fought not only to save lives, but to protect livelihoods. He has also ensured that resources have been made available to assist those most in need. In my role as my party's education spokesperson, that has been entirely evident from his announcements since the return of the Assembly. The Minister increased the level of funding available to the Department of Education by 11% compared with last year. That increase made it possible to resolve the long-standing industrial action by teachers. Significant sums of money have been allocated to special educational needs, an area which has been underfunded in recent years, and which has impacted on some of the most vulnerable in our society. Last week's announcement by the Finance Minister of an additional £4 million made it possible to provide financial support to our substitute teachers who have been left without an income since schools closed.

All of that has been done in the context of a global health pandemic, which brings not only consequences for the health and well-being of our loved ones, but also very difficult economic consequences. I have said it before, but I will say it again: the difficulties we will face will require new and dynamic thinking. The cross-departmental cooperation that has been so successful throughout this crisis must continue. Where opportunities arise and common outcomes can be achieved, we must look at how Departments can share the costs of achieving them. I urge other Members to support today's Vote on Account to ensure that our public services continue to deliver and operate unhindered in what are truly difficult and unprecedented circumstances.

**Mr Irwin:** I welcome the opportunity to contribute on the matter before the House. Again, I thank everyone involved in the Assembly's administration throughout the crisis for continuing to provide the structures to allow Assembly business to continue at this time.

I speak as someone who has been a farmer for many years. My remarks today refer to the business of the Department of Agriculture, Environment and Rural Affairs. On behalf of the Department's staff who work behind the scenes and those who work in the agri-food industry and who rely on the various services offered by the Department, I pay tribute to my colleague the Minister for Agriculture, Environment and Rural Affairs, Edwin Poots, for his efforts to date. The Minister has shown a knowledge and

willingness to push forward, and he has been proactive in addressing the concerns of the farming public from a general agricultural perspective. He has also been a leading voice in setting out measures and responses to the current virus crisis in Northern Ireland.

The business before the House today is necessary to ensure that all the various departmental services across Northern Ireland — in some cases they have reduced, in others they have increased — have the necessary budget and authority to continue to operate in the current conditions. I support that determination and, given the new circumstances we find ourselves in, our Finance Department must maintain a very close watch on financial requirements across the structures and respond, as funds allow, to the very changeable environment that we now operate in due to COVID-19.

From both a DAERA and a farming perspective, it is clear that our agri-food industry is very much pushing on through this crisis and that it continues to meet the increasing needs of consumers in Northern Ireland and further afield. That attitude, as I have said previously, is commendable and shows the depth of commitment, purpose and resolve that exists within our agri-food industry, with everyone involved putting their shoulders to the wheel and ensuring the security of our food supplies during this crisis. It is also important that our Departments do likewise and continue to provide the necessary services to enable industries to function. I am pleased that that has been happening and it must continue. Whilst some services within Departments may be on a reduced footing, it is important that structure is maintained and that resources are redirected and best utilised. Where reduced requirements are evident in one element of service delivery, it is vital that resources are directed to where other requirements have increased due to the COVID-19 response.

The issue within DAERA is that, despite the pressure of Coronavirus, the agriculture sector has had to maintain a high output status. Speaking as someone who lives on a farm, operations have had to continue, for example, cows need to be milked, land tended to, crops harvested and so on. That is repeated on every outdoor land farm right across Northern Ireland. Therefore, the Department's backup has had to be in place in these difficult circumstances.

Agri-food production is a very heavily monitored industry with many checks and balances in place to maintain our very high food production standards and traceability. Despite the

pandemic, the same level of monitoring must continue. In these difficult days, that will, of course, put a strain on the Department. I know that the Minister is aware of this reality and will respond to pressure proactively, as he has been doing to date.

With regard to the Department's backup, it has been good to see that online facilities made available to farmers have continued to be taken up and, by and large, successfully. That is important and enables payments to be checked and compiled in a structured manner. Staff must be credited for the behind-the-scenes efforts in administering payments with such efficiency. For instance, with regard to single application forms, it is notable that applications received by this year's deadline exceeded those received last year, proving that, despite the current crisis, farmers were able to navigate the system and complete the applications on time. In a time of crisis, that is an example of farmers taking all reasonable steps to comply and assist the Department. Whilst there was some discussion around the potential need for a deadline extension, that was proven not to have been required, as the application numbers have clearly shown. I commend farmers and those in Northern Ireland who assist with filling in forms for their efforts.

Whilst our Committee business has been somewhat interrupted and made more difficult due to the pandemic and the response to it, I welcome a further opportunity, within the Committee, to debate and discuss the issues of departmental resources. As the demands on Departments are changing so dramatically and the situation remains so fluid, this will be a very challenging time for all Departments within our Administration. As the figures across all Departments show, the costs associated with government are not small and the assistance that has been offered to businesses and families to support people's income is welcome. However, there will be, as suggested by the Chancellor, a significant downside. Pressures in this Administration will, undoubtedly, greatly increase in the years ahead. We must prepare for that reality. In closing, I wish everyone involved in the fight against the virus my best wishes.

**Mr McAleer (The Chairperson of the Committee for Agriculture, Environment and Rural Affairs):** The Supply resolution document shows that, for DAERA, there is an additional £1.5 million available for fisheries support. However, it does not mention the additional funding allocated, as a result of the Finance Minister's statement to the Assembly on 19 May. The statement referenced a further £25 million for the agri-food sector and market

intervention and £3.8 million for waste. That was a very welcome allocation by the Minister in response to the challenges faced by our agri-food and horticulture sector as a result of the COVID-19 pandemic.

The Committee was aware that DAERA had made a bid for a much larger sum of money. That bid included £105 million for farming and animal welfare, £1 million for rural affairs, £16.7million for waste and £1.3 million for the Agri-Food and Biosciences Institute (AFBI). At the stage that the bid was made, the £1.5 million for fisheries had already been agreed.

The Committee had previously considered the planning assumptions behind the initial bid. We were in broad agreement with those assumptions and indicated our support of the Minister's position. We are aware that the request for agri-food was so big that the funding would probably need to come from London and/or Brussels, and the Committee wrote to the Executive, MPs and the European Commission to indicate our support for the £105 million for agri-food.

The Committee met Minister Poots on Friday 22 May to discuss his plans for the funding. We heard that, while he welcomed the £25 million, he felt that there was no magic bullet and that the funding would not go far given that there are almost 25,000 farmers in the North.

Following on from Mr Irwin's comment on single farm payments, I want to add my commendation to DAERA front-line workers and farm agents across the North. Some 24,494 single farm payment applications were processed by the deadline of 15 May, which is a mighty achievement at any time, never mind in the middle of a COVID pandemic, when farmers and others were isolating due to the crisis. I want to place on record our thanks and commendation for that.

Minister Poots indicated that he was minded, at this point, to allocate roughly £2.5 million to ornamental plant growers and that the remainder would be used to target sectors such as dairy and beef. However, he was clear that that was indicative and that no firm position has yet been taken.

Members of the Committee expressed concern that no funding had been referenced for the lamb and sheep sector. We listened to the Minister's rationale for that, which was based on the fact that prices appeared to have recovered in that sector. He did, however, note that the entire farming sector is extremely volatile and unstable at the moment and that he

has the option of going back to the Executive if further funding were required for any specific sector.

Committee members raised the issue that the funding could be used to compensate those farming businesses that had already successfully applied to other COVID-19 funding business schemes, such as the self-employment income support scheme (SEISS). That is a definite concern for some Committee members, who indicated that they would like to see some of the funding being used for businesses that are falling through the cracks of the other schemes, as they are either not eligible for other support mechanisms or receive so little from them that it is not worth talking about. Members gave the example of the beef and sheep sectors, which have had an average annual income of below £12,000 over the past number of years and would not benefit greatly, at all, from the SEISS. Minister Poots was aware of that issue and indicated that he wanted to ensure that he did not inadvertently overcompensate those who had already availed of COVID-19 business support mechanisms. He said that funding should be directed to those who need it most.

The Minister is hopeful that funding will be released in a matter of weeks and certainly by the summer. He asked the Committee to communicate to him what it considered to be the priorities. The Committee is considering that. We have written to a number of key stakeholders and will get back to the Minister in due course.

The Committee also asked what steps the Minister could take to ensure that the funding did not distort market prices. It is aware that a cash injection of around £25 million to the sectors could have the potential of driving down prices paid by processors to farmers. The Committee was pleased to note that the Minister had considered that matter. Indeed, he referred to previous schemes, such as a payment that is linked to numbers of cattle slaughtered, which had had that effect. Committee members also picked up on issues of how farmers would apply for the funding, how it would be distributed, the timescale for it being paid out and how DAERA might address the issue of fraudulent claims.

From our ongoing scrutiny of the food producers, we are aware that the aquaculture sector was also suffering, so we were pleased to hear that £368,000 had been secured for it, with 80% of that coming from European Maritime and Fisheries Fund.

In conclusion, a further issue that was raised by the Committee was equality screening. We all recognise that the funding should get out quickly to farmers; however, it is important that we do not forget to undertake equality screening to ensure equitable distribution.

**Mr Catney:** As my colleague has stated, the SDLP is broadly in support of the motion. I just want to make a point to Members across the House, who laud the benefits of the United Kingdom.

It is a political point. We, collectively, pay tax into that pot, and our people across Northern Ireland are entitled to those benefits. It is no handout. It is not given to us; it is an entitlement of all of us collectively. I just wanted to make that point, Mr Deputy Speaker, because, sometimes, it is hard to listen to the political points coming across when we are trying to have a serious debate.

## 2.15 pm

I note the Minister's rationale for choosing 80% of the proportion of the 2020-21 financial position to authorise to this Vote on Account. How confident is the Minister, given that this is only meant to serve the Departments until the end of October, that we are not creating massive financial stress for Departments for the last five months of the financial year? Everyone in the Chamber is aware of the financial stresses that will arise from COVID-19. I am pleased that the Minister has announced the extension of the rates holiday. I am also keenly aware that that announcement means that we have spent more than we have been given in COVID-19 funding. As we know, there are still holes in our support during the crisis, particularly for sole traders and the self-employed, as well as the long process that will be required to allow our hospitality and retail sectors to rebound. How confident is the Minister that, as more funding is required to deal with the crisis, departmental funding approval in this Vote on Account will be enough to secure the budgets until the end of October? Early warnings of spending pressures will be vital to enable us to adapt to fast-moving problems. As the first in-year monitoring round is coming up in June, are there any early warning signs, Minister, that the Departments are concerned about?

Since we got up and running, we have been chasing our tails in the Budget process. We are now about to put a second Bill through by accelerated passage, with the hope of a further Bill being brought to the House in the autumn.

How confident is the Minister that we can get ahead of the process to allow the important, high level of scrutiny that needs to take place in the Budget process?

Finally, I will mention the crisis that no one seems to want to mention any more: Brexit. I read a distressing document from the EU Commission that stated that the UK Government — all right, they have moved slightly — are yet to produce even a timescale for delivering the structures necessary to implement the Northern Ireland protocol. I know that there is ring-fenced funding to deal with the EU exit, but, given that we are fast running out of time, can the Minister assure us that that is not another black hole in our Budget that we will need to scramble to deal with in the autumn or wintertime?

**Mr Muir:** When I spoke in support of the last Vote on Account on 24 February, I said the following with regard to the forthcoming financial year:

*"the challenges in the next financial year ... are going to be significant and should not be underplayed by anyone." — [Official Report (Hansard), 24 February 2020, p38, col 2].*

I think we all knew that the challenges would, indeed, be significant. Nobody was predicting that the Departments would require a further Vote on Account just three months on, and nobody was predicting that Northern Ireland would have over 50,000 people unemployed by the end of April and be facing the worst economic downturn in history. In the whole of our sitting on that day, there was not a single reference to the coronavirus that would take and utterly transform so many lives.

My party will support the motion today because those unprecedented circumstances have led to Departments urgently needing additional funding. It is, of course, the right thing to do to ensure that our vital public services can continue to operate. However, it is also extremely concerning that some Departments will effectively have spent around 45% of their budget when we are barely one fifth of the way through the financial year. While we could not have reasonably assumed back in February that there would be a further Vote on Account just three months later, this time around nobody can be unaware of the sheer scale of the financial challenges facing our Departments. A number of Ministers, including the Minister for Infrastructure this morning, have explicitly outlined additional resource pressures to get through this year. At this point, I declare that I was previously an employee of Translink and a member of Ards and North Down Borough

Council. I agree with the Chair of the Infrastructure Committee, who talked earlier about the need to ensure that the capital funding that has been allocated to those Departments will flow. However, across Departments, revenue-raising activities have fallen off a cliff, while costs often remain fixed in order to maintain vital services, and furloughing is possible only in a relatively small number of cases.

The additional money allocated by the Finance Minister for COVID-19 from Barnett consequential has gone some way towards alleviating some of the most urgent front-line pressures, but it will not be enough to cover the gaping structural hole that has opened in some Departments. On that basis, there are two questions that need to be answered before the Assembly votes for the motion. First, we need the Minister of Finance to outline when he expects to get a complete view of the potential financial requirements from all Departments and the assumptions used to get those figures. Some have submitted detailed bids, but others have not. As the Chair of the Finance Committee outlined, we still wait to see a detailed recovery plan. Secondly and, perhaps, even more importantly, we need to know where the money to meet those bids will come from. The UK Chancellor has spoken about devolved Administrations having access to the UK reserve for additional funding. Access to funding from that reserve is a useful tool, but it comes with a repayment requirement and, hence, should not be considered without exhausting all other avenues.

With more spending most definitely required across the UK to deliver the recovery of our economy and public services, especially our health and social care system, future Barnett consequential are likely but are not guaranteed and nor is the size of those future Barnett consequential known. Collective representations from the Northern Ireland Executive to Her Majesty's Treasury should, therefore, be a matter of priority to ascertain the scale and timing of any future economic stimulus and support for public services. I worry that we continue under the promise of jam tomorrow. Furthermore, I understand that the Assembly has the ability to borrow up to £200 million a year from the National Loans Fund for non-capital-related purposes. We need clarification of whether that is the case, whether it will be utilised and what strategic benefit will be realised from any borrowing undertaken.

It is the job of the Assembly not only to grant the Executive the legal authority to spend so that Departments can carry out their core

functions, particularly in these unprecedented circumstances, but to safeguard the overall finances of Northern Ireland. By voting for the motion, we are doing the former; it is only by getting answers to our questions that we will achieve the latter.

I have two other points to cover. Mr Frew talked about the rate relief announcement that was made last week, and I, too, welcome that. However, we also need to recognise that rate relief on its own will not help businesses get through the forthcoming recession. Much more is required in terms of a more detailed and comprehensive recovery package. Touching on the comments on support for hauliers that were debated earlier today and last week, we understand that the Department for Transport has decided not to proceed with that package. I seek clarification from the Minister of whether the moneys that are already allotted in Northern Ireland can be used to support local hauliers, even though the Department for Transport is not proceeding with that. A number of them are on their knees and are very worried about their future. If we have that money allocated in Northern Ireland, we should be able to use it to help them.

**Mr Storey:** I will revisit issues that are pertinent to us all. As the Member reminded us, we are taxpayers as members of the United Kingdom. However, we also need to remember — there are many in the House who would like to forget — that what we bring in is not sufficient to run all the services that we have in Northern Ireland. If you read the document, you see that 85% of the total spend is as a result of the block grant.

Sometimes it is like going back to primary school: we need to be reminded of the law of first principles.

I declare an interest as a member of the Northern Ireland Policing Board, because I want to revisit the way in which the finances have been distributed, via the Finance Minister, to the Justice Minister. We find ourselves in a situation where, yet again, we are playing ping-pong. I thought that we had a collective, five-party mandatory coalition and that we were all towing together to work to whatever agreements we came to in order to see them fulfilled. The Minister will recall that I raised with him on the last occasion the funding of additional police officers in 'New Decade, New Approach'. The Minister, on that occasion, said that there were processes and that he had had a discussion with the Justice Minister. Thankfully, I had written to the Justice Minister before I asked the question in the House. I got

a reply that was very enlightening for a number of reasons. One, it seems that the Minister of Justice is not really giving priority to the New Decade, New Approach agreement because, in the letter, she said that she had made it clear to the Finance Minister in a meeting that her priority would be the inescapable pressures in the first instance as they related to just standing still and that only once those pressures were met could she consider allocating funding to New Decade, New Approach-related costs. The letter also informs us that the Finance Minister is in receipt of the money that is needed to fulfil the promise made in 'New Decade, New Approach': £40 million per annum. It is not a case of just going out and getting additional police officers and paying them for the first year but not every other year. There are recurring costs that have to be met, and somebody has to pay the bill.

Of course, we notice that money was allocated to the new medical facility in Londonderry: only £15 million. When anyone looks at the current estimates for the running — the capital and the resource — of that project, the cost will be in excess of £30 million. Some people are hanging their hats on the Belfast city deal providing the additional money, but there is no doubt that it will have recurring costs that have to come back to the Executive.

**Mr O'Toole:** I am extremely grateful to the Member for giving way. He was talking about the ongoing costs of the Magee medical school. Does he agree that it would have been great to have the £2 million a year that is being spent on subsidising non-existent flights to north America, something that, I believe, was agreed by a previous Finance Minister who was a member of his party? I presume that he would agree that it would have been much better had we not put that in legislation and were not handing over that money every year.

**Mr Storey:** I thank the Member for the question. I am delighted that he asked it, because his party wanted to sell an asset in relation to planes — the city of Londonderry's airport — and they did not even own it.

**A Member:** And the forests.

**Mr Storey:** And the forests. When it comes to dealing with public finances, the Member and his party have to take into consideration that the faults are not always on somebody else's side.

I come back to this point: I want the Minister to give a clear indication today — not, as the Alliance Member mentioned, jam tomorrow —

that money will be allocated to fulfil the promises made and the commitments entered into on additional police officers. There are those who would like the Police Service of Northern Ireland to be run into the ground and be so constrained that would be incapable of dealing with public order and the many challenges that it faces.

Let us remember that for some of those pressures, the shortfall is somewhere in the region of £53 million for issues such as holiday pay, injury awards, estates, body armour, human resources, technology, district policing, custody healthcare and cybercrime. The list goes on. Members will come through the doors of the Chamber and say that these things are very necessary, but then their Finance Minister is not prepared to put up the money to ensure that those are delivered.

### 2.30 pm

In conclusion, I want to raise another area of responsibility that the Minister has. I have raised this with him previously, and I want him to take it away today and look seriously at the operations of CPD. I am not convinced that the Central Procurement Directorate is giving the public sector in Northern Ireland value for money. I declare an interest as a member of the board of governors of two schools in my constituency, Ballymoney High School and William Pinkerton Memorial Primary School in Dervock. Those two schools are subject to rules and regulations that cost them money four times more than if they had the ability to go out and procure in another means. Yet, seemingly, in the world of CPD, you are better spending £10 to be able to justify how you have spent £1. I think that it is long past time that CPD was brought under some financial scrutiny. Are we getting value for money? We are talking about a Budget here. Of course, when it is not your own money, some people seem to think that you can spend it whatever way you like and then give accountability to others to make it very onerous and very challenging. Now that we have, thankfully, set aside some of the procurement rules from Europe, which were nonsensical and, I hope, will never come back, I hope that the Minister will be able to tell us how he will deal with the issue of procurement and that it will not be as he dealt with it in regard to the procurement of PPE from China, which never actually transpired.

**Mr Boylan:** I welcome the opportunity to speak in support of this motion. We are facing an unprecedented health crisis that has affected and will continue to affect all parts of our

society. The crisis brings with it massive ramifications that we will be dealing with for the foreseeable future. Of course, before this pandemic, we were already facing considerable financial challenges. Our block grant is £360 million in real terms below pre-austerity levels, and many's the Member across the Floor is denying that there was an austerity period, that there continues to be an austerity period and that we are and have been short of finances. We have had money taken out of this for long and many's the day, and that is why we are in the position that we are in.

I will use the example of Translink, which I know from my role as a member of the Committee for Infrastructure. Before COVID, the Committee had a briefing from Translink, and I also had a private briefing with one of my policy advisers. Translink said that, for the past four years, it has had to dip into its reserves to try to keep it going. If it did not have to dip into its reserves, we would not have had to look at the £30 million package for Translink that the Minister announced last week. I welcome that package, but the fact that that was necessary is part and parcel of some of the denial of some Members.

**Mr Storey:** I thank the Member for giving way. I do not live in denial: I live in the real world. Going back to this point, if it was your own money, would you spend more than what you had or would you realise that there are some things that you could not do? It seems that the Members opposite have an endless list of things that they want to do until it is something that they agree to and are uncomfortable with, like the additional officers for the PSNI. Then, they are not so keen to find money. It is only when it suits, and maybe the Member needs to realise that we have to cut our cloth accordingly because that is one of the realities that COVID-19 is teaching us all.

**Mr Deputy Speaker (Mr Beggs):** The Member has an extra minute.

**Mr Boylan:** The Member has been here a long time, he is a member of a scrutiny Committee, and he was also a Minister and had to prioritise his own moneys, so he should know better. If the Member is on a Committee, he has an opportunity to scrutinise a Minister properly. The Member keeps saying austerity, austerity, austerity and dismissing it as if it had not happened. We have been cut down for long many a day. The last day that the Member spoke on the Budget, he said exactly the same thing. However, I gave the Member the opportunity to come in.

In the light of the constrained financial position and the austerity measures that I mentioned, I commend the move by the Minister of Finance to allocate an £8.6 million increase in resource funding, as well as a capital allocation of £558 million to DFI. That reflects the flagship status of a number of DFI's capital projects and the priority afforded to infrastructure by the Executive. It is vital that we see progress on those fundamental schemes. I see that Mr Muir has left the Chamber, but he will have a chance, as a member of the Committee for Infrastructure, to scrutinise the Minister and the capital spend. The Deputy Speaker, who is in the Chamber in a different role today, will have a similar opportunity.

As regards COVID-19 funding, I welcome the Finance Minister's announcement of £30 million for public transport. That is on top of the £20 million that was allocated a few weeks ago. That announcement will be welcomed by Translink, as it demonstrates the Minister's recognition of the importance of public transport. Earlier, Mr Allister mentioned the sum of £59 million or £60 million being held centrally for transport issues. I would like to ask the Minister whether concrete proposals have been brought forward to the Executive or whether there have been any enquiries as to how that money will be spent, in the light of conversations that have taken place. It seems to me that the Minister has been getting letters by pigeon, messages in bottles and electronic messages. Recently, instead of Ministers sitting round the ministerial table and having proper discussions with other Ministers, every MLA can write to every Minister. That is the role of MLAs. However, it seems to me that some Ministers take it upon themselves to write letters rather than engage with other Ministers round the ministerial table.

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

**Mr Boylan:** Yes, certainly.

**Mr Humphrey:** The Member is speaking in code. I do not have the code book. If the Member is referring to a Minister, could he advise the House and those watching exactly who he is talking about? I have no idea.

**Mr Boylan:** I have asked, on a number of occasions, three or four Ministers on the Floor of the House about funding and support for the taxi industry. What I am saying is that Ministers in the Executive have been communicating through letters. If Ministers want to engage properly in the Executive, they should be in

there having conversations. It is up to us as MLAs. We can write to any Minister to request a meeting with any Minister. That is the point that I am making.

Believe it or not, I agree with Mr Allister that the freight industry has been left out of all this. I know that there were conversations with the Treasury in support of the freight industry, but they seem to have fallen through. I know that the sum of £90 million or £95 million was mentioned, although £59 million or £60 million is still being held centrally. Can the Minister comment on those figures?

With that, I support the Vote on Account. I will comment later on the Second Stage.

**Ms Bradshaw:** I want to say a few words about health. It should be emphasised, however, that one thing that the current crisis has shown us is that health is all-encompassing. The impact of the public health emergency is felt across every walk of life and every public service. Never has it been more important to look across the silos and base our spending on outcomes.

The health crisis has enveloped us all. It is well established that the Health and Social Care Board and the Department of Health workforce were already working hard to prepare for the pandemic. As we address the Supplementary Estimates, we may be thankful for their planning and foresight.

The crisis has been shattering enough for us all, but without the pre-existing contingency plans and their dedicated work, it could have been much worse. Our key workers and volunteers who are working across the whole community, with the support of the whole community, have shown a spirit and a determination that has been rightly applauded.

We may note, therefore, that an extra allocation exists to ensure that nurses who had to go on strike, not just for fair pay but, vitally, for safe staffing levels to ensure the welfare of patients, will not be penalised for having done so. Like many in the Chamber, I joined the nurses on the picket lines: not a single one of them wanted to be there, nor should they have needed to be there. In the general scheme of things, the sum of money to achieve that is dwarfed by other mammoth allocations to deal with COVID-19, but it says a lot about what and who we value.

Of course, I am aware that Health accounts for over half of the resource allocation from the block grant. At this moment, we may be thankful that it does. We may also be thankful

that another £205 million was allocated to the Department to manage the emerging pressures, with money for vital PPE and, more so, for the workforce. That was alongside nearly £7 million for hospices, the need for which is obvious.

There are also allocations to other Departments, which, in many instances, are no less health-related, in their broadest sense. I await further information about the £15.5 million for charities through the Charities' Fund and how it will be allocated. Inevitably, much of that will fall within the health and well-being sector. There are other vital areas, such as childcare and shielding packages, which may not nominally fall within Health, but are vital to it.

Away from Health, I commend the funding allocation for supply teachers, who had fallen through the cracks in the original plans. Like many others here, my inbox was jam-packed with messages from substitute teachers who were in dire straits, so I very much welcome that allocation.

That takes us on to an area of the pandemic that I feel is often overlooked in the commentary: the implications of lockdown, including grief and suffering due to the scale of loss and the loss of livelihood, about which my colleague Andrew Muir and others have spoken. The implications are vast and have a particular impact on the collective mental well-being. They include the direct psychiatric issues emerging from the separation of family and friends, or even the lack of physical contact, right through to the rising rates of domestic violence and child abuse. Not only will we need to allocate funds to the mental health action plan and champion going forward, but we will need to mainstream mental well-being into everything that we do, including planning Budgets.

I am concerned that, going forward, we will have to seriously consider where we can find extra money to take us through the rest of the financial year and beyond. Do we have borrowing options? Do we need to look at revenue raising? Are there emergency funds that we can access? Should we get serious about cutting the cost of segregation? Most importantly, should we speed up the health transformation process? Those are challenging questions that we cannot shirk as we move through the pandemic.

To conclude, our job here today is to safeguard the finances of Northern Ireland and, most of all, the people of Northern Ireland. We trust that, in voting through the allocations, we are

very much helping to do the latter, and that is why we must give them the benefit of the doubt. We will need more detail before we are sure that we are doing the former.

**Mr Allister:** Here we are again, discussing a further Vote on Account. I confess to the House that I do not fully understand why we have not simply moved to Main Estimates. I know that there is fluidity in the situation and that there are lots of unforeseens, but, at the beginning of the month, the Westminster Parliament put through its Main Estimates. It is living in the same fluid environment, so although I have asked the officials at the Committee as to why we too are not proceeding in the regular fashion with Main Estimates, I am frankly not convinced that there is a good answer to that. Perhaps the Minister, when he makes his winding-up speech, can explain why it is that we are drip-feeding, again, through an extension to more interim Estimates.

## 2.45 pm

That brings me to one of my main concerns. We allocated up to 45% of last year's Budget to last to the end of July. It has not lasted. We are now allocating in some cases up to 85% — let us say 80% — of resources to last to the end of October. To the end of October is only seven months of the twelve-month financial year. If we are giving authority to spend 80% of the Budget in the first seven months of the year, what on earth is going to happen in the last five months? Where are we going, in that regard? There is a limit to the size of begging bowl that you can produce.

I really would like to understand why we think that it is rational and right to take what equates to around 80%, in round figures, of our resources and effectively say to Departments that that is their budget just to the end of October. It does not leave much thereafter, and that has to be a major concern, certainly as far as I am concerned.

There are a couple of individual issues that I would like to take the Minister to. One of them has been referred to already in this debate. When I asked him last week about the haulage industry, he said:

*I know that part of the transportation money that we had been holding back was in anticipation of a request in that area. That did not emerge, and we went ahead, then, with the allocation to Translink. — [Official Report (Hansard), 19 May 2020, p28, col 2].*

This morning, the Infrastructure Minister, when asked about that, talked much about the Department of Transport etc but she then suggested that there was still £59 million of transport money at the centre. Is that correct? Is there is a pot of £59 million labelled "transportation"? If that is so, is there any reason why the local Departments for the Economy and Infrastructure could not come forward with a proposal for the haulage industry to be supported to spend all or a substantial portion of that money? In other words, is that pot of money available? Leaving out the Department of Transport, leaving out the Treasury, is that pot of money available to help the haulage sector, because at this moment in time it seems to be the forgotten key component of our economy? I would like the Minister to elaborate further on that, if he can, because that seems to me to be a very critical issue.

On the Estimates, here we are, for the second time, effectively approving 80% of the spend with very little detail and just with global figures for each Department. There are no spending lines in this. The critical thing about any legislature is that it is the ultimate authority to spend money. The norm would be that you can see where you are spending the money. All that we can see are global figures for each Department. I do not think that that lends itself to either the transparency or the accountability that we should have. If we are going to produce these and a further Budget Bill, could we not at least have spending lines for each Department, so that we could see where the money is going?

Will the Minister confirm to me that by reason of the absence of Main Estimates, no Department legally can spend its own resources that it accumulates? Until the Main Estimates are approved, is it not the case that Departments' own accruing resources cannot be spent? I would like clarification on that.

A final point has been troubling me. As we go through this economic and financial year, there is, by reason of coronavirus, huge demand, but, there must, surely, also be relevant savings in some Departments. There must be some Departments that, because of COVID, are not able to spend all that they anticipated spending. Yet these Estimates, the Budget Bill, will not reflect that at all. The Committee was told, "We will not know that until June monitoring". Would it not be more logical to ascertain that now to see where the savings are that could be redistributed, rather than going forward blindly as to whether there are savings — I do not know whether there are, but I suspect that,

across Departments, there must be — and utilise that money so that we do not allocate as much —

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

**Mr Allister:** — as 80% to 85% for the first seven months? Maybe the Minister will explain that as well.

**Mr Carroll:** Who pays for this crisis will soon be a key dividing line in politics. The Tories and others are already pushing the burden of payment on to ordinary people. The current crisis, broadly speaking, has two ends: the first can be categorised as the immediate health crisis; the second is the deep economic crisis that demands a whole new economic outlook, one that prioritises the interests of working people over those of rich corporations and the wealthy. The period ahead is full of massive uncertainty, but one thing is clear: we cannot return to normal, economically or politically.

The current Vote on Account is a crucial starting point for considering the Assembly's financial position, as is the upcoming Budget. The sentiment that we cannot return to normal has been reiterated around the world. There can be no return to our nurses standing in the freezing cold for months to get the pay that they deserve. There must be an end to the systemic underfunding of the health service to the point at which it is perpetually on the brink and unprepared for whatever crisis is round the corner. There must be an end to bottom-level welfare and the precarious employment contracts that leave too many on the cusp of poverty.

That was the position of my party and socialists before this crisis, but the response in this Chamber and in political chambers around the world has always been that the money is not there. If this crisis has exposed one myth, it is that the magic money tree exists. Suddenly, when big businesses need bailed out, there is a forest of magic money trees. When the likes of Richard Branson needs a bailout, that magic money tree is a whole island. The money has been there all along, and one way that we can get it is through taxation.

It is worth remembering that the two biggest parties in the last Stormont Executive spent the last 10 years begging Westminster for tax powers to give big business a break. For almost a decade, it was a major cornerstone in the economic policy of Sinn Féin and the DUP to ensure that the wealthy paid less in tax

contributions. It epitomised the neoliberal economics that helped to bring the current ruin upon us. We have to ask why, as we sit on the brink of another economic crisis, the cornerstone of this Executive's economic policy is not to raise taxes for the rich and fight for an urgent, radical redistribution of wealth across our society, thus ensuring that those who cannot afford to pay are not forced deeper and deeper into poverty. The DUP and Sinn Féin unashamedly begged for tax powers to give the wealthy a break. Why are those in charge here not willing to stick their neck out to give working people a break? Why are the Executive not even considering the use of powers that they have already to lift the caps on rates for the wealthy and high earners, drawing in more money to pay for parts of this crisis, at least?

In reference to earlier comments about the need for us to be thankful to the British Government, public funding is not the British Government's money; it belongs to the taxpayer. It is a result of the labour of the workers who create the wealth in our society. We need much more public funding, and we need wealth to be redistributed generally.

This emergency demands emergency action, but neither this Vote on Account nor the Budget provides that. There is no ambition for a different kind of economic agenda. In my role as one of very few opposition MLAs, I will do my best to scrutinise and to continue to hold to account those who bring this legislation forward.

Take the health service. The big parties in the Executive have spent years implementing Tory cuts to our NHS. This had a very real impact during the crisis, with too few ventilators and intensive care beds, too little personal protective equipment and, with it, no capacity to properly test. Austerity was never an economic necessity, as even right-wing economists will now admit. It was always a political choice and, too often, the big parties in this Chamber went along with that political choice. Because of that, we entered this health crisis with an underfunded NHS and healthcare provision, which undoubtedly impacted negatively on the force of the crisis.

One might hope that there was a lesson here, but, when we look at the projected costs and how they play out in the new Budget to be proposed later today, it is clear that nothing has been learned. In the Budget, for example, much is made of a 6% increase for the Department of Health, which certainly would be promising if it were not for inflation and the fact that we are all living longer, adding to the costs of the health

service generally. That means that this is not really an increase in real terms. If anything, it is a repeat of similar baseline austerity budgets. Indeed, as I pointed out in the Health Committee, these projections are predicated on a cut of at least £50 million to health trusts across this region: £50 million from our health service at a time when people are out every Thursday clapping for the NHS. It would be unbelievable if it were not so true to form.

It runs even deeper. It means the Bengoa report, which, behind the doublespeak, is predicated on efficiency savings. It means the continued underfunding of mental health provision at a time when mental health support should be at least doubled to meet the demand that is out there. It means a transport system like Translink continues to be threatened with going to the wall. It means millions for new roads, which will damage our environment through the use of cars, such as £75 million for the A5, and nothing to seriously tackle air pollution or invest properly in public transport. Behind the tables and figures of these accounts and the buzzwords contained in the Minister's Budget document, this is the reality of the situation.

The economic model that favours a for-profit system is having a crippling effect on our society. In my constituency, the use of food banks has soared, and unemployment and welfare reform are killing people. Where is the ambition to do better after this crisis? Where is the leadership? Sinn Féin and the DUP spent the guts of 10 years, as I said, begging Westminster to let them cut corporation tax for the wealthy, but not a peep about raising taxes for those who can afford to pay more so that we can provide a better future for our communities.

Finally, I take this opportunity to reiterate my deep concerns about the lack of scrutiny throughout this budgetary process and, indeed, this Vote on Account. I will not labour the point; I only want to say that, in this scenario with a five-party Executive, I do not think it is healthy for all MLAs to endorse the Executive's actions. I will continue to challenge the Executive. Obviously we welcome new moneys and increased spending, but the point is that this Budget does not go far enough to tackle the needs across our society. As a member of the opposition, as a socialist and as someone who has witnessed the very real impact of cuts and callous austerity Budgets on people in my community and across this island, I will continue to oppose what looks set to be another austerity Budget, both in its financial projections and its form. I will continue to use my role to hold the Executive to account.

**Miss Woods:** As we know, and as many have said in this Chamber, these are extraordinary times, and that is reflected in the Vote on Account proposals before us today. We were due to get the main Budget Estimates for the 2020-21 financial year. It was in my calendar, in fact, until last week. I was looking forward to offering some scrutiny on Budget proposals and departmental priorities, which we have not actually had the chance to do so far. However, because of the spending pressures relating to COVID-19 and the inevitable reallocations between Departments, the Minister and Department of Finance are telling us that it is not possible, and will not be so for another couple of months.

We are told that we will not get the Main Estimates until the autumn, halfway through the financial year. If today's votes are successful, Departments will have already had access to over 80% of the allocations, based on last year's allocations, as well as their COVID resources. What happens then? What happens after the autumn and for the remainder of the financial year? Clearly, the June and September monitoring rounds will be extremely important to monitor what is going on with departmental spending, and I hope that Committees and Members will be given the full details of what we need to scrutinise the spend.

Listening to the Finance Committee last week, I noted that questions were asked about the announcements of rates holidays for certain sectors and from where they were going to be funded. Is there a reliance on the June monitoring round for this business support?

I also wonder whether the Minister can address the fact that the Assembly will not have an opportunity to debate and scrutinise properly the budget allocations for this financial year until we are already halfway through it. Is that a good way of spending public money?

### 3.00 pm

We have not been able to make a proper assessment of departmental pressures, some of which relate to the New Decade, New Approach commitments, because the information supplied prior to the Budget vote on 5 May included so many "TBCs" and "not applicables". We still do not have any clarity on what that means, let alone any clarity on Brexit, which is equally unclear and for which details of what is going on are required. Is this a case of "Spend now and ask questions later", or are the Executive acknowledging here that

Departments' spending might be in a mess but they intend to clean it up later on? It would be good to hear from the Minister directly on that point. If, after an unprecedented health crisis, spurring an economic recession, we are in a mess, how will we get our questions answered?

I understand the need to get resources urgently to cash-strapped Departments that are under serious pressure arising from the COVID-19 pandemic. We are in unprecedented times. I understand that many of the budgetary allocations that might have been in place for the start of the year may not be a priority now or come the autumn and that Departments need cash now. We will not stand in the way of that.

We welcome the support granted so far to our businesses, communities and vulnerable individuals, but we know that gaps remain. Many businesses and people in our communities are falling through the very nets that are designed to support them. We need to do more. As the Minister will be aware, we need to support those not eligible for any current fund supplied by Westminster or by the Department for the Economy. Otherwise, many businesses will not reopen after this. We must also be very aware of the continuation of the furlough scheme. Any changes to it must be carefully considered. For example, if the hospitality business — one that I have acute knowledge of — cannot reopen safely, adhering to current social-distancing guidelines and the furlough scheme stops or is significantly altered, we will see mass redundancies, unemployment and closures. That is a fact. I am more than happy to explain to any Members from great personal experience how working in a kitchen, a restaurant or a bar cannot be done safely under the current social-distancing requirements. It is not possible.

Our councils, too, face huge financial pressures and will continue to do so. Much more will need to be done. Many other sectors — those dealing with mental health and support for addiction problems, the community and voluntary sector and so on — required huge resources and financing regardless of COVID, but their situation has now been compounded by it. We are yet to see a comprehensive economic recovery plan. As the Chair of the Finance Committee stated, it is somewhat overdue. I would welcome the Economy Minister attending the Chamber to outline her plan. We will need to know what it is so that funding can be allocated, but we also need to know what the document looks like. Will we get to see it, let alone scrutinise it? I reiterate: the economic recovery must be a green recovery. It must be a just transition for our people, our

economy and our society. I am glad to hear the need for a green new deal being raised in the Chamber again today. It was stated, however, that many political parties supported it. All the Executive parties supported a green new deal in 2011, but, despite commitments, no strategy was adopted and no resource allocated. Those are the same Executive parties as are in office today.

Higher government borrowing is also spurring public fears of a new age of austerity in which public services suffer as a result of fiscal restraint that is justified by the COVID response. What assurances can the Minister provide to the House and to the general public that that will not be the case in Northern Ireland? Some in Westminster may have given assurances that austerity is off the table, but how much austerity can be avoided is uncertain without a plan. The Minister, after being asked on the radio this morning about the pending recession, stated that it would be severe for Northern Ireland, but how do we know that the Executive's approach to the problems is the best one? We do not have any of the details here. It would be helpful to hear from the Minister what other options were considered and what his expectations are come the autumn.

I look forward to the debate on the second Budget Bill, during which there may be greater opportunities to discuss the allocations, the allocations to other budgets and what is missing. I know that the Minister appreciates Members' feedback, but there needs to be a plan, with ideas and solutions for moving forward behind it, and that plan should be to build back better through a green, just recovery.

**Mr Nesbitt:** First, I apologise for my late entry to the Chamber. It was not my intention to speak, but I was listening and watching upstairs in my room, and I was struck by remarks made by my good friend Mr Catney. He talked about how it does not matter whether you are a loyalist, a unionist, a republican, a nationalist or none of the above: if you are earning, you are paying tax and are therefore entitled to have access to our public services, and benefits are an entitlement. I get that very much. Indeed, I agree with him, but I hope that he would also agree with me that, traditionally, a weakness in our economy is that we contribute less to the Treasury than the Treasury gives us by way of the annual subvention that we call the block grant. In the same way, we were net beneficiaries of European Union moneys, and we have come out of the European Union with no guarantee that those moneys will be

matched by the UK Treasury, never mind that we will be better off.

**Mr O'Toole:** I am grateful to the Member for giving way. The debate goes back and forth, but, just as a point of clarity, the block grant does not represent the subvention for Northern Ireland — i.e. the gap between revenue raised in Northern Ireland and expenditure here. That is not what the block grant is. That is a different calculation, as it were. That is the amount of resource that the Executive have to spend every year.

**Mr Deputy Speaker (Mr Beggs):** The Member has an extra minute.

**Mr Nesbitt:** I take the Member's point, but he will agree that the broad principle is that we contribute less than we get back. I will come to that again in a moment.

In terms of what the Minister does with the Budget, in my 10 years in the House and particularly in my five years leading the Ulster Unionist Party into repeated negotiations with the UK Government, it seemed to me that we were focused entirely on a dependency culture where we saying, "We need more", whereas I would like to see us switching to a prosperity agenda where we say, "Give us the tools for us to generate more". I am old enough to remember Harold Wilson, as Prime Minister — I think that it was in 1974 — calling us "spongers". On my wall upstairs, where I was watching the debate, I have a copy of a speech that the late Harold McCusker made in protest at the Anglo-Irish Agreement in 1985. He talks about spongers:

*"I have heard variations on the sponger theme."*

As he goes on to say, we received £1.5 billion from the Treasury, 35 years ago. Today, it is £12 billion. The question has to be this: has our tax take gone up eightfold in the last 35 years? If it has not, what are we doing to generate more wealth, more prosperity and, therefore, more tax?

I just wanted to make briefly this point: yes, we have to protect our vulnerable; yes, we need to look after those who are dependent; and, yes, the welfare state is an entitlement. I prefer the term "entitlement" to "benefit". As well as that, surely, we must have a focus on reforming our public services in education and in health. Let us think about the many people who woke up today with poor mental health, with no sense of purpose in their life, unable to go to work and

taking entitlements not because they want to but because they do not have the capacity to do anything else. Yes, we need money to transform our public services, but I also urge the Minister to have a focus on using money to create a prosperity agenda so that we become less dependent on the Treasury and more self-sufficient.

**Mr Catney:** I thank the Member for giving way. I listen to the tone of the debate, and we are all in this together. That means those of us who were more fortunate and were able to make a good living out of the economy here through the Troubles. We need to realign our economy as well. When we come out of the pandemic, there will be opportunities to reboot the economy. I agree with the Member who talked about the hospitality sector. That sector is not stand-alone; it is key to the economy of the whole of the North of Ireland. If it goes down, tourism is down, hotels are down and thousands of jobs go with them. The point for Mr Nesbitt is that we are all in this together, and we need to shoulder the responsibility. Some of us are lucky. We are lucky that we can play —.

**Mr Deputy Speaker (Mr Beggs):** I remind Members that interventions should be brief.

**Mr Catney:** Thank you.

**Mr Nesbitt:** I agree with the Member. I remember him famously saying in the House that, as a publican, all he was concerned about at the end of the day was what was in the till. We should be concerned, metaphorically, about what, at the end of the day, is in the till for our citizens when it comes to their prosperity, their physical and mental health and whether we have created a society that is fair and equitable and in which, they feel, they have a fair shot. To do that, I firmly believe, we need a prosperity agenda, and I recommend it to the Minister.

**Mr Deputy Speaker (Mr Beggs):** The Minister will have up to 28 minutes to make his winding-up speech on the motion.

**Mr Murphy:** I know that Supply resolution debates can often cover many aspects that do not always relate to the Bill that is being considered. On this occasion, however, for all of us, the background of the COVID-19 emergency has helped to focus most, if not all, minds on the importance of the public expenditure decisions that have to be taken in this place. A range of points have been made in the debate, and I remind Members that this could be considered in broad terms to be the

third Budget debate in which I have spoken in the last number of months.

I continue to recognise that what we are doing here is not ideal. We started with the ability to produce a proper Budget, given the fact that we were only back into the place in mid-January, with the difficulties that that presented. The area that we wished to get to, in broader budgetary terms, was a multi-annual Budget, given the spending review that is due to take place — that remains to be seen in Westminster over the course of this year with the possibility of a second Budget there in the autumn — with the ability to get to a broader, longer-term budgetary position. That would give people much more scrutiny and advance sight of spending down the line and an ability to assist in shaping that coalescence with our Programme for Government and the priorities that are set by the Executive and the Assembly.

On top of all that, the COVID issue has created huge uncertainty around how staff will be able to work and the additional spend that came our way, which had to be put together very quickly to get a response out on the ground. That had to be undertaken at a pace and a frequency to which, perhaps, the Civil Service and, certainly, the Assembly, were not used. That was done with only a small number of civil servants being readily available to us, with others working remotely, and that has proved to be a significant challenge.

Nonetheless, I accept readily that what we are doing here, given that the main function of most Members is scrutiny as well as involving themselves in legislation and all of the other work that MLAs do, is not ideal. It is my strong desire to get back to a more normal budgetary cycle in which we can have advance sight and debate and full and proper scrutiny of all of the spending lines that Departments produce, with a chance to vote on those and to democratically decide how the Budget goes.

I thank the Committee Chairs for their contribution. They have, in the main, outlined the pressures and issues facing their Committees. I thank the Chair of the Finance Committee for his recognition of the need to extend the Vote on Account. I accept that we must also look to funding opportunities to support economic recovery. I can advise the Chair that the Department is looking at all the available options for resource and capital funding. As the Chair mentioned, the capital options include the use of the RRI borrowing and investment fund. The issue of borrowing was mentioned by others including, I think, Andrew Muir. Of course, the Executive have

borrowed in the past and are paying off borrowing, which does not come without a cost attached to it. Therefore, in the uncertain financial circumstances in which we find ourselves, that is something that needs to be very carefully considered indeed.

**Mr O'Toole:** I thank the Minister for giving way. He is right that that comes at a cost, but will he acknowledge that borrowing costs for the UK Government — indeed, for all Governments at the moment — are at historic lows? For the first time, the UK bond yield has passed into negative territory, which implies that we should give it a good, hard look. It is cheaper now than ever to borrow to invest.

**3.15 pm**

**Mr Murphy:** Yes, I accept that, and that is why I outlined that we will look at all options in relation to that. That is the case, but we are paying off loans that were secured at a higher rate and so we have to look at the ongoing cost to the Executive's finances as a consequence of that.

There were a number of questions on my opening remarks about the risk of Departments running out of cash. That does not mean that Departments have spent a full year's budget. To be clear, Departments are continuing to operate within the budgets that the Executive have agreed for them, but it means that some Departments are getting close to spending 45% of the Vote on Account that the Assembly approved in the Budget Act in March. That Vote on Account was intended to last Departments until the end of July, but, because of the extra expenditure that the Executive agreed in response to COVID-19, for some Departments, the 45% Vote on Account will not be sufficient to last until the end of July hence the need for a further Vote on Account now.

There were a number of questions about transportation money for COVID-19. This crosses a number of Members' questions and I will try to answer them all in the same response. Somewhere in the region of £95 million was allocated as a consequence of transportation money spent in Britain. Most Members will know that that comes across as a Barnett consequential, although we are not restricted to using Barnett consequentials in the same area for which they are allocated to us. They are not hypothecated in that way, and so it is a matter for the Executive to decide whether to spend it in that regard. Nonetheless, the Executive agreed to set aside that COVID money to consider transportation needs, and,

under that package, we considered the needs of the airports and the ports and we will consider the needs of the freight industry and the haulage industry, which others have mentioned. There was a delay in allocating that money until we heard the conclusion of the discussion between the Department of Transport, the Treasury, the Department for Infrastructure here and, I think, the Department for the Economy. As I correctly advised the Assembly last week, I was informed that there was no case for that and, therefore, funding would not be allocated under that area, so I then went ahead with the allocation to Translink. I remind Members that that £30 million allocation comes on the back of a £20 million allocation as part of the Budget in March. Within two months, Translink has been allocated £50 million. I appreciate very much the difficulties that it and all our public services are facing.

Mr Allister asked whether there is a possibility that the Department for Infrastructure and the Department for the Economy locally could bring together a plan to support the haulage industry. There is no reason why they cannot come forward to the Executive with a proposition. As my colleague across the way will know, the Department of Finance can only deal — I will get on to his matters in relation to the PSNI and the Justice Department — with propositions that are brought to it. I cannot reach into a Department and decide, "You need money and here is how it shall be spent". If Departments wish to engage with any sectoral interest that they individually — or, perhaps, collectively in the case of a number of Departments — have, bring forward a costed proposition to the Executive and make a bid for allocation from the Executive, they can do that. Bear in mind that, in the last allocation, we went substantially to the end of the COVID money that was available, but that does not stop a Department or Departments coming forward collectively with a bid. The Executive will then decide whether that bid is worthy of support. The same rationale applies to other issues, which, as I say, I will come back to.

We are very much aware of the situation with Translink. As I say, in relation to broader issues of ongoing support for various sectoral interests, be they Economy, Infrastructure or a crossover between the two, it is, of course, up to those Ministers to either work together or allocate the responsibility to one or other Department and take forward a proposition. I assure you that such a proposition will get a fair hearing in the Department of Finance, but it will then become a matter for the Executive to

decide whether to support such an allocation. *[Interruption.]* I will give way to the Member.

**Mr Allister:** To be absolutely clear, is the Minister saying that there is still a £59 million pot for transportation that is not earmarked for anything else at the moment, so if Economy and Infrastructure get their act together, there is no reason why the haulage industry could not be helped?

**Mr Murphy:** Almost £60 million remains of the £95 million that was being held centrally. When I made the first statement, I said that that was unhypothecated — the Executive do not have to use that for transport. They could choose to use it for something else that they consider to be a bigger pressure at the time. Our recent allocations by way of rates relief interventions to broadly support businesses have had a significant cost to the Executive and, of course, we will have to assess what is left, if anything, from the money that is coming through the business support grants. The Executive have to take those considerations in the round rather than allocating support to Departments in a piecemeal manner. We try to do it in stages. We assess a range of allocations together so that we can have some kind of oversight and a more strategic approach to all of that. He is correct in that £59 million of that £95 million has not gone to transportation issues. It is possible for Ministers to bring forward bids for that, but it is also possible for the Executive to decide to allocate that to another area.

There were questions in relation to the shortfall of the capital budget, generally. Again, I think it was the Chair of the Infrastructure Committee who raised that. In the most recent Budget, aside from the COVID allocations, the Infrastructure Department received over £500 million to prioritise its capital programme. That is almost 40% of the entire capital allocation available to all Departments. With that allocation, the Executive have prioritised funding for such flagship schemes as the A5, the A6 and the Belfast transport hub. There is, therefore, no shortfall of funding in those schemes.

I will go through some of the other points that were made. There is a general theme in all of this which I find amusing, and I refer back to Mr Storey's comments about us all being in the five-party Executive together: when people are disappointed with their bids, it is either me on my own, or me and the Minister responsible who are found to be responsible for those things not happening. I know that there are new Members here, but everybody here knows how the Executive work. Bids are brought forward as

part of a package. When Ministers support those bids, it means they reject other bids as part of the package. Therefore five parties agree these things. The Chair of the Infrastructure Committee made reference to community transport as if it was purely the responsibility of the Department for Infrastructure and the Department of Finance. It is not. If there is a bid under COVID money, or anything else, for funding for community transport, or any other area, it is an Executive bid, and, collectively, the Executive will decide how it is done.

In that regard, I was disappointed and slightly surprised by Sinead McLaughlin's remarks that the Executive are back to divvying up money between the two big parties. It is patently untrue, even on a cursory examination, that the Executive are divvying up COVID money in relation to the two big parties. The Department of Health got the second largest allocation of all of the COVID money that we received. The Department of Health belongs to the Ulster Unionist Party, not to the DUP or Sinn Féin. There is no divvying up between the two big parties. I go back to my point: the propositions are brought to the Executive. Only one Minister — it was not hers — objected to some of the allocations. The Executive have agreed every other allocation of funding that has been made to date. In agreeing the allocation of funding, they also agree to reject the bids that are unmet. I am not sure if that narrative is about playing at being in the Executive and in the opposition at the same time, or if it is some kind of scene-setting for an exit strategy at some stage, but it is transparently untrue. Regardless of the reason, it should be done on the basis of honesty. It is not right to throw out a cliché about the two big parties divvying up the money between them. Even a cursory examination of the allocations that have been made to date shows that to be untrue.

There is also the idea that we do not have any joined-up plans. The five parties of the Executive worked for some time, and there were disagreements on how we would manage this crisis; that was evident. However, we worked through and reached an eventual agreement on a recovery plan to move us out of the lockdown. I am sure that I am not mistaken, but my sense is that that plan has got widespread approval from the public. Most people have commented that it is a sensible plan. That is a joined-up plan.

A number of Members mentioned the economic recovery plan. The economic recovery plan was sent to the Executive last, I think, Wednesday evening. The Executive meeting was to happen

on Thursday morning. The plan was detailed and lengthy. In order to give Ministers, including Ministers from the smaller parties, a chance to properly study that recovery plan and provide commentary on it, rather than receiving it maybe less than 12 hours before the Executive meeting, we decided to put it off until the next available Executive meeting, which happens to be this Thursday.

The conspiracy theories around these things do not stack up. If the economic recovery plan had arrived on Wednesday evening, and been adopted by the Executive on Thursday morning, I am sure that that approach would have been correctly criticised. Therefore, the economic recovery plan will be discussed at Thursday's Executive, and we will attempt to reach an agreement on it. The characterisation of "divvying up by the two large parties" uses all the clichés of a number of years ago. I am not sure what the point is of trying to revisit that at this stage. I assure you that the money is being given out in a fair way, because the priorities that the Executive set themselves are being met. The central priority of the COVID money was to assist the health and economic crises and to protect vulnerable people. If Members look across the range of allocations for that COVID money, they will find that, by and large, that is how it was met. It did not matter which party owned the Department or what the responsibility was: that is what the Executive agreed, and that is how the money has been allocated.

Alan Chambers went on to criticise the fact that the Health Department did not have enough money to begin with. That is quite true. We have had nine years of austerity, brought in by the David Cameron-led Government. He may remember the position that his party adopted to secure a David Cameron-led Government, which was to offer its full support. These issues are the consequence of that. In a remarkable act of self-denial, he asked us to "take our blinkers off" and recognise that we got all this money from the British Government. We have had nine years of austerity, and that is why we needed a lockdown. It is because we have a Health Department that is not able to cope with a significant health crisis. It has been underfunded for years.

Mr Chambers then asked about the projects that did not materialise from the NDNA money. Again, we negotiated that in good faith with the British Government, and the first act that they did, when we reached agreement on the 'New Decade, New Approach' document and put the Executive back in place, was to withdraw the

financial offer that they had made. That is why we are facing these financial difficulties.

On the one hand, you cannot laud the behaviour of such a Government, which you are quite entitled to do, then berate us for the place in which we find ourselves.

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

**Mr Murphy:** Sure.

**Mr Nesbitt:** I accept that he makes those points about the Cameron Government. Does he not accept that, in the health service's ability to handle the crisis, there is an issue regarding a former Health Minister, who sits on those Benches, who did not do all that she could, and was advised to do, in preparing for a pandemic?

**Mr Murphy:** It does not get away from the central point that the Health Department has been underfunded for a significant number of years and austerity has had its impact on that. On the one hand, you cannot support parties in Westminster, be it the previous Conservative Government or the last and current Conservative Governments, and then bemoan the outcome of those policies.

I will take some of the specific questions that were asked. Paul Frew asked about the Utility Regulator. The previous Vote on Account, already provided by the Budget Act 2020, provides the Utility Regulator with 90% of the total funding that it is due to receive from Government. No further pressure has been identified by the Utility Regulator. The Utility Regulator receives only a small proportion of its funding from Government. The majority of the funds that it needs to carry out its work are obtained through the fees that it charges to the electricity, gas and water industries that it regulates. If there are any pressures facing the Utility Regulator, there will be an opportunity to bid for them in the June monitoring round, and those can be considered by the Executive. However, we are not aware of any pressures that have been raised to date by the Utility Regulator.

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

**Mr Murphy:** Yes.

**Mr Frew:** I am puzzled by that percentage. I might well be wrong but, looking at the figures in front of me, I want to know how the Minister gets to 90% with the information to hand. It seems to be that, last year, it was sitting at

25%. How does that go from 25% last year to 90% this year? I know that there is a difference between resource and cash. Can the Minister enlighten me?

**Mr Murphy:** The Member raised that question at Committee, and officials gave him an explanation.

If he wishes, I can ask officials to write to him to reiterate the explanation that was given to him previously.

### 3.30 pm

Members raised a number of other issues. I have tried to address them in a general sense with regard to funding for Infrastructure and other issues. Mervyn Storey raised, once again, the issue of PSNI funding. Having been a Finance Minister, he knows all too well that I can respond only to bids that are made to me. If no bid is made, I cannot respond. As far as I am concerned, no bid has been made in relation to increased recruitment. As he mentioned, I had a conversation with the Justice Minister, as I did with all Executive colleagues individually in the run-up to setting the Budget. I have not dealt with any bid in relation to that.

Of course, with regard to the setting the Budget, he also knows that the Executive approve it, and so does the Assembly. That is where that lies. I know that he likes a bit of cut and thrust backwards and forwards across the Chamber with some of my colleagues, but to try to dress that up in some way as political opposition to the outcome of that spend is unfair because I have no issue with an increase. It was an NDNA commitment to which we signed up. I have no difficulty, and Sinn Féin has no difficulty, with standing over the commitments to which we signed up. Therefore, I assure the Member that support for the funding of that issue is not a matter of any political disagreement or reticence.

**Mr Storey:** I thank the Minister for giving way. It goes back to that territory of, "It is not my responsibility: I am waiting on those bids to come in". It is clear from what the Minister of Justice has said that she is not prioritising the additional police officers. She is working on other pressures. There are strategic outline cases. Some of them are, now, moving to business cases, which is some progress. My central point is this: a deal is a deal. If it said that there would be a medical school, and, on the opposite page, said that there would be additional police officers to bring the total to 7,500, that, to me, is a deal. It is not about

waiting for a business case. It leads to the question: what was the process to remove the medical school from the Department for the Economy and the Department of Health and move it to the Executive Office? Why did that happen, given the fact that responsibility for the delivery of that project lay primarily in those two Departments?

**Mr Murphy:** First, in relation to the PSNI bid and the Member's view that it was part of a deal — I am conscious that this is my clock here, Mr Deputy Speaker, so I will endeavour to be quick — if it was part of a deal, it is not the responsibility of the Finance Minister to go in and demand that the Justice Minister brings forward a proposition. There is a party leaders' forum, which, I think, was set up as a consequence of NDNA in order to discuss issues that might be outside the day-to-day workings of Departments. If there is an argument that that commitment is not being met, I suggest to the Member that that is the area in which to raise it and, hopefully, then secure an agreement. I am more than happy to play my part in that.

With regard to the Magee campus and Ulster University situation, there was a time pressure on agreements that needed to be made about matched funding of the inclusive future fund and also about the intake for the graduate-entry medical school. There was a lack of agreement between both Departments on which one would have lead responsibility for that. In those circumstances, correctly, the Executive Office and the offices of the First Minister and deputy First Minister stepped in to try to arbitrate and find a way through that. That is how it ended up in that Department.

I will try to conclude as quickly as I can. The issue of taxis was raised in the general sense with regard to the freight industry and haulage. Again, I want to say that I have had no proposition or costed case put to me at all. Executive colleagues raise the difficulties that their various sectors have at every single meeting. Sometimes, they write to each other about the difficulties that their various sectors have. However, when somebody wants an issue to be addressed, they bring forward a costed proposition to do so. That is how the sub-teachers' issue was dealt with. The issue with the agriculture industry was dealt with because the Agriculture Minister brought forward a proposition. That is how the charities issue was dealt with by the Communities Minister.

I am not precious about who decides that it is their policy area, but it is certainly not the policy

area of the Department of Finance. Whether it is Infrastructure, Economy or a combination of both, no one has yet brought forward a proposition on how to deal with taxi drivers. I have seen plenty written and said about it, but I have not had any proposition, nor have the Executive the ability to consider anything. As I say, letters and emails come into the Executive all the time saying, "We have problems with this and problems with that", but that does not amount to a solution or a proposition for how to deal with it. If people want it dealt with, Executive colleagues know how to bring forward such a proposition.

Briefly, Jim Allister raised a couple of points about the Main Estimates. I explained at the beginning of the debate that it was impossible to produce a Main Estimates document of the Executive's up-to-date expenditure plans because the Executive have been constantly reacting to the emerging COVID-19 situation. I announced the most recent allocations last Tuesday. If we had tried to write a document of the Executive's expenditure plans, it would have been out of date before it could be produced, and that is also why the Vote on Account cannot contain the level of detail that would be in a Main Estimates document. Clearly, I have committed to taking a Main Estimates document early in the autumn.

He also asked about what happens when we reach October and we have accessed up to 80% of our Vote on Account. As I said, we will bring the Main Estimates and an associated Budget Bill to the Assembly by the early autumn, and that will allow access to all available cash and to receipts accruing resources that are not available at the present time. I remind the Member that we have further spring Supplementary Estimates before the end of the final year to allow for further monitoring rounds that will take place throughout the year.

A number of other points were made. Mr Carroll raised the issue of taxes, and I remind him that we do not have the sort of taxation powers that he berates us for not using. When he refers to this as a new Budget, it clearly is not a new Budget; it is just an extension of an existing Vote on Account. I heard the litany of grievances that he raised, and I agree with many of the grievances that people find themselves talking about, but simply rehearsing those in every speech that he makes here does not provide any solutions. If he wants to hold us to account and to assist us in trying to provide solutions, which we are doing on a daily basis, for people who need them most, perhaps his contributions could be more constructive than

simply rehearsing them, otherwise it is simply rhetoric.

Rachel Woods asked some questions about the furlough scheme in the hospitality sector. Clearly, we understand the issues that the hospitality sector is going through. The furlough scheme is extended to October, which is welcome, but we have no certainty from August through to October at what level the employer contribution will be, and that will have a real impact, particularly for those people who work in that sector, which is largely low paid and casual. That is why we included the hospitality sector for the rates extension till the end of the year.

To conclude, I completely agree with Mike Nesbitt about a prosperity agenda as opposed to a dependency culture. The argument about the subvention is the extent of it. Some people would have told us a few years ago that it was £10 billion, and in a recent answer that I was given by the Department, I was told that it was closer to £3 billion. Nonetheless, that tells us about the gap that we have to close, and I would prefer that we closed that gap through our own efforts.

Mr Deputy Speaker, I thank you and the Finance Committee for the agreement to take the legislation, which will follow by accelerated passage. I will draw my remarks to a conclusion. I commend the further Vote on Account for 2020-21 and ask Members to support the motion.

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

*Question put.*

**Some Members:** Aye.

**Mr Carroll:** No.

**Mr Deputy Speaker (Mr Beggs):** I think the Ayes have it. As I am hearing Ayes from all sides of the House and no dissenting Noes, I am satisfied that the necessary cross-community support has been demonstrated. If Members wish to disagree, please repeat your opposition.

**Mr Carroll:** No.

**Mr Deputy Speaker (Mr Beggs):** If that is still a No, for information, Members, you should continue to dissent if you wish to have a vote, and I will respect that on this occasion, as I should, so clear the Lobbies. The Question will

be put in three minutes. I remind Members that they should continue to uphold social distancing and that Members who have proxy voting arrangements in place should not come into the Chamber.

**3.45 pm**

**Mr Deputy Speaker (Mr Beggs):** Order, Members. Will Members resume their seats?

Before I put the Question, I again remind Members that, if possible, it would be preferable if we did not have a Division. Previously, Mr Carroll indicated his opposition, but I will put the Question again.

*Question put a second time and agreed to.*

*Resolved (with cross-community support):*

*That this Assembly approves that a sum, not exceeding £8,225,189,000, be granted out of the Consolidated Fund, for or towards defraying the charges for the Northern Ireland Departments, the Food Standards Agency, the Northern Ireland Assembly Commission, the Northern Ireland Audit Office, the Northern Ireland Authority for Utility Regulation, the Northern Ireland Public Services Ombudsman and the Public Prosecution Service for Northern Ireland for the year ending 31 March 2021 and that resources, not exceeding £9,050,940,000, be authorised for use by the Northern Ireland Departments, the Food Standards Agency, the Northern Ireland Assembly Commission, the Northern Ireland Audit Office, the Northern Ireland Authority for Utility Regulation, the Northern Ireland Public Services Ombudsman and the Public Prosecution Service for Northern Ireland for the year ending 31 March 2021 as summarised for each Department or other public body in column 4 of table 1, and column 4 of table 2, in the Northern Ireland Estimates Further Vote on Account 2020-2021 that was laid before the Assembly on 20 May 2020.*

## **Budget (No. 2) Bill: First Stage**

**Mr Murphy (The Minister of Finance):** I beg to introduce the Budget (No. 2) Bill [NIA 5/17-22], which is a Bill to authorise the issue out of the Consolidated Fund of a certain sum for the service of the year ending 31 March 2021; to appropriate that sum for specified purposes; to authorise the Department of Finance to borrow on the credit of that sum; and to authorise the use for the public service of certain resources for that year.

*Bill passed First Stage and ordered to be published.*

**Mr Deputy Speaker (Mr Beggs):** I inform Members that the Speaker has received a letter from the Committee for Finance informing him that the Committee is satisfied that, in these extenuating circumstances, the consultation with it on the public expenditure proposals contained in the Bill has been appropriate as required under Standing Order 42 (2).

## **Housing (Amendment) Bill: First Stage**

**Mr Deputy Speaker (Mr Beggs):** The Speaker has received correspondence from the Minister for Communities advising that the Minister of Finance is to introduce the Bill on her behalf.

**Mr Murphy (The Minister of Finance):** I beg to introduce the Housing (Amendment) Bill [NIA 6/17-22], which is a Bill to amend the law relating to housing associations; and for connected purposes.

*Bill passed First Stage and ordered to be published.*

## **Assembly Business**

### **Standing Order 42(5): Suspension**

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

*That Standing Order 42(5) be suspended in respect of the passage of the Budget (No. 2) Bill 2020.*

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

**Mr Murphy:** As I explained to the Assembly when we debated the Supply resolution earlier, we face an unprecedented public expenditure situation as a result of the COVID-19 emergency. There is a real risk that Departments could run out of the cash allocated to them in the very near future, which would be unthinkable in the current situation.

Standing Order 42(5) requires:

*"No Bill shall pass all its required stages in the Assembly in less than ten days".*

That ensures that the Assembly has time to properly consider and debate the issues. However, the scale, timing and pace of the COVID crisis are such that the usual legislative process is insufficiently agile to provide an adequate response. Therefore, I am taking what, I know, is a very unusual step in asking the Assembly to suspend the Standing Order to allow the Bill to complete its passage in a shorter time.

Members should be aware that, when a Bill completes its passage through the Assembly, it is not the end of the story. Other steps are required to be completed before Royal Assent is secured; hence the urgency involved.

**Dr Aiken (The Chairperson of the Committee for Finance):** As already outlined by the Minister, the purpose of the motion is to seek the agreement of the Assembly to suspend Standing Order 42(5) to expedite the passage of the Budget (No. 2) Bill, which, as Members will be aware, completed its First Stage earlier today.

As I mentioned during the Supply resolution debate, the Committee for Finance has been kept informed on the financial resources that are necessary to support Departments and the need for the Bill to complete the necessary stages swiftly. While recognising that it is not ideal that legislation that has been subject to accelerated passage is then progressed in such a short time frame, we need to be realistic about the consequences of not progressing the legislation in that way. Therefore, the Committee has taken account of the immediate pressures on public expenditure during the current COVID pandemic, the need to provide sufficient financial resources to the Departments that are at a high risk of running out of money in the very near future and the current arrangements for sittings of the Assembly, which has been sitting for only one day per week.

Turning to the motion before us, the Committee is aware of the need to suspend Standing Order 42(5) and raised no objection to doing so. Therefore, on behalf of the Committee for Finance and the Ulster Unionist Party, I support the motion.

**Mr Murphy:** I appreciate the support of the Chair and the Finance Committee. I accept that the process is not, as he said, ideal, but it is necessary. The urgency with which the Bill needs to proceed through the Assembly is driven by the critical need to secure access to cash for Departments to continue to deliver

services in the face of the COVID-19 emergency. I ask Members to agree to the suspension of Standing Order 42(5).

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

*Question put and agreed to.*

*Resolved (with cross-community support):*

*That Standing Order 42(5) be suspended in respect of the passage of the Budget (No. 2) Bill 2020.*

**Mr Deputy Speaker (Mr Beggs):** The Speaker has accepted an application for a question for urgent oral answer to the First Minister and deputy First Minister from Mr Allister. I propose, therefore, by leave of the Assembly, to suspend the sitting for 10 minutes. When we return, the question will be asked and answered.

*The sitting was suspended at 3.53 pm and resumed at 4.06 pm.*

## Question for Urgent Oral Answer

### The Executive Office

#### Interim Advocate's Office: Data Breach

**Mr Deputy Speaker (Mr Beggs):** Jim Allister has given notice of a question for urgent oral answer to the Executive Office. I remind Members that if they wish to ask a supplementary question as we go along, they should continue to indicate by rising in their place. The Member who tabled the question will be called automatically for a supplementary question.

*Mr Allister asked the First Minister and deputy First Minister what action is being taken in respect of the data breach affecting victims of historical abuse.*

**Mrs Foster (The First Minister):** Let me first say that our thoughts are very much with those who have been affected by this highly regrettable incident. The deputy First Minister and I fully recognise the impact that it will have on victims and survivors.

The interim advocate's office is sponsored by the Executive Office, but the advocate operates independently. The Executive Office has been in close contact with the interim advocate's office over this incident, which the interim advocate's office has formally reported to the Information Commissioner's Office. The interim advocate's office has notified and apologised to everyone who received the email. The interim advocate has made arrangements for further independent support to be made available to those affected through the WAVE Trauma Centre and its counsellors, and a number of people have taken that up over the weekend. That is in addition to the existing support services that are available through Lifeline and Advice NI. The Executive Office has asked the group head of internal audit in the Department of Finance to undertake an investigation, and that will begin immediately.

**Mr Allister:** I am sure that the First Minister recognises that the victims of historical abuse need their privacy more than most and that, therefore, when they discovered that their privacy was so spectacularly breached by their supposed advocate, it created a trauma that many of them are finding very, very difficult. In circumstances where the interim advocate and

his office were the culprits, they clearly cannot advocate for the victims on this issue. Does not that in itself underscore that the interim advocate's position is untenable and that he should be relieved of his office because he has long since lost the confidence of many of the victims? Indeed, the major group that speaks for most of the victims has disengaged from contact with him. Is this not the last straw for the interim advocate?

In regard to the future, has there been foot-dragging on the appointment of a permanent commissioner? The interim commissioner was appointed last July, and the last that I heard was that it is going to be September before we can expect a full-time commissioner? Is that not letting down very badly those who need the most support?

**Mrs Foster:** I thank the Member for tabling the question for urgent oral answer and therefore allowing us to come here to reflect on what happened last Friday evening. It is absolutely the case that we understand how these victims in particular have more to fear from data breaches than anyone else. I absolutely agree with the Member on that, and that is why, as well as the Information Commissioner beginning an investigation, which, of course, is independent and will take its course, we have set about a fact-finding investigation through the Department of Finance. We have received the terms of reference for that, and we hope very much that that will give us the facts in a very fast way and, I hope, within just a number of days. As you have heard from the interim advocate, he has said that, if he is found to be culpable, of course he will consider his position. I think that the Member will agree with me that it is right that we do go through due process in all these matters and that we do get independent fact-finding brought to the office. Of course, we will act when we receive that fact-finding information.

I recognise that there are some victims who do not have confidence in the interim advocate, and we are intervening to try to make sure that there are other ways in which we can advocate on behalf of them. I think that it is right that we do that. Some victims do still have confidence in Mr McAllister as their interim advocate.

To bring the House up to date on the appointment of the full-time commissioner, the selection panel, which, of course, will operate in accordance with the public appointments code, has been appointed. The competition initiation meeting has taken place, and the competition will be advertised by the end of next week. It is something that we want to see happen in fast

time, but, of course, we have to again make sure that the processes can stand up. Believe you me, there will be no delay in appointing the new commissioner.

**Mr Stalford:** My question relates to information-handling systems. Can the First Minister confirm that the information-handling systems at the Historical Institutional Abuse Redress Board are different from those at the interim advocate's office? Going forward, it is important that victims have confidence that their information will be handled sensitively and appropriately.

How many complaints has the First Minister's Department received about the breach that is addressed in Mr Allister's urgent question?

**Mrs Foster:** I thank the Member for his supplementary question. We do, of course, recognise that there may be concerns from victims who have made applications to the redress panel, which, of course, is in place now. To reassure the Member and, indeed, the many people who will apply to that portal: first, the system is completely separate; and, secondly, the redress board has introduced a system of internal controls, because it is very much aware that it wants to make sure that any potential information does not get out into the public domain. It is very alert to the fact that this is very sensitive information, and it wants to ensure that that is all kept in a private fashion. It is alert to all of that.

The Executive Office has received 15 individual complaints to date. Each of those has been responded to by our officials and will be taken forward.

**Mr Deputy Speaker (Mr Beggs):** Apologies. I now call Colin McGrath, the Chair of the Executive Office Committee.

**Mr McGrath (The Chairperson of the Committee for The Executive Office):** I thank the Member for bringing forward this important matter, and I welcome the opportunity for it to be discussed here. I think that that should, hopefully, go to show those victims out in the sector that we do treat this as a very serious issue. Obviously, a data breach of any kind is very worrying, but when it contains information as sensitive as this, it is a deeply disturbing fact.

I welcome, too, the fact that the interim advocate has self-referred to the Information Commissioner's Office, and it is crucial that any investigation there is thorough and prompt.

What can the First Minister's Department and the Executive do to ensure that that investigation is prompt and swift? First Minister, you mentioned that there are some additional services and resources for anybody who wants to receive them. Can we get some more information on how that will be organised, on the basis that, obviously, people will not be able to go to the interim advocate to ask for direction to those services?

**4.15 pm**

**Mrs Foster:** I thank the Chair for his questions about the extra support services. They were put in place very quickly by the Executive Office, recognising the difficulties that have arisen as a result of the data breach. The Wave Trauma Centre has stepped in to give additional support. Supports are already in place for the victims of historical institutional abuse, and those are many and varied, depending on where you live in Northern Ireland. We want to ensure that there is no gap and that if people have specific issues that they need to address, they should do so through the Executive Office as quickly as they can.

In terms of the investigation, the Member is right that the interim advocate's office has self-referred to the Information Commissioner. That happened on Friday evening, as I understand it, and it is right that it should have happened. We in the Executive Office feel that there was a need to have a much shorter fact-finding piece of work carried out, because we have absolutely no control over when the Information Commissioner's office will report on the incident. As I understand it, the office is not the fastest in coming back on investigations. Therefore, we felt that it was important to have a fact-finding piece of work carried out by the group head of internal audit in the Department of Finance. As I say, that has started and should report very quickly. It should give comfort to the many victims that we are taking this very seriously. We want to get to the bottom of it, and we want to provide the victims with answers as to how it happened.

**Ms Dillon:** I am delighted to hear that there is to be a separate investigation and that it will be prompt. I acknowledge that the Executive Office has no control over the Information Commissioner's office. It is extremely important that those people get all the information that they can, because we are dealing with people, and I have worked with them on this issue over a long period, who have no confidence in the government hierarchy — with good cause. Those who were in power in their lives before

let them down badly, and we have to acknowledge that, on many occasions, we have let them down. On this occasion, we need to ensure that we do not let them down. Therefore, I am grateful for the First Minister's announcement.

Can the First Minister assure the House that all those on the list have been informed? I have spoken to some individuals who say that that is not the case. I would like to be very certain that everyone on the list has been informed and that they are given the information at the earliest opportunity so that they have the proper support in place. I have concerns about that.

**Mrs Foster:** I thank the Member for her question. I understand that she, like many others in the Chamber, has been working with the members of various groups over a long period. As I understand it, once the breach was identified — it was identified pretty quickly — there was an immediate attempt to recall the email. When that did not work, a request went out to all the recipients to delete the email. Later, an apology was sent to all the recipients. I would be concerned if the Member is indicating that some people have not been contacted. If she has the details, perhaps she would bring them to the Executive Office, because it is our understanding that all those who were involved in the initial data breach were notified. However, if the Member has information to the contrary that she could bring to the Executive Office, that would be very helpful. Indeed, it may help in the fact-finding investigation.

**Mr Beattie:** I thank the First Minister for coming to the Assembly to answer these incredibly important questions. This data breach was absolutely devastating. It has created incredible harm to people whose anonymity was the only armour that they had in their long fight for justice and recognition. Through incompetence, that has, for many, been destroyed. The response is wholly inadequate, because a letter dated 23 May that says, "If you have any questions for my office, get in touch on 26 May" is an inadequate response.

Therefore, given that the Executive Office is the sponsoring Department, can the First Minister outline the data-breach protocols in place? I do not mean information management; I mean what protocols should have been followed, once there was a serious data breach of the kind that we have just seen?

**Mrs Foster:** I thank the Member for his question. I do not have the details of the

protocol with me today, but I am happy to share them with the Member. We will write to him with them. I know that the breach was identified very quickly and, to be fair to the interim advocate's office, it was indicated to the Executive Office a very short time thereafter. The advice about the Information Commissioner's office was then given by our office to the interim advocate's office. As I said, the interim advocate then reported himself to the Information Commissioner's office.

We have now taken the decision to also have this fact-finding piece of work, which I think will illuminate a lot of the questions that many Members and indeed victims need answered. As for the timeliness of reporting it to the Executive Office, I am satisfied that it was communicated in a timely fashion, but of course it should never have happened in the first place.

**Ms Bradshaw:** Thank you, Minister, for coming here today. Given this latest incident, which has let down our victims and survivors, is it not time that the Government actually issued the formal apology, as outlined in Sir Anthony Hart's recommendations in the inquiry? I think that it is long since time that they should have received that.

**Mrs Foster:** I thank the Member for her question on the apology. As the House will know, the Hart report recommended that the Executive should put out a public apology and that is one of the issues that the interim advocate has been working on. Of course, all of these issues do not make it any easier to find the appropriate language that the victims would like to see in an apology. We have been working with our interim advocate to try to get the appropriate language in place for the apology. We have been carrying out research in other jurisdictions, such as Australia, Canada and the Republic of Ireland, as to what the apology should look like. We want it to be an appropriate apology and we want it to be something that is owned by the many victims. Therefore, it is that piece of work that the interim advocate is still engaged on.

I recognise that there are some who do not want to engage with the interim advocate, so we have to put in place other mechanisms to engage with the people who do not want to engage with him. There is a lot of work to do and the deputy First Minister and I have communicated with the institutions and we have said to them that we want to engage with them. That is not just about the apology, which we do want to engage on, but we also want to engage with them about redress. We feel that the institutions need to step-up in terms of redress,

and it is not just a matter for the Government. We intend to have a Zoom meeting with the archbishops of the Roman Catholic Church and the Church of Ireland. I think that we will be having that meeting next week; it was set up before the data breach took place. The apology is progressing. I accept that this incident has made it more difficult to work together cohesively and to find the appropriate language, but it is something that we are committed to trying to find a way forward on in the near future.

**Mr Buckley:** I thank the First Minister for her answers on this very serious issue. It has rightly been outlined that this has caused a great deal of distress to already hurting victims of historical abuse. My question is about the timescale of, as mentioned in the last question, an apology from the Northern Ireland Executive and institutions. Is there any rough indication of when you would expect the investigation, which I welcome, to be complete?

**Mrs Foster:** With regard to the latter part of the Member's question, I hope that the fact-finding piece of work by the head of internal audit will happen in days rather than weeks. It is a very neat piece of work and there is not too much that needs to be looked into, so I do not think that it should take too much time to get to the bottom of it.

With regard to the apology, as I have indicated, that is very much something that we want to progress. The interim advocate has been working on the language of the apology. When the language has been worked through, a submission will come to the deputy First Minister and me to approve the apology. It will then go to the Executive because it is not just an apology on our behalf, it is on behalf of the Executive, so the Departments of Health and of Justice will also have a role on that matter.

**Mr Deputy Speaker (Mr Beggs):** I ask Members to be concise in their questions so that all Members who wish to ask a question can do so.

**Mr Nesbitt:** I accept the First Minister's assertion that the office of the interim advocate operates independently, but it is also my understanding that the normal governance arrangements between a sponsored Department and a body like this would be governed by the management statement and financial memorandum. Is there such a document? If so, what does it say about data breaches and actions to be taken in the event of data protection breaches? If there is not, is

there a bespoke protocol that governs those issues?

**Mrs Foster:** I thank the Member for his question. As I indicated, whilst the interim advocate's office is independent, it operates under the normal accountability mechanisms and arrangements for an arm's-length body of the Department. A work plan has been agreed, regular oversight meetings take place between officials and the interim advocate and, of course, the Executive Office's accounting officer is responsible to me and the deputy First Minister, and is accountable to the Assembly, for the interim advocate's functions and everything that he carries out.

An official in the independent interim advocate's office has been designated as senior accountable officer and that office participates in regular financial and governance arrangements. The arrangements are as they are for all the other arm's-length bodies.

**Miss Woods:** I thank Mr Allister for bringing the question for urgent oral answer, given the seriousness of what has happened. The First Minister outlined the recruitment process for the new permanent advocate, and that will be advertised next week. Is there any clarity on when a new advocate is due to be appointed, and whether if the timescale has been delayed due to COVID or any other matters?

**Mrs Foster:** As I indicated, we hope that the competition will be advertised next week and then, with due process in the way that public appointments take place, it will probably be August before the commissioner is in place. That leaves a period where we will continue to work with the interim advocate, recognising the difficulties raised by many Members in the Chamber today.

**Mr Carroll:** I pay tribute to all the victims of historical institutional abuse. Many of them are in my constituency and they have campaigned for truth and justice and have fought for many years, facing obstacles along the way.

Victims are obviously concerned that their privacy and confidentiality have been compromised by this data breach. What assurances will the First Minister and the Executive give that steps have been taken to ensure that something like that never happens again?

**Mrs Foster:** I thank the Member for his question. Just reflecting on one of the other questions, we recognise anonymity has been

the only shield that has been left to many of the victims. We deeply, deeply regret that this has happened.

We will, of course, try to get to the facts as quickly as possible and then the deputy First Minister and I will assess the position of the interim advocate's office. Indeed, he has said that he will assess his position after the investigation takes place. I think that that is appropriate because we all realise the impact that this will have had on many victims. The fact that we have had a number of complaints and that a number of victims have had to reach out for help and support over the weekend is an indication of the seriousness of the breach.

This is not just a normal case of sending out people's addresses. We recognise that this is a huge breach, is very damaging and therefore appropriate action needs to be taken.

**Mr Dunne:** I thank the First Minister for coming to the House today. Will she give an update on the redress payments to victims by the redress board?

**Mrs Foster:** Yes, indeed. The redress board is set up. It opened for applications on 31 March and, some seven weeks later, the first compensation payments have been made. We are pleased that they have been made. It is a significant milestone and a very good news story. Victims and survivors are now starting to receive the long overdue — we all understand that — compensation, but it is good that we are making progress. We are very grateful to the president of the redress board for his prompt assessment and for the organisation of payment of the first round of the applications, all done during what has been a very challenging time for everybody because of coronavirus. It is encouraging that, even during this time of restriction, applications are being completed, submitted and assessed and that payments are now beginning to flow.

**Mr Deputy Speaker (Mr Beggs):** That is the end of our question for urgent oral answer. I ask Members to take their ease for a few moments while we change the personnel at the Table.

*(Mr Principal Deputy Speaker [Mr Stalford] in the Chair)*

**4.30 pm**

## Executive Committee Business

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

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

*That the Second Stage of the Budget (No. 2) Bill [NIA 5/17-22] be agreed.*

**Mr Principal Deputy Speaker:** In accordance with convention, the Business Committee has not allocated any time limit to the debate.

**Mr Murphy:** The Second Stage debate follows the approval of the Supply resolution by the Assembly earlier this afternoon for the 2020-21 further Vote on Account. As I explained in the earlier debate, accelerated passage of the Bill is necessary to ensure Royal Assent before any Departments reach their cash limit for 2020-21, as set in the Budget Act (NI) 2020. I am grateful to the Finance Committee for confirming that, in line with Standing Order 42, the Bill can proceed under accelerated passage. The situation this year is unprecedented and could not have been envisaged when the last Budget Bill was being considered in the Assembly, back in February. However, it is hoped that we will soon be able to return to some degree of normality in the financial process. It is my intention to bring the Main Estimates to the House in early autumn, and I assure the Finance Committee that there will be further engagement on the financial position prior to that.

Standing Order 32 directs that the Second Stage debate should be confined to the general principles of the Bill, and I shall endeavour to keep to that direction. The Bill will authorise the cash and use of resources to allow Departments and other bodies to operate through the period of the COVID-19 response and the gradual exit from lockdown. Detailed Main Estimates and a further Budget Bill will be brought to the Assembly in early autumn. Copies of the Budget (No. 2) Bill and explanatory and financial memorandum have been made available to Members today, and the 2020-21 further Vote on Account was laid in the Assembly on 20 May.

The Bill will authorise the issue of a further £8,225,189,000 from the Consolidated Fund and the use of further resources totalling £9,050,940,000 by the Departments and certain other bodies listed in schedules 1 and 2 to the Bill in the year ending 31 March 2021. The cash

and resources are to be spent and used on the services listed in column 1 of each schedule. Those amounts are in addition to the amounts authorised by the Assembly in the Budget Act (NI) 2020 in March.

I stress that the amounts contained in the Vote on Account do not represent a set expenditure position. This is not an attempt to restate the 2020-21 Budget position that was approved by the Assembly on 5 May. As I set out at that time, the Budget could not contain a majority of the funding available for the COVID-19 response. Since then, the Executive have allocated significant amounts to support our health service, the economy and vulnerable people. This Vote on Account is essential to allow Departments to spend that money. It is based on a percentage of each Department's 2019-2020 provision, and that percentage has been calculated to reflect our likely cash and resource requirements in 2020-21, including the impact of COVID-19. It will extend the existing 45% Vote on Account provided in the Budget Act (NI) 2020 to a much greater level. That will ensure that all Departments have sufficient cash to continue to provide services until the end of October.

In normal circumstances, a Vote on Account applies a uniform percentage of the previous year's provision to all Departments. That it is not possible in the current circumstances. The COVID-19 response does not impact on all Departments in the same way. The additional allocations made by the Executive have been targeted at the highest-priority measures. It falls to a number of Departments to deliver those. The Executive have responded quickly and flexibly to the COVID-19 emergency, and I announced further allocations as recently as last Tuesday, 19 May.

Clause 2 of the Bill provides for the temporary borrowing by my Department of £4,112,595,000. That is approximately half the sum authorised by clause 1 for issue out of the Consolidated Fund. I stress that clause 2 does not provide for the issue of additional cash out of the Consolidated Fund or convey any additional spending power, but it does enable my Department to run an effective and efficient cash management scheme.

The use of the sole authority of the Budget Act was raised during the debate on the Budget Bill last March. When a Department makes use of the sole authority of the Budget Act, it will highlight that fact by placing a note with a black box symbol in the corresponding Estimate. Because the Main Estimates for 2020-21 will not be available until the autumn, I want to

make the Assembly aware that a number of Departments will highlight some functions that will be carried out in 2020-21 under the sole authority of the Budget Act. The Department for Agriculture, Environment and Rural Affairs will undertake expenditure on Coastal Communities Fund projects; the Department for Communities will undertake expenditure on welfare reform mitigation; the Department for the Economy will undertake expenditure in support of HMS Caroline as a visitor attraction and support the work of NI Screen; and the Executive Office will undertake expenditure relating to the Commissioner for Survivors of Institutional Childhood Abuse in the Historical Institutional Abuse Act 2019 on the implementation of the Hart report, and on good relations. Details of all functions carried out in 2020-21 under the sole authority of the Budget Act will be highlighted with black boxes in the normal way in the notes to the 2020-21 Main Estimates when they are brought to the Assembly in the autumn.

The legislation is required in order to ensure that public services can continue to be delivered during this COVID-19 response period as we begin to emerge from the lockdown. It will ensure that we can continue to support the health service, businesses and vulnerable people, and I am happy to deal with any points of principle or detail of the Budget Bill that Members may wish to raise.

**Dr Aiken (The Chairperson of the Committee for Finance):** Right from the beginning, I declare an interest: I started my naval career a very, very, very long time ago on HMS Caroline.

As we have heard, the Budget (No. 2) Bill provides further statutory authority for expenditure as set out in the Vote on Account, which allows Departments to incur expenditure in response to the COVID-19 pandemic until the Main Estimates are voted on by the Assembly later in the year. Standing Order 42(2) states that accelerated passage may be granted for a Budget Bill, provided that the Committee for Finance is satisfied that it has been appropriately consulted on the public expenditure proposals in the Bill. At the Committee's meeting on 20 May, departmental officials provided oral evidence and answered questions on the Bill being debated today, including on issues relating to a number of Departments. As I pointed out in the debate earlier, the scale of the cumulative changes resulting from our response to the pandemic has been significant, which is why it is necessary for the Bill to pass swiftly to eradicate the risk of Departments running out of money at such a critical time.

We are all operating in circumstances that are out of the ordinary, and that requires us to undertake our work with a degree of flexibility to support the aims that we need to achieve. The Committee is certainly cognisant of that need and welcomes the engagement that it has had from the Department thus far. However, as I said in the debate earlier, our role is to advise, assist and scrutinise the functions of the Department as we navigate through the myriad of issues that we face. Where necessary, the Committee will continue to challenge the Department of Finance as we seek to understand policies that impact on our society, and we will offer suggestions and advice to drive improvements.

At its meeting last week, the Committee was briefed by departmental officials on the background of and necessity for an additional Budget Bill, which, as we all know, is a further measure to assure the continuation of the work of the public sector and of our response to the pandemic. The Committee explored with the officials the rationale for how the amounts specified in the Bill related to departmental spending requirements until the Main Estimates were produced, which, as we have heard, is expected in September, while noting that they had been rounded to the nearest 5%. Members sought and received assurances that those requirements would be sufficient. As the Minister will be aware, we explored the issue of increasing the amount of percentage available to Departments if that is the case. If we end up with a second wave of the pandemic — hopefully, we will not — we may have to be able to look at that.

We now enter a critical phase, the outcome of which will be determined by how we as a society respond to the easing of the necessary measures to allow our lives to return to a more familiar sense of normality. We need to turn our focus to the medium and longer term, with a credible plan that will seek to support our citizens, our businesses and prosperity. I welcome last week's announcement by the Minister of the extension of the rates holiday until 31 July. At last week's meeting, a number of Committee members acknowledged that the Department had, by and large, stepped up to the mark and had listened and responded to the concerns of those who had been adversely impacted on financially by the pandemic. While I acknowledge that the rates holiday offers considerable assurance to the business community, it raises questions around what will happen from August for the businesses that, as many of us MLAs will know, seem to have fallen through the cracks. While acknowledging the intricacies and the challenges that those

questions create, we need to recognise that there are thousands of businesses across Northern Ireland that are not sure that they will be in business in the medium term.

I welcome the Minister's announcement that there will be support on a phased basis, targeted at the sectors that have been hardest hit. To provide certainty, however, we need to understand what proposals are being considered, so that we, as an Assembly, can contribute to and influence how that phased approach will operate. Minister, it would be helpful if, later today in your winding-up speech, you could set out the types of issues being considered as part of the targeted scheme; that is, the level of support and over what period. I ask you to explain the rationale for how the levels of support for the hardest-hit sectors have been prioritised and to provide a commitment to the House that the Committee for Finance will be consulted on the proposals during their formative stages. I also encourage the Minister to encourage the Northern Ireland Executive to expedite the economic recovery plan that we have been promised for at least the past two weeks and that the First Minister stated two weeks ago that we would have presently.

We will also need to take account of the costs associated with such targeted support, because they will be significant. During oral evidence last week, the Committee noted that there was an overcommitment arising from non-domestic rates. While officials were confident that that could be met in-year, we need to ensure that any future support is fully costed and is underpinned by a robust rationale to maximise its impact. We ask the Minister to clarify the extent of the overcommitment. Is he in a position to outline how he intends to meet it in-year? Of course, that all has to be done within a constrained window. It is less than 10 weeks until 31 July. It is therefore critical that businesses be given sufficient time to understand whether they will be affected and, if so, how they will be affected and whether they will fall within the targeted approach.

As the House is aware, the Committee for Finance has a specific function to perform when considering whether a Budget Bill should proceed under the accelerated passage procedure. Engagement by the Department with the Committee has been instrumental in ensuring that the Committee is satisfied that it has been consulted appropriately. It was on that basis that the Committee agreed at its meeting last week that it was content to grant accelerated passage, as provided for in Standing Order 42(2). As you have already

stated, Mr Principal Deputy Speaker, I have written to you on behalf of the Committee to confirm its decision. I say on behalf of the Committee and the Ulster Unionist Party that we support the Bill.

**Mr Frew:** This is a funny sort of day. The Bill has already had accelerated passage, but we are now going from First Reading to Second Reading within an hour. That is accelerated even for accelerated passage, I think. These are surreal times. My tendency as a scrutiniser is always to put the brake on. Of course, I realise that, in order for me to put the brake on, it is for me to try to get my head around the figures, to scrutinise them and to do the best job that I can of scrutinising them. I know that that is not possible, because of the emergency that we are in and because we need to draw down money quickly.

#### 4.45 pm

I understand the procedure that we are in. I do not like it; I understand it. We are, of course, prepared to accept it, simply because it is a necessity, but I really worry. I really worry about the level of scrutiny that the Chamber and the Committees can give to the budgetary settlements to our Departments and the spends within our Departments. Whilst we should be looking at a Main Estimates booklet very soon, what we have here is a loose number of pages that give us headline figures of what each Department will get. We do not see any real detail on or scrutiny of that in depth. Some Committees will have that. The Finance Committee's members may have a bit more latitude in delving into the figures. Really, to do our job properly, in this forum — in the Assembly — we need to have as much oversight and as much of a panoramic view as possible, and it is just not possible to have that, at this time. That really worries me.

We should be having debates in this place about aligning a Budget with a Programme for Government, but we are not; we cannot. That really worries and concerns me. Let us forget about COVID-19 for one second, please. Some of our public finances are in a very bad place. You hear about infrastructure, the road network and water and sewerage plants holding up the development of homes for our people. Those are big-ticket issues that will tax the most experienced of Assemblies and Governments, and, yet, we have not even got to grips with any of that. We cannot even lift our head up to get to grips with any of that because we are still dealing with the COVID-19 emergency.

I fear for the future with regards to what this place can achieve in trying to answer the big-ticket questions for society. That really worries me, but what also worries me is the level of detail that gets down to our Committees. It strikes me that our last line of defence is the Committee structure. The Committee members are there to get right down into the detail of their Committee's particular Department, and they can do that only through the information that they receive from the Department. That really concerns me because, while some Departments are better than others, not all Departments are giving out that information.

I have the blessing that I sit on the Committee for Finance and that gives me a bit of an overall umbrella approach and panoramic view. I also sit on the Justice Committee. Members will have been in the Chamber when the Chairman of the Justice Committee raised his concerns — he did so in a manner that was robust but timely, right and appropriate — about the Justice Department giving information to the Justice Committee. It is deeply disturbing and totally unacceptable that the Department failed to provide information on a range of high-profile matters, categorised as other significant pressures, particularly given that no other Department left pressures uncoded in the templates completed for their respective Committees.

Most Members may not know this, but the Committee for Finance, through the RaISe office, pushed through a template — a uniform document — to all Committees, to get answers from Departments. That is the way to go. It is the way to make sure that we get consistent information down to our Committees, so that we can look at things in a comparative way. It is a very good exercise, and I believe in it. What it has done already is to shine a light on the information that Departments are not giving us. In this case, that is the Department of Justice. I have been aware of that because I sit on the two Committees. The Justice Department had submitted responses to information requests from the Department of Finance and had provided details of costs that were identified across the justice system. However, it did not inform the Justice Committee of the amount of the bid that had been submitted to manage pressures resulting from the pandemic, which was £38.8 million. It did not provide the Justice Committee with any information on the breakdown of the COVID-19 resource requirements that were submitted to the Department of Finance.

That is unacceptable in this day and age, when we have come back to this place, when we

cannot have business as usual and when we can have no hidden things in this place. It is totally and utterly unacceptable that Departments would withhold that information from Committees — the very scrutiny Committees that are designed to assist the Department and the Minister. It is unacceptable that we would not have sight of that. The details of the £38.8 million were, instead, provided to the Finance Committee, on which I sit, by the Department of Finance. The details highlight the inclusion of an estimated pressure of £0.9 million for the legal aid COVID-19 interim payment scheme. We are not talking about big money, but that is not the point. It is £0.9 million but it may as well be £9 million or £90 million; it is about the fact that the Department of Justice did not give that information to the Committee for Justice.

That was, in fact, in direct contradiction to the information that had been provided to the Committee in the Department's policy paper on the payments scheme. That paper advised that the costs associated with the scheme would be administered from the existing legal aid budget and gave no indication that a bid for that pressure had been submitted. Here we have a Minister and a Department that, granted, have to think quickly because it is a COVID-19 issue, not even thinking it right to give the Committee that information or, at least, being blasé about it. Is it not good that we have the structure whereby the Department of Finance gives that information to the Finance Committee which, then, can be passed back to the Justice Committee? That, however, is a very convoluted way of doing business, and I do not like it.

That is one case that I have picked up on but there are probably many others that Members will have to pick up from their Departments. That issue needs to have a light shone on it and it needs to be taken further because we have to get to a place where we, as individual MLAs, and the Assembly are treated with respect. If we are not getting the information that we require, that is not treating Committees and MLAs with respect but with disdain, and that cannot happen. That has to be completely removed from this place. There can be no more business as usual. We are in a different place, where decisions have to be made. Let us see those decisions being played out and let us have full scrutiny of them.

I made a point earlier and I ask the Minister to forgive me, but I need to make it again. Maybe it is just the way that my mind works, but, in the previous debate on the Vote on Account, the Minister said that the Utility Regulator for

Northern Ireland had received 90% of its funding for this year. I am not saying that that is wrong; what I am saying is that I cannot see that in any of this detail. Maybe I am looking at the figures wrongly but what I see is two schedules. There are two schedules to the Budget Bill but not once do they mention the Utility Regulator. I think that that is because it is not getting any more money in this Vote on Account. I could be wrong, but I am putting it out there.

What I see is that in table 1 in the Vote on Account relating to resources, the Utility Regulator has received only 45% of its yearly spend and is still without some £144,000, having received £119,000. The second table is about cash, and we are talking about a figure of £1.3 million, of which it has received £330,000. If my maths is right, that is about 25%. I am not saying that the Utility Regulator needs more money, but I am asking: why we would not give the Utility Regulator more money? It is the only body that does not receive money and the only body that is not mentioned in the Bill. We are allowing latitude for the Food Standards Agency, the Northern Ireland Assembly Commission and the Northern Ireland Audit Office. Those bodies do not even need money for COVID-19, but, like the Departments, they are being allowed to get more of their money through the Vote on Account. The only office that is not is the Northern Ireland Utility Regulator. I know that it is funded differently and that none of the bodies that I listed are funded identically or do the same work, but it seems strange to me that you would not afford the Utility Regulator all that money in case it needs it before the Main Estimates come in September. The Minister stated earlier that it has received 90%. That could be the case, but I cannot see it in either the Bill or the Vote on Account, and I would like him to go over it one more time for me. I might be wrong. I certainly do not understand it and I would like him to clarify that position for me.

We have heard today, as we hear every day when we talk about budgets, about the pressures on our system, on our infrastructure, on our communities and our education and health systems. If we were to list all the pressures and all the wants, needs and requirements, we could probably spend our Budget four times over, but we cannot because there is not enough money there. I want to see not only the money that we need to spend but the money that we will save. This is not the time to push forward with projects that Ministers may want. This is the time for necessity and the time for hard-knuckled maths to get us back down to necessity and to make sure that the money that

is spent by the Executive caters for all our people and not just some of them. There will be vulnerabilities among our people that need to be accounted for, and that is totally and utterly acceptable, but other things may be able to wait. We may be able to wait until we see what the climate looks like after this event, to see how the economy is performing and how it has recovered, to see what money we have got through taxes, Barnett consequentials and the block grant and then move forward from there.

As my colleague mentioned earlier, there is a necessity for police officers, but that pressure is not being met because we have a raft of other things to spend on. That raft of things that we are spending money on has always been there. Are those things needed? There is surely something in each Department that does not require the money, the funding and the spend. It may be because of COVID-19. It may be because we are doing things differently. It may be because it was not really a good thing to do in the first place. We should be progressing our thought processes and saying, "Let us do something differently because it is more effective and efficient and we will save money". That is the sort of debate that I want to have in the Chamber. I do not want to have a debate about a list of pressures but one about having the foresight and the imagination to make sure that the public pound goes as far as it can and to ensure that what we are spending it on is exactly what we need and will help to raise money or help people to raise money in the future. That is what I want to see the money invested in. I want to see it invested, not spent. That could be invested in people, in business or enterprise, but, ultimately, we have to look through all of that.

Some Departments would have run out of money had we not voted for the Vote on Account this morning, but can we really say that those Departments are saying, "Here is what we will save, here is where we will cut back and here is why we need to do that"?

That is a vacuum and space in the debate. I suppose that it has always been missing from our Budget debates. Maybe it would be different if we got to a strategic three-year Budget; maybe it would be different if we could align the Programme for Government with the Budget, because that would justify every Budget stream to a Programme for Government output. Maybe that is where we need to get to, but we are not there yet, and that troubles me; it worries me.

**5.00 pm**

It is a necessity that we do this. We have to wait for the Main Estimates in September, but the Finance Committee was looking forward to the draft Budget for the next year in September. Where is that? Can the Minister enlighten us as to whether a body of work is ongoing to draft that Budget, because that should be going out to consultation? Work on that Budget should be going on now, but we are having to go through this process. It is not their fault; it is not the Minister's fault that we are in this COVID-19 situation. We need to step forward in a strategic fashion. We need to see the draft Budget for the next financial year, in September, so that we can scrutinise it. However, by that time, we will be looking at the Main Estimates for this Budget. You can see how messy that is going to be and how easy it is going to be to miss things when scrutinising it. That is not the place that any one of us wants to be. Every pound that we spend has to be accounted for. It does not matter whether it is the £0.9 million that the Justice Committee has found out about in respect of the Justice Department. As I said earlier, that may as well be £9 million, £90 million or £900 million. It is about accountability and transparency, and the scrutiny of this place doing its job, and we are being prevented from doing that when we do not receive all the information from the Departments. That worries me, Mr Deputy Principal Speaker.

**Mr Lynch:** I am glad that the Member who has just spoken said that it was not the Minister's fault that we were in the COVID situation. He usually blames him for everything else.

I want to make a few points rather than repeat what I said this morning. I commend the Minister for getting tens of millions out the door in these unique circumstances to save and protect livelihoods, wages and businesses. In normal circumstances, that would take six months, with planning, consultations etc, but we are not in normal circumstances. The Minister said that he will, hopefully, bring a Budget to the Assembly in the autumn.

The Committee agreed for this additional Budget in these unique circumstances, and it agreed why it was needed and why accelerated passage was required. It will allow Departments to function over the coming months, and public services to be funded. In that context, I support the Bill.

**Mr O'Toole:** Thank you, Mr Principal Deputy Speaker. Perhaps, we should have a debate on whether your title is Principal Deputy Speaker or Deputy Principal Speaker, because one of the few things that unites us in the House is that

we do not know which it is. *[Laughter.]* I think it is Mr Principal Deputy Speaker.

**Mr Principal Deputy Speaker:** I was concerned that the Member was going to say that one of the few things that unites us in the House is contempt for the Principal Deputy Speaker. *[Laughter.]*

**Mr O'Toole:** Not at all, Mr Principal Deputy Speaker.

We are debating the Budget (No. 2) Bill. Given the nature of our proceedings, we are at risk of repeating everything that we said a few hours ago. I will try not to repeat everything that I said a few hours ago. I have some humane instinct in relation to the Finance Minister. I know that he is not solely responsible for the COVID-19 crisis; I do not hold him responsible for everything. I know that he has had to sit through several long debates on the Bill, so I will not repeat everything that I said before. I will give a few broader thoughts in relation to the Budget (No. 2) Bill, our budgeting processes and our longer-term fiscal position, which is something that I have laboured on in the Assembly before, but it is important.

A few days ago, in the Chamber, the Education Minister repeated one of the great clichés about this place: Winston Churchill saying, after the First World War that, after the waters of the war had subsided:

*"the dreary steeples of Fermanagh and Tyrone emerging once again",*

still left with their eternal quarrel. We obviously have not quite moved on from that quarrel yet. Thankfully, we are in this Chamber debating it, but it is true that, as we emerge from the COVID-19 crisis — we will not fully emerge from it for a while, although it is worth putting on record that we have some cautiously good news in Northern Ireland today, about the numbers of fatalities; we are, hopefully, turning a corner in that sense and we had good news from the Republic yesterday — it is extremely important that we use the opportunity to take a long calm look at our priorities as a region and an Executive.

Given the nature of our budgeting processes, the fundamental thing about how we budget is that we are given a block grant. The overwhelming majority of money that is spent by the Executive is given to it. Whether you regard that as an act of beneficence and generosity, or something that is the product of the Northern Ireland taxpayers contributing to

the Exchequer, that is how we are funded. The primary strategic tool that we have, as an Executive and Assembly, is the disbursement of money, which is what the Finance Minister is talking to us about. That is why it is completely critical that that budgeting process is linked into, as Paul Frew mentioned, a set of Programme for Government targets. It is understandable that we do not have a completely agreed set of Programme for Government targets, because we had three years off. However, we are now past time to have a joined-up strategy from the Executive. I appreciate that, as the Finance Minister said in his earlier remarks, my party is in the Executive. I do not seek to cast blame in this, but to talk about the importance of us all contributing to the debate. That is what I am trying to do.

We need to use the emergence from the COVID-19 crisis as an opportunity to look at our long-term fiscal position, and long-term goals as a society. One of the interesting things about Northern Ireland's fiscal position is that, in a sense, it does not really matter what your constitutional preference is. That might seem like an absurd statement. We heard various people standing and talking, from different constitutional perspectives, about their interpretation of Northern Ireland's fiscal position vis-à-vis the UK Exchequer. However, in a strange way, my view is that, actually, something that people who have different constitutional perspectives can agree on is that it is better for this place to be more able to raise its own revenue and spend money that is generated here. That would be good for our society and economy.

How do we get there? Part of how we get there — unfortunately, we have not been able to debate it yet since the institutions returned — is the creation of some kind of long-term fiscal commission. The 'New Decade, New Approach' document talks about a "fiscal council", which has the vibe of a Treasury overseeing body. That would not, necessarily, be ideal in some ways. We really need to see, in addition to the fiscal council or working with it, a fiscal commission that looks at our long-term fiscal position in Northern Ireland: how we can possibly look for new ways of raising revenue, in a way that is broader-based than we have at present.

One of the lessons from this crisis is that our singular means of revenue raising is non-domestic rates, and that is the single most damaging taxation on the sectors of the economy that are hardest hit by the COVID-19 crisis. I say this as a centre-left social democrat, who believes in revenue raising and in

businesses paying their fair share of tax. The bald truth is that that particular tax weighs heaviest on independent retail and hospitality, which are the sectors that, we all know, have been hardest hit by the COVID-19 crisis. So, it is really important that, while we pass this Budget (No. 2) Bill — I and my party support it — we move at speed towards delivering on the fiscal council, which is set out in New Decade, New Approach, but also the fiscal commission that has been mooted by others, including the Minister, so that we can sit down and have a long-term look at our revenue-raising potential and social and economic priorities.

In addition to that, and in the short term, I would like the Minister to look at reinvestment and reform initiative (RRI) borrowing powers. We have not had a chance to address long-term structural challenges in the economy. We will have to address them at some point. I hope that when the Economy Minister brings forward her plan, it will address those issues in the context of COVID-19. They include, but are not limited to, long-term structural productivity issues; a low skills base; and the problem of outward migration, either to go to university or afterwards, among young people who do not come back. We need to address those issues. In the short term, can we make use of borrowing powers when, as I said earlier, borrowing costs through the UK Public Works Loan Board are extremely low in order to start to make some of those long-term capital investments?

While I support the Budget (No. 2) Bill, I reiterate what I said earlier: we really need to see a joined-up economic and fiscal plan. I do not say that to carp at or criticise the Minister, but because we all have a responsibility to focus on that. I will say one final, tiny thing, and do what I have slightly had a dig at other people for doing with regard to particular spending pressures: one small, discrete area of spending that would not cost the earth but would be extremely beneficial to us all and to society and communities would be to protect local media. I have written to the Minister about that. A comparatively small amount of money — we are talking in the very low single millions of pounds; about as low as you could get in the seven figures — would really help to protect those community assets. Frankly, many communities would be lost without them. I think that I will leave it at that for now.

**Mr Muir:** I must declare at the outset that I also have a link with HMS Caroline. Mr Aiken, I will explain that to you some other time. *[Laughter.]* I thank the Minister for his statement. I thank the officials who, I know, are doing a very

difficult job in extremely challenging circumstances. It seems a long time ago that the Finance Minister made an announcement to the Chamber on 31 March.

My party supports the Budget. It is not perfect, but the fundamental role of a Government is to set a Budget. We must step up to the challenge to enable continued delivery of public services. My party welcomes the increases in resource and capital funding. They come after years of austerity measures from Westminster, which, following the financial crisis, caused real damage to public services and hit vulnerable people the hardest. With the economic downturn that arises from the COVID-19 crisis likely to be much worse than that of 2007 onwards, we cannot allow the same mistakes to be repeated.

My party also welcomes the additional, albeit very limited, funding that has come from New Decade, New Approach. That funding was conditional on fundamental governance reforms in the Assembly and Executive, as some Members have mentioned. The shortfalls were brutally laid out in the RHI report, which we debated in this place at the beginning of the COVID-19 crisis. All parties must remember that a failure to live up to the commitments and spirit of New Decade, New Approach could lead to very real consequences for people here.

I recognise the resource pressures that have been upon officials in recent times. The establishment of the fiscal council, which was referenced by Matthew O'Toole, must, therefore, be progressed. I would appreciate an update from the Minister on the establishment of the fiscal council.

We are all very well aware that the Budget has been totally overshadowed by COVID-19. I broadly support the financial decisions that the Executive have taken thus far. There will be a time to examine the value for money of measures that have been taken — the PAC has scheduled business on that tomorrow — but those measures have been taken with good justification. I particularly support the package of targeted rates relief that was announced last week. However, there are still people and businesses for whom the Executive must do much more, such as sole traders, many of whom have been excluded from the recent grant measures.

Tuning to the year ahead, the ginormous financial challenges that we face are, to a large degree, beyond the Executive's control. The impact of the COVID-19 pandemic has already led to over 26,000 people losing their jobs

locally in Northern Ireland. That figure is taken from the recent unemployed claimant counts. That is compounded by the fact that, I fear, the worst is yet to come. Furthermore, as the UK Government seem unlikely to secure a trade deal with the EU, the potential consequences of no deal for Northern Ireland are severe. Today, I have received correspondence from the Economy Minister, which states:

*"My Department is very conscious of the potential for an increase in redundancies, and has already put arrangements in place to take into account the possibility of an increase in demand following EU exit".*

How anyone can sell EU exit as a benefit when we are getting correspondence about an increase in the demand for redundancies is beyond me.

5.15 pm

There are, however, a number of important steps that the Executive can take as we face these deeply challenging and uncertain times. The right response from the Executive could prove to be the difference between a short recession and a long depression, with an impact on hundreds and thousands of our citizens.

The Executive need to ensure that their financial response to COVID-19 is coordinated and strategic. The steps thus far have focused on the emergency response and on safeguarding businesses and front-line public services. Going forward, the focus must switch to stimulating a sustainable recovery, protecting public services and safeguarding people's jobs and incomes. I acknowledge the progress that has been made to date, which is outlined by the Finance Minister in the paper on the economic recovery that is to be considered by the Executive on Thursday. It is important that the Minister of Finance and the Minister for the Economy come together with a robust and ambitious stimulus package to help Northern Ireland adapt to the new normal. That should include the establishment of an economic task force that brings together the strongest voices across government, business, trade unions and the third sector in supporting decision-making: a social-partnership approach to recovery.

Policy interventions must target the most economically and socially significant sectors. Providing reskilling, training and employment opportunities for our workforce should also be at the centre of this strategy, with a particular focus on young people, who look set to be the

worst hit by the economic consequences of the pandemic.

Having the right strategy in place is one thing, but we must also ensure that we have the money to see it through. Money that is dedicated to saving businesses today will not be well spent if we cannot provide the support that is required to ensure that those businesses and their employees can adapt to the new normal.

Additionally, we need to ensure that capital projects, which will be vital to stimulating our economy in the short and the long term, can go ahead. Research from the University of Oxford has shown that green capital investments are the most effective in the short and the long term for a sustainable green recovery. At this point, I should declare that I was previously a member of Ards and North Down Borough Council and an employee of Translink.

Existing infrastructure plans, such as the Belfast transport hub, investment in electric and hydrogen transport and the Belfast to Derry/Londonderry railway line must be pushed forward apace. Funding should also be made available for active travel, where the Executive are badly missing their own targets. The Executive must also have a list of shovel-ready projects that can be put to work as soon as funding is made available. Redirecting budgets from capital to resource should be the last, not the first, course of action considered by Departments.

While lobbying Westminster for additional funding is important, the Executive should also make better use of their own borrowing powers, as Matthew O'Toole outlined. None of those are currently planned, including the utilisation of financial transactions capital, although I note that that is being planned.

Again, and finally, on infrastructure, the Executive must push ahead with their own plans for reforms to procurement and learn the lessons set out in the Northern Ireland Audit Office's 2019 report on major capital projects. We also must ensure that our planning system is fit for purpose. The average time of 260 weeks taken by the Department for Infrastructure to determine a planning application in 2018-19 just is not acceptable, never mind the longest period of 556 weeks. The need to undertake the long-awaited strategic review of planning and to establish a regional infrastructure panel or commission to identify and rapidly progress the most significant long-term infrastructure projects is clear, alongside a new infrastructure plan

informed by advice from the panel or commission.

The other area where the Executive can make a difference is in public-sector reform. My party has for years called for the Executive to tackle the cost of division, where every penny that we waste could instead be better spent supporting citizens and communities.

We cannot blame austerity for all our budgetary problems. Having seen how much we rely on the NHS during this pandemic, we must push ahead with the reforms laid out in Bengoa. A patient-centred approach focused on systems, not structures, is vital. When it comes to new working practices, remote and flexible working arrangements have become the standard through COVID-19. The public sector should stand at the forefront of these changes and have the technology to be able to do so.

It is to be welcomed that, once again, budgetary decisions that affect the people of Northern Ireland are being taken by local politicians who are accountable to them. The Executive have an immense responsibility to our community to steer our economy into the new normal and protect the health and livelihoods of our people. The Budget, and all our financial decisions, should be centred on that goal.

**Mr Buckley:** It is fair to say that our deliberations today on the Budget Bill and the Supply resolution have been riddled by the word "coronavirus". It is in that light that I mark in the House that today has been the first day since 18 March when we have had no confirmed COVID-related deaths in Northern Ireland. There have been many dark days in this Chamber, but this is a chink of light, hopefully, towards the end of a long dark tunnel.

I pay tribute to the many healthcare workers in the NHS, our care homes, other health professionals and key workers who have helped achieve this goal. All of us in this House can bear testimony to what has happened over the course of the last few months and how we have sought to deal with the emergency of our lifetime. That sets the context of what we are dealing with here today.

Coronavirus has had a significant impact on this Budget. I listened in to the Finance Committee and other Members have stated that if we do not act, and act now, five Departments will run out of money by July if further allocations are not given. Those stark statistics prove the point about where we are today and the reasons why.

In February, after three years of silence in this Chamber, I was able to speak on a Budget debate in my maiden speech. I recall how I did so with the optimism that, after three years of shameful inactivity, this House was finally getting to grips with the issues that mattered to the Northern Ireland public, whether unionist, nationalist or other. In that contribution, I mentioned health, education and the economy. All three of those issues are in an even worse state today and will be after this pandemic, given the significant financial shortcomings that we have heard about from the Minister and the Departments.

As was mentioned by Mr Frew, there has been little chance for Committees and this Chamber to scrutinise Budget allocations. I know where we are in the time process — this has to happen urgently in order to get money through the door to those in need. However, I want to highlight some key issues about departmental budgets that deserve further scrutiny.

First, I want to talk about the Health budget. Prior to COVID-19, there were some 420,000 people on waiting lists in Northern Ireland. We had heard about the severe pressures that the system was facing. COVID-19 came and the health service was — rightly — given a priority status in order to protect life and save our NHS. In doing so, we demonstrated the ability to focus minds on the problem at hand. However, as we emerge from this crisis my fear is that the 420,000 on the waiting list has been exacerbated. In many cases, treatment has been delayed and put on hold. There has been a dramatic reduction in cancer referrals and, inevitably, sadly cancer will go undiagnosed in many of our constituents.

In recognising the Executive's allocation for the Department of Health's COVID-19 pressures, maybe the Minister would elaborate on what actions are being taken to address the cost of displacing many vital cancer services at this time, because that is where the priority will have to shift to in the days ahead.

I also mentioned in my maiden speech on the Budget Bill the severe plight in Northern Ireland around mental health. There can be no doubt in anyone's mind in this House, that mental health was a severe crisis facing us all. I believed that, upon the restoration of the Assembly, there was unanimity in the House to try to help those who are suffering from mental health. I think that is a fair comment. I listened to speeches right across the House and there was a unanimity of purpose and a collectivity of how we could deal with it. Members were focussed on the job at hand. Sadly, again, with COVID-19 and the

need for people to stay at home and in social isolation, anxiety levels are now higher than ever. People across this country are battling with loneliness and depression and it will be up to this Assembly, and our Executive colleagues, to pick up the pieces. I hope that budget allocations, including to the Department of Health, are made with these particular causes in mind. The mental health crisis in Northern Ireland pre-existed this viral pandemic and there is a real threat that this emergency will be compounded by COVID-19; we need to be prepared for that.

With regard to our economy, I mentioned in my original Budget speech how, after restoration, we could finally meet the needs of businesses who were crying out for support and help after the Executive and this Assembly had let them down by inactivity and absence. During COVID-19, it is fair to say that Government has, by and large, stepped up to the mark to help businesses. It is important to point out the rates relief scheme because that is a lifeline for businesses and the extension of that will help them in the post-COVID-19 recovery. We also must bear testimony that many have fallen through the cracks and we as Members will be left to pick up the pieces and rebuild those businesses and jobs in our constituencies.

While many sectors have received financial support and help, I am concerned about the hauliers and the support for those who are maintaining food security across Northern Ireland; that has already been mentioned. They are key workers who, sadly, have been let down by this place around COVID-19. I hope that consideration is given through Budget allocations etc, to giving them the much-needed support to see them through this difficult time. We have all heard the horror stories of freight transport going to the UK mainland and coming back, many times, with empty loads. That is simply unsustainable. They need help — urgent help.

There was a thread throughout many of the speeches in the first Budget debate after the three-year suspension of this place that things cannot continue as normal. We hear it here again; things cannot continue as normal. I listened to Mr Carroll's contribution on the Supply resolution when he talked about, and criticised, the Assembly for looking at creative ways to bring revenue into Northern Ireland and, in particular, the corporation tax cut. It cannot be the case where it is take, take, take and spend, spend, spend in Northern Ireland. We must be creative and look at ways in which we can raise revenue. If you think about it, Northern Ireland fell victim to this because, as

Mr Muir mentioned a couple of minutes ago, of the 26,000 jobs that have already been lost to the Northern Ireland economy with, potentially, worse coming in the COVID-19 response —.

**Mr O'Toole:** I appreciate the honourable Member giving way. He mentioned corporation tax and the need to raise revenue. If he is talking about the policy of reduced corporation tax in Northern Ireland, does he accept that that would mean less revenue to spend here rather than more?

**5.30 pm**

**Mr Buckley:** I thank the Member for his intervention. I am trying to say that the spin-off of reduced corporation tax would give Northern Ireland businesses the potential to attract a level of inward investment that they have never been able to attract before. Why? Those international businesses look to the Republic of Ireland with its lower corporation tax. It has capitalised on our restricted ability to lower corporation tax. We have to look at those creative measures and collectively start to think about how we can do things differently in this place to ensure that international business can, once again, come to our shores and look at Northern Ireland's people, the place and its assets — its great strength — and put the economy back on its feet. That is what all of us will have to do. It will be all hands on deck to ensure a post-COVID recovery, and budget allocations by the Minister, other Ministers and the Executive will be crucial.

I want to comment briefly on infrastructure. In earlier debates, we heard how infrastructure and capital projects would be vital in maintaining the construction sector in Northern Ireland, which plays such a significant role. From a public transport perspective, the customer base has collapsed and been devastated by COVID-19, and it shows no early signs of recovery given the need to socially distance.

The potential savings to Departments from COVID-19 have been mentioned. There must be some out there, because we have heard about how services cannot operate in the same fashion because of the nature of the social restrictions with which we are living. I have heard horror stories of how, for example, trains are running to Dublin and other places at the cost of thousands of pounds to the taxpayer, with as few as three, four or five customers. That cannot continue. Ministers must use that vital resource in a manner that protects the public purse.

I also want to mention the Committee that I serve on: the Committee for Communities. Over the course of the COVID-19 pandemic, we have seen how the Department for Communities has been able to allocate resources to some constituents who are most in need. Again, there are shortcomings, and I look at the charities sector, for example. With funding allocated via the Budget for COVID-19 pressures and a rescue package for charities, many will miss the boat and slip through the cracks, yet they perform vital, life-saving roles in our communities at this time. We need to look at how we can better support them through it.

I also want to focus on an issue that, I know, many Members have been engaged on: relief and support packages for sporting clubs. The sports hardship fund, which, if awarded, allocated up to a maximum of £2,000 per club to help fight the pressures that they faced as a result of COVID-19. It is a lifeline to keep many of those sporting clubs alive, and the need for it will continue. That support can be given across all sporting fraternities, and it is important that we fight for equality of treatment for all sporting clubs to ensure that they can access some form of funding. My fear, which was highlighted by the fact that the fund was closed within two days, is that the funding that was allocated is simply not enough to meet the need. My contribution will be in Hansard, and I have no doubt that it can be reported to the Communities Minister. Her Department should look at something like the sports hardship fund, a resource allocation that can help save many clubs that, potentially, face no return after the pandemic, given how long it may last.

Our Budget debate today and Members' contributions must focus on one word: "prioritisation". We have all mentioned it, and it is easy to talk about our hobby horses in the Chamber when it comes to constituency projects. We have all been guilty of it, but the issues that I mentioned today are real priorities for us all, collectively, in Northern Ireland to try to create post-COVID economic conditions that will see the rising tide lift all boats in Northern Ireland plc.

**Dr Archibald (The Chairperson of the Committee for the Economy):** Go raibh maith agat, a Phríomh-LeasCheann Comhairle. I have to say that I did not know that there was ambiguity about your title.

It is only three weeks since I spoke on behalf of the Committee for the Economy in the 2020-21 Budget debate, on 5 May. As so many Members have said and, I suspect, will be saying for some time to come, we live in

exceptional times and can no longer apply the rule book to which we have referred for so long. The Economy Committee finds itself at the heart of scrutinising measures put in place by the Economy Minister and her Executive colleagues, including the Finance Minister. The Committee's position is, in some ways, unique among Statutory Committees in that we can see and hear first-hand evidence of the economic devastation that the human tragedy that is the COVID-19 pandemic has brought with it. However, members have been heartened by the evidence that we have received from a range of bodies and organisations highlighting how, in recovering and rebuilding our economy and society, we can create new and better ways of doing things. The Committee has been hugely impressed and deeply humbled that, while organisations come to brief members on the issues faced by their sector, they are also designing and sharing visions of how we can move on and improve. There is little self-pity, and that is a testament to the resilience and ingenuity of our people.

The Committee believes that the newer, better way of doing things should reflect the lessons that we have learned from the terrible blight of COVID-19. We must build in a way that respects our planet and makes better and safer use of our resources. That will mean investing in new green industries and jobs. It will mean building and capitalising on the local community efforts that have got us through the crisis. Localisation where possible, rather than globalisation at all costs, must guide us. Our communities have shown themselves to be resourceful and innovative, businesses have been repurposed, and social enterprise is clearly the way forward in so many sectors and for so many businesses.

The Committee understands that the Budget envelope that the Executive have at their disposal is finite. However, members have heard from so many stakeholders how we can and should pay it better and in a more sustainable way. The Committee advocates on behalf of its extensive stakeholder base that the Executive apply their Budget in a creative way. The Committee urges the Executive to listen to the advice of the bodies, organisations and individuals who have the expertise to take our economy and society forward. Let us emerge from this dark time to a new economy, where we take the lessons we have learned and budget accordingly.

Budget scrutiny at this point remains difficult, as I said on 5 May. The Committee remains extremely supportive of the Department and the

Executive's COVID-19 response, and members will continue to advise on gaps and issues, as well as ideas and solutions, going forward.

The Committee continues to stand ready to scrutinise the Department's budget as and when there is greater detail and certainty. It remains the Committee's view that the Department for the Economy must have its budgetary needs prioritised. The Committee looks forward to the outcome of the June monitoring round to better assess the budget position for the Department. At the same time, the Committee continues to consider the impact of Brexit and the impact of the protocol on the local economy. That still requires significant budgetary support.

I will now make a few remarks in my capacity as Sinn Féin's economy spokesperson. Like others, I will try not to repeat myself but speak in broader terms about the Budget, because we all recognise the difficulty in trying to finalise a Budget in the current context. Our Budget was already under pressure prior to this unprecedented crisis, particularly after the British Government reneged on some of their financial commitments in the context of the New Decade, New Approach agreement. Those challenges remain, and we must collectively continue to make the argument for investment in our public services, public services that have been vital in recent weeks and that have been stripped bare following a decade of austerity. The role of the essential workers who provide those public services must also be recognised, and never again should we hear disgraceful talk about how some of them are low skilled.

I agree with Mr Muir's comments that, in the weeks ahead, as we plan for economic and societal recovery and allocate budgets to Departments to support that, there needs to be a coordinated, strategic and collaborative approach. It is my belief that we must do that according to a set of core principles that enshrine workers' rights and reverse the trend towards precarious working in zero-hours contracts, and we must build on the new ways of working that we have all had to adopt in a very short time. Remote and flexible working that can enhance work-life balance is more environmentally friendly in that it reduces commuting, and it promotes regional balance by having people in their own community more often. That will obviously require investment in digital infrastructure and other infrastructure to support remote working. We must ensure that decarbonisation is one of the core tenets of the recovery and that we build on the sectors that have been able to expand during the crisis, as

well as supporting other sectors to recover. Skills development must be part of that.

There were a number of progressive commitments and principles agreed to in the New Decade, New Approach agreement, including directing resources on the basis of need and tackling regional imbalance. They must guide our investment in the time ahead. A green new deal was also committed to, as other Members have said. It would be shameful not to ensure that our recovery also addressed the climate and biodiversity crises. We must harness the potential of our island by investing in green skills development and infrastructure to tackle structural inequalities as well as the climate emergency. We need to look at how we can address multiple priorities and strategic outcomes. The Minister has talked about how he has asked Departments to look at their capital programmes. Government can certainly play an important role in stimulating the construction sector and the local economy through major capital builds. There are projects like Magee medical school, Casement Park and renewable energy projects that should be expedited.

There are already conversations happening and concerns being expressed about how we will pay for the pandemic. It is a topic that Governments around the world are grappling with. This is an extraordinary crisis brought about by a health emergency; it must have an extraordinary response. One thing that is absolutely certain is that we cannot have a return to austerity in the aftermath of this; that would simply compound the disaster. One suggestion that I make — I have written to the British Chancellor on this, and perhaps the Minister could also take it up — is to tighten up tax loopholes so that big companies and the super-rich pay their way. Many of them have benefited from the Government's unprecedented interventions, so they should pay their way in the time ahead. Companies that have benefited from the crisis with increased profits and share prices should be subject to a windfall tax. The revenue generated could be directed to support our vital public services.

Suddenly switching off the funding for interventions like the job retention scheme would result in huge numbers of redundancies. Quite simply, it would mean that the interventions to date had been in vain. Further financial and fiscal stimulus is the only way to bring about an economic recovery in the shorter rather than longer term. The British Government must recognise that. We, as an Executive and Assembly, must collectively,

together with civic society, business organisations, academia, the community and voluntary sector and trade unions, make the case for the support that our local economy needs. We must continue to look at how we, as an island, can recover by investing in and supporting our local supply chains. The fragility of global supply chains and of relying too heavily on imports has been exposed in recent weeks. There is a potential to be more self-sufficient across the island, and we must grasp it. We have seen how quickly some businesses have repurposed to produce vital personal protective equipment (PPE), for example, and they must be commended for those efforts. We must support other businesses to be innovative. I agree with Mr O'Toole's comments on fiscal powers; I always agree with him when he makes that point. We should continue to argue for the devolution of further fiscal powers. I know that the Finance Minister has talked about setting up a commission, and that should be factored into our recovery plans.

In bringing my comments to a close as economy spokesperson, I must mention the huge concern that remains on our immediate horizon: Brexit and the continuing negotiations. It is vital that the British Government provide further details on how they intend to implement the protocol as a matter of urgency. However, it is also clear that the clock is ticking down quickly towards the end of June. There is much to do both practically and legislatively in relation to that as yet uncertain outcome. An extension to the deadline is the only sensible option at this point.

Let us face it: the pandemic and our experience of it has changed all of us individually and as a society. Those experiences must shape our economy and society for the better, building on our resilience and solidarity as a community. I support the Bill.

**Mr Dunne:** I, too, welcome the opportunity to speak at the Second Stage of the Budget Bill. These have been incredibly challenging times for us all. The COVID-19 pandemic has affected everyone across Northern Ireland. It is vital that we all play our part in the recovery and rebuilding process. Our economy faces a very difficult period, and there are serious financial challenges for every Executive Department, going forward.

**5.45 pm**

Significant financial support measures have been put in place — it is important that we recognise it — to support our local economy. I

commend the work of the Executive, including our Finance Minister and, of course, our Economy Minister, Diane Dodds, who has recognised the challenges. They have all fought for and supported as many sectors as possible with the finite resources available to them. The measures include the £10,000 grant scheme, for which over 20,000 payments worth £194 million have been issued; the £25,000 grant scheme; the self-employed income support scheme; the job retention furlough scheme; and the recently announced microbusiness hardship fund. Of course, the various bank lending schemes are also welcome as is the rate relief scheme, especially for businesses. Further clarification is required on who the business relief scheme applies to, as I continue to have enquiries from my constituents on that. The agriculture, farming and fisheries support schemes have also been instrumental in supporting our local economy through these difficult days.

We have benefited from one of the best economic rescue packages in the world. Being part of our United Kingdom and through our Executive, we have been able to do what is best for Northern Ireland. As we look forward to life after lockdown, we must work with our business sector to support it in the days ahead. I know many businesses are keen to hear about when, as part of the next steps, they can reopen their doors. We have seen the Prime Minister outline the next steps for allowing non-essential retail stores to open from 15 June in England. Our Executive will continue to be guided by the scientific and medical advice on when that can be done here safely. There is a desire for clarity and certainty and for hope through the next small steps on our road to recovery and in doing what is right for the people of Northern Ireland.

The step 1 announcement last week was a welcome development for many and was the first major step forward on our journey to recovery, with the lifting of a range of lockdown restrictions. It is important that the Executive prioritise support for our manufacturing sector to return to business in a safe and hygienic manner whilst retaining high standards. That will involve internal restructuring for many and revising production processes, which will have a significant impact on production capability, with reduced staffing levels and resources. Remaining competitive and cost-effective will be a major challenge for our local manufacturing sector as it endeavours to compete globally.

Our hospitality, retail, leisure and tourism sectors, including our hotels, also need

continued support on the road to recovery. Many hotels continue to lie empty, including the Culloden Estate and Spa, Clandeboye Lodge Hotel and the Marine Court Hotel in my constituency. Whilst there are many challenges ahead, there are opportunities, not least for our tourism sector. We must tap into the demand for holidaying at home in Northern Ireland this year and in the years ahead, helping to support and rebuild our local economy whilst we live with the ongoing challenges that COVID-19 presents. The promotion of holidaying at home needs support from Tourism NI and Tourism Ireland. We should look at the promotion of event tourism once again in the near future because it has been so successful in showcasing the very best of Northern Ireland on the world stage.

Our town centres will also need support in the days ahead, as we are all very aware, as they reopen their doors on a phased basis. We need to encourage local people back into our towns, cities and villages across Northern Ireland. Buying and supporting local is crucial for our recovery and for our local economy to rebuild and gain confidence. Our councils, as we have heard today, are keen to continue building on relationships with central government in helping to stimulate the market in our town centres as places to visit and do business. The Economy Committee, as its Chair has mentioned, has engaged with a wide range of sectors over recent weeks and months, and, as recently as this morning, we had a session with Northern Ireland Local Government Association (NILGA) and Society of Local Authority Chief Executives (SOLACE) representatives from our councils who rightly recognise the challenges for upskilling and developing our people to face the challenges of unemployment and a lack of opportunities, including for our young people, in the aftermath of the COVID-19 crisis. We also recognise the need for support for our universities and our colleges, going forward. That is vital, as we want to retain our skilled and ambitious young people for the future.

There is no doubt that there are many challenges ahead for our country and for our Executive, not least financially, as we have been reminded in the Budget debate today, but I believe that there are opportunities and that we must all play our part in supporting our recovery through the five-step plan and beyond.

**Mr Gildernew:** I just want to say a few words, and I do not propose to repeat my remarks from earlier. Before I start, I declare an interest in relation to my role previously as a social worker, from which I am still on a career break. Also, my wife is a nurse in the community.

I have found the debate very interesting in its frequent references to austerity. Never has the saying "Austerity costs lives" been writ as large as it has at this time. In relation to the remarks earlier that we should somehow be grateful for what we receive from across the water and things like that, I bring Members back to the start of the pandemic, as we watched it coming across the globe towards us. We saw it in Japan, and Italy had its first two cases on 31 January. We recorded our first case here on 27 February, and, at that time, the pandemic stockpiles of PPE were held across the water. From the six weeks from 27 February to 6 April, we did not receive a single piece of PPE. During that six weeks, I am sure, every member of the House, like me, took numerous and multiple calls from terrified care workers and domiciliary care workers and nurses who were afraid, literally, for their lives, for their families' lives and health and for their patients' lives. We all know what that was like at that time. That was a result of public health preparedness being stripped out of the system because of austerity. Stockpiles in England were allowed to become depleted. Times were allowed to expire on many of the important items, and, when they were needed, they simply were not there. On top of that, the testing infrastructure that was once here and was once across many European nations was totally stripped down. We had the capacity to do 40 tests a day here when the pandemic hit. We had totally dismantled our contact-tracing systems. Our public health doctor systems throughout the North had been reduced and diminished. That has all had an impact, and it is vital that we recognise that. When we hear today that we should remove the blinkers, I agree with that statement but probably for a different reason. We need to remove the blinkers of austerity to provide proper public health and social care for all our people. We need to support and value our front-line staff across the board and across all grades, including domiciliary care.

**Mr Frew:** I thank the Member for giving way. I respect his ability to do so. If it were not for austerity, would money actually have been spent on PPE? Would money have been spent on ventilators? That would have been a political policy direction, a decision that would have to be made. The Member opposite, like his party, talks all the time about Tory austerity, but never do they mention the terrorist campaign that raged here for 30-odd years. How many ventilators could have been purchased with the money that was spent on rebuilding our cities and towns?

**Mr Gildernew:** The Member will recognise that that had absolutely no impact on the fact that

we were 2,800 nurses short in our system when the pandemic hit, along with all of the other items that I mentioned.

We need to start properly supporting and valuing those whom we now recognise as our real essential workers: domiciliary care workers, porters, receptionists, social workers, nurses and doctors throughout the entire system. We need to tackle health inequalities and poor mental health. We absolutely must transform the health service and reform adult social care, and we need to provide proper support for our invaluable, indispensable and absolutely hard-pressed and overworked informal carers, who have once again picked up much of the burden of the emergency. In short, we need to work together to provide proper public services and resources to care for all of our people, to prosper as an economy and to prepare for future public health crises in a way that reflects our needs on this island. I support the Bill.

**Ms McLaughlin:** As I have mentioned in previous Budget debates, it has been absolutely impossible to adequately scrutinise the Budget, as we are trying to do in the evolving crisis. I concur with the Minister's assessment that the current Budget process has not been ideal. I also agree with previous speakers that we need to get to a place where we can align long-term Budgets with a well thought-out and coherent Programme for Government that is people-based and place-based and that drives prosperity and social well-being and where we look at subregional targets.

It is hard to make a new speech when we have done so many on these Budgets. We continually repeat ourselves, but I suppose that politicians are used to doing that quite regularly. This morning, one important story was largely overlooked amidst the anger over Dominic Cummings's refusal to resign, but it was a story that was much more important for businesses and workers in Northern Ireland. The British Government are nowhere near ready in the training of the 50,000 new customs agents needed to deal with Brexit. I remind the Chamber that we are little more than half a year away from the biting point of Brexit: just over 240 days. The Prime Minister may have boasted about getting Brexit done, but the real impact will hit Northern Ireland at the end of December when the transition period comes to an end. The Prime Minister could decide to extend that transition period. That is what he should do, but, just as he will not sack Dominic Cummings, he says that he absolutely will not extend the Brexit transition period, despite that being the obvious and sensible thing to do. We

in the North, the region most effected by Brexit, remain unclear about what customs arrangements will be in place. It seems that there will not be enough trained custom agents to help us to know about them, whatever they are.

While COVID-19 is, in the immediate term, a complete disaster for the economy, we should not overlook the reality of Brexit over the longer term. It is likely to be a complete disaster for our economy. What makes it worse is that, with just a few months to go, we in the region most affected know so little about what comes next. It is absolutely disgraceful. It is almost as if Downing Street cares little about Northern Ireland, despite what the Prime Minister has said on private visits here.

We have one certainty, which is that the UK will have to focus more on growing our own talent and skills, while relying less on migrants coming here to work. We will have to invest more in skills and training, and that must be one of our investment priorities. That brings me to subject closest to my heart and close to the interests of the people in my Foyle constituency: the Magee medical school. Yesterday, I met — virtually, of course — senior representatives of Ulster University. I left the meeting with the sense that they were as in the dark about what happens now regarding progressing the business case for the medical school as we in Northern Ireland are about the new customs arrangements after Brexit. We need to know what is going on. We need more detail, and we need greater transparency. That applies to the British Government's plan for Brexit, but it also applies to the plans of our Government, the Executive Office and senior officials when it comes to the Magee medical school.

## 6.00 pm

The medical school is due to open its doors in September 2021. Like every other elected representative and everybody in the city, I was delighted by the announcement, but a lot of work needs to be done for that to take place. It needs to be done very quickly, with a sense of urgency, and I urge the joint First Ministers to proceed at pace.

I support the Second Stage of the Budget (No. 2) Bill.

**Ms Mullan:** As a new Member, I have found the debate to be very interesting and beneficial. When we debated the Budget Bill earlier in the year, we could not have foreseen the devastating impact of COVID. We were very

concerned with addressing 10 years of austerity and ensuring that we had the funds available to deliver the commitments that were made in New Decade, New Approach.

Today's Vote on Account will allow Departments to spend money to deliver our public services and begin the process of rebuilding our economy. Public services include the education system. In order to plan for the reopening of schools, the Department of Education will not only need resources but must look within its own budget to areas of work that have not happened in this period and re-profile that money to provide support to our children and young people who are returning to school and to support their mental health and well-being.

The childcare sector is almost decimated. We need to ensure that that sector is supported to reopen, provide sustainability and support parents back to work.

The Programme for Government and New Decade, New Approach commit the Executive and the Assembly to deliver services and resources based on objective need and to tackle regional disparities. Unfortunately, you have two Derry representatives speaking one after another. Not only are we obviously very passionate about where we come from but we are passionate about delivering the projects that have been worked on for many years. The recent announcement of match funding for the Derry City and Strabane strategic growth plan and inclusive future fund, alongside the Executive commitment to open the medical school at Magee, are examples of what can and should be done.

Following the financial crash of 2008-09, austerity became the default position of the rich and powerful across the world. Working-class people bore the burden while bankers and speculators walked away. When we emerge from the COVID-19 health and financial crisis, we cannot return to the default position of austerity and heap the cost on the poor and low paid. Poverty is not a fact of life and there should not be an acceptable level of poverty. We have it in our gift to put the eradication of poverty at the heart of everything that we do here.

As I stated earlier, in the past 10 weeks, we have had to learn to adapt and work together. In supporting the Budget (No. 2) Bill, let us carry that forward and look to do things differently, ensuring that we protect workers and families.

**Mr Blair:** I add my thanks to those expressed previously to the Minister and his officials for the work that has been done in recent weeks in response to a major crisis. I hope that, as well as other messages, when the Minister leaves today, he will take the message to his officials that all of us, I am sure, even when we do not immediately get the answers that we want, even when we make further demands on behalf of those who are in need, are massively indebted to those officials for how they have swung into action to deal with the crisis.

As the Alliance Party spokesperson for agriculture and the environment, I want to address two important and urgent issues. I do that mindful of the financial commitment that has been required already in relation to COVID and, of course, the necessary post-COVID planning as well.

The first of the two urgent issues is that we know, as clarified in a recent UK Government report, that the forthcoming Northern Ireland protocol, which is an integral part of the withdrawal agreement, will require, without doubt, expanded infrastructure at ports in Northern Ireland. This requirement, of course, relates to checks on animal and food products coming here from GB. Quite separate from our thoughts or opinions on the journey that got us to this point or, indeed, the current circumstances, preparations for the protocol and its pending implementation are essential. Surely, it is reasonable to expect that provision is being made and that checks are in place in the Department of Finance to ensure that there is capacity for the considerable upscaling of the current arrangements in ports, which apply only to live animals. Hopefully, the Minister, in his response, can provide some detail of the planned provision, especially the additional staffing costs that it is expected will be involved and the arrangements to ensure that the necessary staff resources are in place.

I turn to the environment. Earlier this year, Executive commitments understandably raised expectations of imminent action to tackle climate change. New Decade, New Approach brought us this promise:

*"The Executive will tackle climate change head on with a strategy to address the immediate and longer term impacts of climate change."*

This pledge, listed in the published agreement under "Priorities of the Restored Executive", was accompanied by a pledge also to bring forward a climate change Act. Recent, much-reported environmental improvements — less

traffic and reduced pollution — albeit in a time of unique and challenging circumstances, have demonstrated clearly that change can happen. However, thus far, that change has been circumstantial rather than policy driven. To harness the short-term, recent gains in air quality, it would be reassuring to see a firm, coordinated departmental commitment, backed by budgetary provision, to ensuring that the pledges previously given are fulfilled.

We know that this will require collaborative efforts across Departments, not least DAERA, the Department for Infrastructure and the Department for the Economy, although a commitment to financial provision is also required, and I hope that the Minister will refer to that later. Going forward, there will be opportunities to work with others as well, including through the recently established all-party group on climate change, chaired by my colleague Rachel Woods. However, those involved in that work will want to see commitment with policy and budgetary detail. Perhaps the Minister, when he responds, can offer this insight and assist, hopefully, in the coordination of this commitment across Departments. Perhaps he will also indicate that the necessary funding has been requested from others and tell us whether it is being provided and whether it can meet the declared commitments.

It could be argued that the first matter that I highlighted is political; the second, natural. However, both involve imminent changes that will affect all of us. I hope that the Minister will clarify today that the necessary measures and finances are in place. Perhaps they are hidden in the detail that was mentioned a number of times earlier. We know that they are needed to deal with these serious issues, and soon.

**Mr McAleer (The Chairperson of the Committee for Agriculture, Environment and Rural Affairs):** I take this opportunity to commend the Minister for bringing the Budget before us today, particularly in the context of a very serious global pandemic, the COVID-19 crisis. In particular, I welcome the funding that he recently provided to the Department of Agriculture, Environment and Rural Affairs to help to offset the impact of the pandemic on the agriculture and horticulture sectors. The £25 million was particularly warmly welcomed by the sector.

On Friday, the AERA Minister was before the Committee. From listening to him and reading some of the public statements since the funding was announced, it appears that the priority sectors are dairy, beef and horticulture.

However, I have been approached, like many other MLAs, by beef and sheep farmers who have been gravely affected by the pandemic. Some 80% of all farms in the North are beef and sheep farms. Of the 25,000 farms in the North, 20,000 are beef and sheep farms. They have experienced a very severe price drop as a result of the pandemic and, indeed, the increase in input costs. We received various reports indicating, for example, that cattle have increased by in the region of £230 a head; lambs by in the region of over £30 a head. Many of these farms are also in areas of natural constraint (ANC), and the farmers also have to contend with the loss of the ANC payment this year. Many of the farms are quite small, and they struggle to benefit from the other schemes, such as the self-employed income support scheme. As I said earlier in my speech, it is important that many of these farms, which fall through the cracks of the other schemes, can be supported by this funding. It is a long road to recovery. We got a report from the Livestock and Meat Commission just last week that said that it is a long road to business as usual.

This Budget has also been made in the context of Brexit, which overshadows a lot of it. Unlike the COVID-19 pandemic, Brexit was not what you could call a natural disaster. It was deliberate action by English right-wing Tories who have very little regard to here. I say that in the context that the majority of people here in the North did not vote to leave the European Union. One of the consequences, from an agriculture and rural affairs perspective, is that we have been removed from the common agricultural policy. That has thrown into jeopardy future funding for farm support beyond the lifetime of the current Westminster Parliament. We have been told that the funding is secure until then, but after that we just do not know. It also applies to the pillar 2 rural development programme. We all know from our communities the importance of the rural development programme, particularly priority 6, for funding our rural community groups and for building community hubs, infrastructure and village renewal. That is also going when we leave the EU. I commend the Minister, who has been lobbying the British Government in relation to the UK shared prosperity fund. It was the British Government that removed us from the EU, with the consequent loss of that funding, so it should be the British Government who should replace that lost funding through their UK shared prosperity fund. I welcome the fact that the Minister has been lobbying the British Government in respect of that.

Turning back to something that is really critical and connected to Brexit and the future well-

being of the industry here: the failure of the British Government, two weeks ago, to support an amendment to the Agriculture Bill that was proposed by Neil Parish, who is the Chair of the Environment, Food and Rural Affairs Select Committee at Westminster. His amendment would have prevented low-standard food imports from countries that have lower welfare and environmental standards coming into Britain. This will further undermine the industry and decimate the British market. The British market is really important for farmers here, because 75% of our beef is exported into the British market. Britain itself is only 58% self-sustaining. If we have a situation where Britain enters into trade deals with countries around the world that have lower environmental and animal welfare standards, cheaper food will flood the market over there. It will destroy the market for our farmers, and it will completely decimate farming in Britain. Perhaps that is the strategy anyway. We recall that, a number of months ago, there was a leaked memo from a senior Tory that indicated that they wanted to run down food production completely and turn Britain into Singapore, where they import all their food.

So that was a very serious blow two weeks ago, and the farming unions here and, indeed, across the water in Britain were devastated. They felt that it was a slap in the teeth for our hard-pressed industry, which has worked so well to build up the industry here. It has been compounded by the failure of the British Government to make any progress on the EU protocol. This is a technical note, prepared by the European Commission, that we got just last week through the Committee. It says that, if the existing posts are maintained as we enter the transition period, there will be no entry point solution in Northern Ireland for live animals and products of animal origin. That is a very, very serious situation as we are moving into this transition period. If we do not have some arrangement for this, there will be no points of entry for our markets here. That could be devastating for the industry here.

The point that I am making is that the British Government have let down and sold out their farmers.

People are quite right to extol the benefits of the Union — that is their belief — but that is what the British Government have done to farming across the water and potentially here. They have run down farmers in their function as food producers. As the COVID-19 pandemic highlights, a secure local food supply line is crucial, particularly in times of crisis, and it is

shocking that that amendment to the Bill was not accepted a couple of weeks ago.

### 6.15 pm

In conclusion, I support the Budget. We recognise that the Executive have a restricted funding envelope at their disposal, and I support the Minister in his efforts both in the Executive and on behalf of the Executive to press the British Government and the EU for the necessary additional funding to support our agri-food businesses. I therefore thank you and commend the Budget.

**Mr McGrath:** In contributing to today's debate on the incoming Budget, I am fully cognisant of the context in which we find ourselves as a result of the ongoing COVID-19 pandemic. The pandemic has had a devastating impact on every part of our way of life. It has resulted in businesses having to make huge sacrifices by closing temporarily and by throwing themselves on the mercy of various Departments because they are in need of support. The public have had to make their sacrifices through social distancing and isolating themselves. We are hearing that there is another recession hurtling towards us. That is to say nothing of the democratic deficit that the pandemic has created in this House, where our role as elected legislators has been radically altered and, indeed, restricted. Thankfully, however, we are beginning to see a return to some sense of normality, be that just the new norm.

The context of the North is and has been for many years a divided one. We therefore need to see now more than ever a renewed sense of reconciliation. The Budget will play an essential part in addressing how we begin to put the North back together following years of stagnation, stalemate and disruption.

The architects and peacemakers of 1998 certainly understood that and that our response to the critical matters of the day in times of exceptional circumstances cannot be addressed by limiting response to their own constituency. We must always have the bigger picture in mind. That reconciliation was sadly hindered by newspaper articles that appeared in the South this weekend past, and in GB, where it would appear that there is at least one Government aide who is ready to take the legislation surrounding COVID-19 into his own hands.

The people of the North need to have faith in their Government and to know that their Government have their best interests at heart.

The people of the North need to have a sense of purpose, a job and some hope, in order to have their dignity afforded to them. Our response, our investment and our Budget cannot be for the benefit of one group of people but must be for all people: for all our healthcare workers, all our teachers, all those who are unable to work, all our emergency services and more. If the Budget is not for the benefit of all, we will have failed.

I will reflect on some of the spending that will impact on the areas that I have been following through some of my Committee work. The victims payment is an issue that is causing concern at present. It is mentioned in the 'New Decade, New Approach' document and, to date, has not been progressed, which is causing worry and concern for people on the ground. Those victims have suffered enough. We need to do the right thing and deliver the pension payment to them. They have already lost enough and made enough of a sacrifice in their lives. The legislation has been approved, but we need to see the delivery. I do not believe that it is a payment that the Executive should have to make on their own, but it is one that needs to be made. The British Parliament made the Bill, and the British Exchequer should foot the bill. The scheme includes people from beyond these shores, so it should not be left to the North to pay out of its block grant.

I welcome, too, the fact that this year's Budget includes payments for those impacted on by historical institutional abuse. It is a travesty of our past, and one that is being addressed in a small way through payments from the scheme. I would welcome continued work to secure money from the institutions responsible for the abuse, as that would help the Department's balance sheets.

We are all too aware of the Budget cuts that have left our public services and staff in difficult financial hardship, and I believe that those who have been affected by those cuts could benefit from much-needed investment and financial relief. That is to say nothing of the fact that these institutions were felled for three and a half years, which left portfolios abandoned, vital projects shelved and, most shamefully, public trust in elected officials decimated. Now is the time to prove that these institutions can work and that they will deliver for the public.

I am also a member of the Health Committee and want to make a few brief remarks about the funding for our health and social care system. The health service has received an uplift in this Budget, which is not only welcome but entirely necessary. Our health service has suffered

greatly from a decade of austerity, which we know was a political choice. Less than six months ago, our nurses and key workers had to stand in the rain for pay parity. If one small, positive thing comes out of this pandemic, let it be the long-awaited recognition of the importance of those workers. Never again should they have to strike for fair pay and conditions.

I also want to make a point about mental health. Last week, the Minister launched the mental health action plan, and that is very welcome, but the strategy that has yet to be launched must be properly resourced. The Minister of Health, supported by Executive colleagues, must consider a pandemic payment in our mental health and bereavement services to deal with the looming crisis that will come as a result of coronavirus.

We have been hit by a worldwide pandemic, and I appreciate and understand the massive impact that it will have on the Budget process and the moneys that the Executive and Departments will have to spend. We need to see a joined-up, strategic Budget that is flexible enough to respond to emerging need but that also addresses priorities equally. A criticism of Budgets past was that allocations were disproportionate and favoured larger parties' Departments, and I think that that would be a crass move now; one that we, certainly, are not prepared to accept and will highlight and act on should we see it happening. We need to match our spending to a set of coherent policies. It is incredibly important that our Budget should be linked to a long-term vision for our public services and our economy beyond this crisis. I do not think that there is much evidence yet of such a coherent policy, and I am interested in the Minister's thoughts on developing such.

We also need to be prepared for the impact of Brexit. Departmental officials once cited that as being the matter of their sole attention and said that preparation being undertaken by them was consuming them in everything that they did. Obviously, that has stopped because of coronavirus. It has had to take a back seat and to become the number-two priority in Departments. It is folly to accept that, by not preparing for something properly, you are ready for it. By definition, it is almost impossible. We suggest that an extension should be sought. That does not require a compromise of politics; it requires the promise of using common sense. I ask the Minister for his Department's understanding and assessment of where, he feels, the preparations for the Departments are and whether an extension would be worthwhile.

Now is the time to begin our journey for a joined-up and strategic Budget. We have to do it now. This will be a year in which we have shown our capacity for compassion in how we have responded to the ongoing COVID crisis. I welcome the news today that there have been no recorded COVID-19 deaths in last 24 hours. Thank God for that. This can also be a year in which we distribute our resources, in a strategic manner, to the places that need them most. Now is the time for a Budget that works for people, for communities, for business and for the North as a whole.

**Mr Boylan:** First, I will state some of the pressures that the Department for Infrastructure has been facing for a number of years, as it is important to demonstrate the structural failings of austerity. Every Member, in their constituency, most likely gets countless issues regarding our roads, the service for which has been operating on a skeleton basis in recent history as a result of departmental cuts to budgets. That includes not just fixing potholes but street light repairs and gritting. That service, before budget cuts, used to get around £35 million a year but now receives half of that.

I commend the scheme that was introduced by my colleague, Chris Hazzard, during his tenure as Infrastructure Minister, to target the repair of rural roads by way of the roads recovery fund (RRF). The legacy of that initiative is that in the last two years, the Department has allocated some £25 million to the RRF that mostly goes towards our rural roads. It is important that that scheme continues and will, hopefully, inspire the Department to further invest in similar schemes.

Meanwhile, our coveted rural community transport partnerships have faced stark cuts in their budgets in recent years. Last year's Budget allocation represented a reduction of almost 20% in the overall baseline since 2015-16. Community transport groups, which are currently facing some pressure as a result of COVID-19, are concerned that they have received a letter of offer for three months only. On top of that, they have lost a significant amount of revenue from group hire work throughout the pandemic. It is most important that the Infrastructure Minister fully engages with community transport moving forward, as it provides an invaluable service to communities and continues to do so during COVID-19 by helping with essential journeys and deliveries.

The lack of proper funding through the years because of austerity has left Departments in a vulnerable position to respond to events such as COVID-19. These are not normal

circumstances for a Budget, and the reality is that the response to the COVID-19 pandemic cannot be held within the confines of conventional departmental budgets. We need to have a comprehensive perspective when looking at our response to the pandemic. All Departments are facing significant pressures right now, but it is important to realise that instead of allocating it on a departmental basis, the funding to respond to the COVID-19 pandemic has been agreed by the Executive as a whole on a needs basis.

The pressures that we currently face as a result of COVID and austerity have been compounded by the failure of the British Government to honour their commitments in New Decade, New Approach. It is noteworthy that one of those commitments was to turbocharge infrastructure and mentioned vital projects such as improving the Belfast to Dublin railway, the A5 and A6 and the Narrow Water bridge. That commitment also included assisting in investing in essential sewerage infrastructure, which is a crucial issue across the North as around 100 areas have some capacity issues with regard to sewerage infrastructure. "No drains, no cranes", is the saying in NI Water and that needs to be addressed fairly across the North to allow balanced regional growth and to tackle inequalities.

Brexit continues to overshadow everything that we do and presents other economic problems down the line. For sectors such as haulage and logistics, which are currently facing massive pressures because of COVID, this is a very worrying time indeed and it is only worsened by the British Government not heeding the calls from so many for an extension to the current Brexit deadline.

While all the issues that I have mentioned, such as austerity, COVID-19 and Brexit, are ongoing, it is important to remember that addressing the climate change emergency also has to remain a priority. Any economic strategy to recover from the crisis caused by COVID-19 must be based on a just transition towards a net zero carbon economy, which includes tackling congestion and pollution levels and committing to decarbonising the transport network and travel behaviour.

**Mr O'Toole:** I thank the Member for giving way. I was reflecting on what he said earlier, which was that allocations were going to be made on a needs rather than a departmental basis. He will, however, acknowledge that in order for money to be spent, it has to go to a Department at some point and that, in order to address

some of the needs that he talked about, including the crisis in Northern Ireland Water and moving towards active and green travel, money will have to be allocated at some point to the Department for Infrastructure.

**6.30 pm**

**Mr Boylan:** Yes, absolutely. The Minister said that, as long as proposals are brought to the Executive, the Executive will make a decision on them.

The challenge ahead will, no doubt, be significant, and we need to identify how best to facilitate an economic recovery. Capital projects will have a part to play in that goal. That adds a new dimension to the importance of some of the capital projects that need to be progressed as soon as possible, such as Casement Park and the A5. The Department for Infrastructure is currently assessing its delivery capacity on capital projects this year as a result of COVID-19, and it is vital that the outcome is revealed to members of the Committee as soon as possible. Some of the projects that, I am sure, other Members and their constituents are keen to see progressed, as I am, include the Narrow Water bridge project, the Belfast to Dublin railway improvements and the A5 and A6 projects, which I mentioned. The A1 junction safety improvements is another project of importance. That project means so much to so many people, especially those who have lost a loved one on that treacherous road. It is absolutely essential that the scheme is delivered as soon as possible. The £700 million funding announced by the Finance Minister in relation to city deals is a huge plus for the North during this difficult period and should assist in progressing vital infrastructure schemes such as the Newry relief road and the second phase of the Glider, to name but a few.

In consideration of the vast challenges ahead, I commend the actions taken by the Finance Minister during this difficult period. They include the £50 million of additional funding for Translink in recent months, as well as £60 million remaining in the centre for transport issues. On top of that, the Department has received the biggest capital allocation in its history. The importance of public services and the need to protect them has been one of the overarching themes of COVID-19, a crisis that has highlighted the abhorrent nature of a policy like Tory austerity, which disregards the importance of core public services. It is crucial that we learn the lesson and that it is not forgotten in the future.

**Ms Ennis:** I thank the Minister for his time today and welcome the opportunity to offer some thoughts on today's proceedings. As other Members have said, we need to reflect on the difficult context in which the Minister brings the Vote on Account to the Assembly. Not only are we in the grip of the biggest health emergency in living memory but the economic damage as a result of COVID-19 will, no doubt, weigh heavily on us all for a long time to come. All that would be bad enough in itself, if it were not set against the grim and ghoulish backdrop of years of British Government and Tory austerity. Some people in the Chamber do not want to talk about austerity. They do not want to hear us mention that word, because it makes them feel uncomfortable. We make no apologies for it, because Sinn Féin has been saying for years that austerity was bad for your health. Let me tell you: we take no pleasure in the fact that we have been proven right.

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

**Ms Ennis:** I will not give way.

The preparedness of the British Government to deal with a global pandemic such as the one we are now living through was compromised as a direct result of their deliberate policy of austerity. They stripped money out of the NHS, refused to pay nurses and other healthcare workers a decent living wage and decided that PPE and other vital equipment was not high on their list of priorities and that these were aspects of the health service where they could save a few quid. Those were all deliberate policy decisions made by the Tory Westminster Government of the day.

It is my firm belief that, in the North, we have been lucky that we have the right Ministers heading up the right Departments at the right time. The fact that we have Ministers like Conor Murphy in Finance and Deirdre Hargey in Communities who are actively and fundamentally opposed to austerity meant that the Executive were able to move money and resources out the door and provide targeted interventions to ensure that our citizens were supported. The citizen-centred and humanitarian approach of the Finance Minister ensured that Departments had the necessary resources available to them to meet the mounting challenges posed by the COVID crisis. Notwithstanding the hundreds of millions of pounds provided to the Department of Health, this Minister has provided money for interventions such as the enhancement of the discretionary support fund; £20 million to offset the impact of COVID on councils; £410 million in business grants; £25 million for agriculture,

as my colleague Declan McAleer said; and funding packages to support the charity sector and the community support scheme. The list goes on. For that, he must be commended.

As the Finance Minister has explained, before we were faced with the challenges of COVID, our block grant was already at pre-austerity levels: £360 million in real terms, as has been said by Members who have spoken. My fear and the fear of everyone I represent is that this inept and cruel Tory Government, in true Conservative style, will use the crisis not as a lesson in the importance of investing in public services but as an excuse to inflict more austerity and hardship on us and the communities we represent. Instead of a lurch towards more austerity, we need to see government — centrally and locally — spending money on capital and regeneration projects that will revitalise our communities and act as drivers for our economy and our hospitality and tourism sectors.

The 'New Decade, New Approach' document, which was concocted by the British and Irish Governments and signed up to in good faith by all parties in the Chamber, raised the expectations of the public that investment in key projects and services would be forthcoming from the British Government, but, in true perfidious Albion style, the British Government have thus far reneged on those commitments. We cannot allow the treachery of the British Government to infect the mindset of Departments and Ministers. Now is the time for Ministers to show leadership on issues such as Casement Park. Only last month, the Committee for Communities learned that £4.5 million in ring-fenced capital funding for the Casement Park sports stadium project had been surrendered in the June 2019 and January 2020 monitoring rounds because of the continued unwillingness to make a decision on the planning application. For 11 years, Gaels in Antrim and Ulster have been waiting for a permanent, fit-for-purpose home to be built. The fact that a quarter of a million members of the GAA in Ulster are without adequate stadium facilities is nothing short of a disgrace. I wholeheartedly agree with a recent assessment by Belfast solicitor Niall Murphy that the failure to deliver on Casement Park is an equality issue.

**Mr O'Toole:** Will the Member give way?

**Ms Ennis:** No, I will not, thank you. All of the potential for action since the Assembly has been restored and the fact that we now have a Minister in place are being squandered by the inaction of Minister Mallon. She is sleeping on

the issue. I call on her to show leadership. If there are still matters and problems with regard to Casement Park and if she is still waiting for information, she needs to step in. She needs to pull rank and show leadership on the issue.

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

**Ms Ennis:** No, I will not, thank you. I am going to get this statement out by hook or by crook.

From the outset of the global pandemic, protecting lives and livelihoods has, rightly, been the priority of the Finance Minister and his colleagues. Once the crisis has passed — it will, eventually — we must ensure that such projects as Casement, the subregional stadium project and, of course, Narrow Water bridge and other revitalisation projects are advanced so that they can act as the economic drivers that we will, undoubtedly, require in the post-COVID world. This crisis is unparalleled, and there is an onus on all of us, especially the Ministers, to bring forward any and all measures that will support people and bolster public services at this time. I support the Bill.

**Ms Armstrong:** I will not spend this time criticising Ministers; in fact, I will thank a Minister. The House has already agreed the Supply resolution for the further Vote on Account. That allows existing services to continue until this legislation is passed, enabling funds to meet the balance of estimated expenditure for this financial year.

As we have heard today, this year's Budget is a moving feast. Due to the coronavirus, the Finance Minister and the Executive have been allocated unprecedented funds to help citizens through the crisis. As the amounts change regularly, it is a difficult process to manage and report on, so I thank the Minister for getting us to this stage. Yes, we would like to have seen more detail, and, yes, we would like to have seen it much earlier, but we have lost so many citizens throughout the crisis that it was right and proper to concentrate on them.

As we know, the figures provided in the further Vote on Account 2020-21 is the expenditure up until October 2020. Clarification is still required on what will happen after October. Others have said it today, and I will say it again: the Budget is not set against an agreed Programme for Government. We await that document from the Executive. Most Committees still await ministerial priorities. The virus has interrupted so much, but we should not allow it to distract us completely from the objectives that we all want to see progressed. 'New Decade, New

Approach' had agreed priorities, many of which have not been brought forward yet. I am concerned that, unless those priorities are detailed in a Budget, they will not progress in this term of office. For example, the review of education may not progress. That is not negotiable. There are reasons why some parties joined the Executive, and some of those reasons are in 'New Decade, New Approach'. It is therefore vital that the Budget includes the investment required to deliver on those priorities. I ask the Minister to tell us, in his summation, what his thoughts are about that.

I appreciate that the Budget cannot provide detailed information at this time. I know that we have an ever-changing picture, as Barnett consequential flow into Departments here. I am also mindful that Westminster can decide to reduce spend in areas and that that can have a negative consequence here. What do we know of their plans? Will we be completely dependent on the whims of Westminster this year?

I recognise that Departments have huge costs at this time, but they also have many projects that are not being taken forward because of the coronavirus. I expect that those savings will be identified and drawn back into the centre for reallocation in the monitoring round. We will hear about that in September and October. Due to necessity, Committees have not been able to scrutinise details in the way that we should and that was called for in the renewable heat incentive (RHI) report. Sadly, we are again considering a one-year Budget. I get it: we are in a crisis, but we need to plan our way out of the crisis. That is what government is; that is what leadership is about. During 'New Decade', we all agreed that we needed longer funding periods. We talked about three-year Budgets. The virus has taken that ability away from us.

Sadly, we expect some businesses to close and some people to be made redundant. We hope that the situation does not cripple us with huge hikes in future rates bills, with the cost of construction going through the roof and the costs of food and fuel going up again. Mr Frew mentioned that, when he talked about savings plans. I concur with him. I agree that the Executive should not just spend money at this stage but should be looking to see where the savings are and where we can spend the money properly. I remind the Minister and the Executive that the Committees' role is not just to scrutinise but to assist and support Ministers. Committees can ask the questions, "So what? Is that project necessary? Is that really a priority? Do we have to spend the money now, or can we programme it to be spent in the next year?".

We need to generate the necessary savings that make this Budget, for the rest of this year, as effective and efficient as possible. There are key areas where we need investment. Others have talked about them, but I will highlight them again. I ask the Minister to outline how he intends to take this investment forward after October, for the rest of the financial year. With regard to Northern Ireland Water, if we do not invest in our waste-water system, development will be hindered across Northern Ireland. As has been said before in the Chamber, "Without drains, there are no cranes". That must be a priority. If we do not sort out the pipes under the ground, we will have no new homes and we cannot invest in construction. We will not deliver on those city deals programmes. Perhaps now is the time to look at innovative ways to fund necessary services. Alliance has spoken many times and has faced a lot of criticism, but I will say it again: Northern Ireland Water needs to be able to treat income differently to allow it to borrow to invest in our waste-water treatment system. If it is not invested in, there will be no cranes and we will see further economic crisis.

The position with Translink is stark. If we do not invest in our public transport system, we will not have one. I am glad that much of the money for Translink has been front-loaded this year, but what happens after October? Will we still have a company that is asked to wear down its reserves to the point of bankruptcy?

So far, the support for those who are self-employed and have taken the risk to set up their own businesses or work as sole traders has been found wanting. We may as well kiss programmes such as Go For It goodbye. We will have a difficult time encouraging anyone to risk setting up their own business or to become self-employed.

In coming months, we will have a lot to do to encourage confidence in the Government when those business owners feel so let down and left out.

#### **6.45 pm**

Housebuilding legislation is going forward to address the necessary reclassification of social housing. The amount of potential capital investment that was unspent in previous years is shameful when we consider how many people are in housing stress. We must invest in housing in order to meet that and facilitate the type of housing that society needs. With the Budget that is being brought forward, we need to stop doing what we have always done and start to deliver real opportunity, utilising money

as efficiently as possible. One good thing that has actually come out of the coronavirus crisis is that we have managed to meet homelessness head-on. There needs to be the same commitment for the rest of the year in order to prevent the number of homeless people rising again. When lockdown relaxes and we progress through the Executive's phased plan, we must ensure that planning applications are progressed much more quickly by councils, still within the rules, in order for contracts to be agreed and signed and to ensure the commencement of new-build projects.

With regard to benefits, mitigation measures will continue. We all agreed that that was a good thing. However, we should push DWP to bring forward managed migration into universal credit. We need to know whether that will be brought forward in this financial year, as it means that more costs would be met and would allow us to deliver on the poverty strategy's aims when that strategy is brought forward. That is where we come to planning. We need the Executive to set out the strategies that will underpin how the Budget is spent. We need to be more creative and less dependent on red tape and bureaucracy. There are businesses and organisations that can reach people much more quickly and effectively. That is why contracts and tendering systems need to be updated to allow social enterprises and local companies to deliver services that will not only deliver a service but will invest back into local communities and society.

In future Budgets, we need to learn from what we now know as a result of coronavirus. Investment is needed in community care services to ensure that those who care for our most precious relations — older people, children, people with disabilities and those who are sick — are not treated as cheap labour. There needs to be investment in charities that support the community. We have all seen and worked with those charities that, over the past nine weeks, have quite frankly helped to keep the community alive. They were the people who helped to deliver food parcels; who were the only voice who called that isolated person who was shielding; who looked after care workers' children; and who volunteered and worked in care facilities, putting themselves at risk.

Care homes care for many people who have nowhere else to live, yet the staff there receive the lowest wages. Healthcare staff went on strike to get fairer pay. We need to learn from coronavirus and do things better and smarter for everyone who lives here. Perhaps, it is time to reconsider society. Maybe we should

consider providing a universal basic income, and then we could address poverty. If we put people first in the Budget planning process, we can come out of this awful crisis with some hope for the future.

I ask the Minister to confirm whether he can and will ask Ministers to ensure that, when providing future financial asks, they do so not just to provide services but to provide services that deliver positive change and progress for the whole community.

**Miss Woods:** We have already discussed the issues around the process that the Executive have pursued with the Budget and the Vote on Account earlier today. Another important issue needs to be raised regarding the procedure of the Bill, which has just been published and made available by email to Members, and is now being debated at Second Stage. The reasons for such a rushed process have been put forward by the Minister. However, the issue of why the Assembly is expected to vote on the principle of legislation on the same day that it has been laid before the House remains apparent to me.

To ensure that legislation that is put forward by the Executive is adequately scrutinised, we should not accept such a procedure lightly. It must not be the case that Ministers feel that they have the power to rush things through in that manner. Is it the case that we are in that position because of the limited number of Assembly sitting days now, or is the preferred option of the Executive to avoid difficult questions when Members have had a proper chance to look at what is in front of them? It would be helpful to hear from the Minister about what precedent is set for the work of Assembly by voting on legislation just after it has been published. It should not happen again.

I have raised some of the issues around the fact that we will not have the Main Estimates and a comprehensive evaluation of departmental spending until the autumn. That was also raised in the main Budget debate earlier this month, so I will not labour the point any further than is necessary.

The Health Minister stated in the Executive briefing on COVID this afternoon that a second wave of this virus is widely expected in the months ahead. Do we have either enough in reserves or contingency plans built in to deal with that? I would like to ask the Minister what plans he has. If we are in a second wave of this virus, with similar PPE requirements and similar lockdown requirements and with the business

closures that we have now, are those being developed?

I will turn to some of the gaps in the COVID-19 spending and to a green economic recovery, which I mentioned in my earlier speech. Some Members might have heard this before, but I do not apologise. As an opposition MLA, I feel that it must be continually raised. Those matters are relevant to the Bill, which sets in law the release of funds to the Departments based on the COVID-19 allocations published on 19 May.

With regard to our councils, £20.4 million allocated by the Minister for Communities is welcome in order to initially cover losses and the pressures experienced by local authorities because of COVID, but there must be more. This is a drop in the ocean of what is needed. Our councils cannot become insolvent, but some are dangerously close to that. Questions will need to be answered about not only the future of local government institutions, but what this will mean for schemes and plans that had been agreed and on which work had begun. What will it mean for large capital projects? Will councils have to re-profile finances that were allocated to something completely different? Will large schemes be put on the long finger? How will that affect the provision of public services? Communities must not see cuts or closures as we come out of this pandemic. Local authorities across GB have received funding commitments, and councils here need to be in the same position.

The Minister stated that the Executive intend to absorb the cost of councils' lost income, but how? We do not have any details of that, and figures published in the COVID-19 allocations document do not add up, so how, Minister, do the Executive intend to manage this?

The economic impact of this pandemic is being felt without us having entered into recession yet. This, on top of the uncertainty of Brexit, will be felt for years to come. There are many businesses still falling through the gaps, and the impact on them will be much greater. The furlough scheme, which I mentioned earlier, has been welcome, of course, to keep as many people in employment as possible, and it has been a lifeline for some sectors. However, if employers who have not had any income since March are told to either bring their staff back to work if they can, safely, if that is even possible, or on a part-time basis and to contribute to their wage packet, there will not be many businesses left. What if we are not at that stage of the Executive plan? Will we have more people feeling that they are being forced back into the workplace before it is safe to do so? Will the

Executive be able to help those employees and the employer, should that happen? If we are not at the appropriate stage of the plan, do the Executive, in recognising the importance of the hospitality sector, amongst others, envision helping businesses financially if they cannot open safely and are facing the only choice they have of making their staff unemployed?

As we know, not all businesses have received the same support. Some, like sole traders, that were not eligible for other Government grant schemes were told that a hardship fund was on the way, only to find out that it did not apply to them. Yet again, they are waiting to hear if there is anything else for them to keep their business afloat or if they should just make the minimum payments to keep them operating after this. I ask the Minister this: is there anything left in the Budget to help those who have been left out?

Many Members have been contacted by local charities that are eager to find out where they fit into the Government support, and we welcomed the announcement on 7 May of £15.5 million to support them. Minister Hargey also announced that it would be launched very shortly after that — on 20 May. It is now 26 May, and we are now in our ninth week of lockdown, during which many traditional forms of fundraising for charities have been impossible. Are all charities and social enterprises in Northern Ireland supposed to avail themselves of funding from that one pot to maintain key services? It will not be enough. Are the same organisations that help our most vulnerable and other organisations, like those that work with animal welfare, to be the last to be given support?

During the Budget scrutiny processes, Committees were told that the Executive are facing pressures in departmental budgetary needs and in delivering New Decade, New Approach priorities. There is simply not enough funding to do all that we aspire to do. This raised questions from many about New Decade, New Approach. As others outlined, there have been some gaps in producing the estimated budgets that are aligned to NDNA priorities in some Departments as well as commitments that were made in the House. I surmise that NDNA is something of a wish list: uncosted and, therefore, subject to being reprioritised not just because of COVID, but just to be kicked down the line further.

This Assembly declared a climate emergency earlier this year, but there is certainly no emergency fund here for that. Perhaps it is time to have an open and honest conversation about it. There are less than two years left in this

mandate and we cannot have everything contained in it, and it will not be delivered this year or next.

I turn now to some of the inevitable issues arising from the lockdown to deal with the COVID pandemic. These are not pressures that came to light only with the benefit of hindsight. The Executive were well warned and aware of the worrying prospect that lockdown could lead to a rise in domestic violence and abuse, an increase in mental ill health, mental health issues and, of course, the devastating economic impact of shutting down businesses and industry. That begs the question, why is there no dedicated strategy with appropriate resources and funding allocated to deal with domestic abuse at this time? What are the Executive doing to deal with serious mental health and addiction issues that many of our constituents are facing right now?

We knew that these things would all be difficult, so why were no adequate financial resources allocated to comprehensive preventative strategies to deal with them. The Executive response to these issues is still lacking, and it is certainly something for the Minister to consider when making bulk-Budget allocations.

How does the Bill and the budgetary process now pursued by the Executive prepare us for what is coming down the line? I asked the same question about the Budget allocation on 5 May. I do not believe that I got a proper answer and nor has it been answered here today. We know that an economic recession is inevitable. We know that not all businesses will survive and that this is an extremely difficult time. Therefore, what work is happening now to deal with the future of the economy?

We were promised an economic recovery plan weeks ago, as was mentioned earlier. The Minister indicated that it will be discussed by the Executive this week, which is welcome. I ask the Minister, has he seen it and, if he has, what is his assessment of it and can it be resourced from the proposals before us today? What happens in the autumn if it turns out that the Departments no longer have adequate resources to deliver such a plan? Will we in the Back Benches get to see it or is it confined to the five-parties who sit at the Executive table?

**Dr Aiken:** No, we have not seen it either.

**Mr Frew:** We do not get to see it.

**Miss Woods:** Thank you. Good to know.

We need a sustainable, fair and just recovery to get out of this. We need a plan, especially as we face economic recession, and not a plan like that implemented by Governments after our last social and economic disruption caused by the crash in 2008 when we bailed out the banks, but to provide stimulus through components of the green new deal and bail out our people. It will not have quick fixes, but we need a long-term plan that does not penalise people by entering into austerity politics. If we believe the Tories, who have said that austerity is not an option, this will require huge public expenditure. Mark Carney, the former head of the Bank of England, wrote last month:

*"After the covid crisis, it's reasonable to expect people to demand improvements in the quality and coverage of social support and medical care, greater attention to be paid to managing tail risks, and more heed to be given to the advice of scientific experts.*

*The great test of whether this new hierarchy of values will prevail is climate change. After all, climate change is an issue that (i) involves the entire world, from which no one will be able to self-isolate; (ii) is predicted by science to be the central risk tomorrow; and (iii) we can only address if we act in advance and in solidarity.*

*Many have compared the covid crisis to armed conflict. After the first world war was won, the rallying cry was to make Britain "a fit country for heroes to live in". Once this war against an invisible enemy is over, our ambitions should be bolder—nothing less than to make "a fit planet for our grandchildren to live on."*

In the words of my green colleagues in the European Parliament:

*"Our re-emergence from the COVID-19 crisis will be difficult. We will grieve. For some the pain will be acute. Many will be under severe financial pressure. In many ways the current crisis has left us feeling helpless and with little control. We do still have options though."*

Instead of refurbishing a system that has shown inherent weakness, we need to revitalise the economy through legally binding targets and targeted investments. We cannot keep supporting a system that abuses our planetary and environmental boundaries. We need a just transition and a green new deal.

As I have mentioned many times before in this Chamber, a green recovery presents us with a short- and long-term vision of sustainable jobs for life, with simultaneous improvements socially, environmentally and economically. It is not about getting back to business as usual, where many struggled to get by in a world endangered by escalating pollution and waste. A green recovery aims to reduce waste, cut bills for participating households, sustain employment through recession and modernise our housing stock. I remind Members, yet again, that the Executive parties committed and agreed to this in 2011. What is still missing from the Executive is the vision of what kind of world we want to return to and how we build back better.

### 7.00 pm

By focusing yet again on reactionary policies we avoid implementing forward-thinking, innovative and positive solutions to all of the difficulties that face us. We have little, if any, information on the Department's expected savings or services that they will not be able to provide. The second Budget Bill, of course, is a practical solution to the short-term cash issues faced by some departments, but we still have no longer-term view of this year's budget.

The Minister wrote today for the 'Irish News'. In conclusion, he mentioned that we face the existential threat of global warming, which requires a transition to a zero-carbon economy, which I, of course, welcome. What is the Minister and the Executive's vision? Will he commit to investing in a green recovery, a just transition, using a green new deal to reboot our economy, create jobs, warm our homes, make new homes sustainable, boost revenue, strengthen public service and increase prosperity and save our planet? Dealing with climate breakdown and our biodiversity crisis is not separate from our economic issues; they are all intrinsically linked. The Executive must step up to the plate and show leadership when it comes to the climate emergency, and we need a clear long-term strategy. There is no time for further reactionary policies or sticking plasters on the serious issues ahead.

**Mr O'Toole:** On a point of order, Mr Principal Deputy Speaker. I am aware that Mr Carroll is speaking next, but I wonder if you can advise on the best way, in the absence of interventions being taken, for a Member of the House to correct statements that have been made around a Minister's portfolio, particularly in relation to Casement Park? Some statements have been made that do not completely reflect

the position, particularly when certain parties have had three years to deal with the issues and have not.

**Mr Principal Deputy Speaker:** OK. The Member will resume his seat. The Member is relatively new, but he is experienced in politics and was in Westminster for many years. He knows that that is not a point of order. He has got his comments into Hansard, even if he was chancing his arm to do it.

**Mr Carroll:** I spoke at length earlier on a similar and connected issue, so I will try not to repeat myself, Mr Principal Deputy Speaker, but it is becoming farcical with regard to the processes of scrutiny and accountability here. I share in some of the comments made by Rachel Woods. In the space of a couple of hours, we have gone from the First Stage to the Second Stage of the Budget Bill. It is only while I am here listening and taking part in the debates that I have been sent the most recent Budget documents. At a cursory glance — I emphasise that — there is little or no serious detail about the breakdown of departmental spending. We then find out that opposition parties, only a handful of whom are outside the five-party Executive, must submit amendments by tomorrow. I know that the Executive may not like scrutiny, but this really takes the biscuit.

Suffice it to say that I will vote against the Budget for the reasons that I outlined earlier. Precisely when we need a break with the failed politics of the past, this Budget, even at a glance, looks like a continuation of neoliberalism and — dare I say it — austerity politics. Major departments will be unable to meet costs, and Minister Murphy's attempts to present many figures as increases in spending are largely spin. The Health Department was already chronically underfunded entering the crisis, as people have said. Any increase in spending runs far short of departmental requirements and simply reflects rising inflation and a population that is living longer. Much worse, if you read the finer detail of the projections, is that health spending, going forward, is to be predicated on £50 million savings from health trusts — more austerity, in other words. As I said earlier, it is shocking that, during a health pandemic, the Executive are contemplating further austerity across health trusts. I think that I have raised that specific concern in the Chamber about five times and have had no direct response. The Minister may accuse me of repetition: I stand guilty as charged. I will raise it again until I get an adequate response from the Minister or somebody else.

That aside, I want to, at least partially, respond to the Minister's comments about taxation. Frankly, I think that the Minister purposefully caricatured the question in an effort at deflection. Let me repeat that, like everyone, I am, of course, aware that taxation powers, such as corporation tax, are not currently under the control of the Executive. The point I made was that, for a nearly a ten-year period, Sinn Féin and the DUP made lobbying for those powers, in order to cut taxes for big businesses, their cornerstone economic policy. Indeed —.

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

**Mr Carroll:** I will give way in a second. Indeed, in a sense, that policy defined the economic strategy of previous Governments here for a decade. It is hypocritical, to say the least, for a government party to spend years talking about the need for tax cuts for big businesses and then attack a sole MLA for raising the issue of the need to tax the rich during a crisis such as this.

During the coming decade, especially in the deep recession that we now face, we need an urgent reversal of that kind of politics that includes raising taxes on the wealthy, raising corporation taxes and an emergency wealth tax to ensure that those with broad shoulders carry the burden of the COVID-19 crisis. Will the Finance Minister support such a move, at least in principle? If so, has he raised it directly with his Executive colleagues or the British Treasury during his few months in office?

I also want to respond to some of the points that have been made. Mr Buckley referred to the "Take, take, take" approach, which, if I am referring to his comments correctly, he said, was advocated by me. On corporation tax, I suggest that he has not got the memo that reducing corporation tax is no longer in vogue and, indeed, that trickle-down economics does not work and cannot be implemented, especially in this period.

**Mr Buckley:** I thank the Member for giving way. I understand his principled position on corporation tax. It differs from mine, You caricature reductions in corporation tax as tax cuts for big business. That is your line. That is your strapline. Do you not accept that the sole purpose of reducing corporation tax is to create employment and bring jobs to these shores for the very people that you talk about?

**Mr Carroll:** There is no evidence for the point that the Member has made. The evidence and research that has been done on cutting

corporation tax shows that it would give a gift to wealthy individuals and result in at least £200 million being cut from the block grant. The Member's position seems to be fewer trains and more tax cuts. That should be opposed by everybody.

Ms Caoimhe Archibald referred to a windfall tax on corporations. I absolutely support that. Does the Minister? Karen Mullan emphasised the need for us not to return to austerity as the default position. I agree with her on that. Does the Minister? Previously the Executive united —

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

**Mr Carroll:** No, I will not; I am finishing my comments. Previously, the Executive united to get money to lay off thousands of Civil Service workers, a regrettable and wrong move. Will the Minister and the Executive declare their support for an emergency tax on the wealthy and corporations? If not, why not?

**Mr Principal Deputy Speaker:** Every Member who indicated that they wished to speak in the debate has now spoken. I call the Minister of Finance, Conor Murphy, to conclude and make the winding-up speech on the debate.

**Mr Murphy:** I thank the Members, Chairs and Deputy Chairs who have contributed to the debate on the Second Stage of the Budget (No. 2) Bill. It has been useful to hear the views of respective Committee members and other Members on the important financial and economic issues that face us, as an Administration, in these unprecedented times. I have noted down many of the issues. Some of them relate to Members' Committee responsibilities and departmental issues. I do not purport to speak in detail on behalf of every Department, but I will respond as best as I can to some of the points.

The Chair of the Finance Committee raised various issues. He and other Members raised the issue of sole traders and the businesses that have fallen through the cracks. The intent behind the £40 million that we set aside for business hardship was to capture as many businesses as possible. My experience of looking at the other business schemes is that there is such a variety and uniqueness about some businesses that it is almost impossible to capture their characteristics under one scheme, but we tried to capture as many as we could. I realise, particularly with sole traders, that the criteria seemed to change after it was initially released and that has understandably caused

angst among them. It is, of course, a policy issue for the Department for the Economy. I understand that it is almost impossible to capture every business, but I wish to see them capture as many as they can. I have heard that, as many others have repeated today, sole traders are one of the key groups that have fallen through the cracks.

The Member also asked about the rates extension and the level of support. We will get the detail on what businesses are in it, because that has to be in the form of regulation, which will come through his Committee. I think that Gordon Dunne also asked about that. That detail will come. We will provide it shortly.

In my view, there is overcommitment in relation to what we have contributed. It is necessary because we have an emergency situation and have to try to get support to vulnerable people, the health sector and businesses. Some of the schemes that we have set up and allocated money to will, perhaps, not spend what we had intended, and that will contribute significantly to our ability to manage that overcommitment. Several people asked about reprioritisation. We have commissioned a review across the Executive to see that people spend the money that they have been allocated and, if that will not be possible, to see how we can use it in the time ahead.

The Deputy Chairperson raised the issue of scrutiny, and we have, of course, accepted that the situation is not ideal. It is a fast-moving public expenditure situation, and any attempt by my Department to produce a detailed document would have been thwarted by the need for the Executive to react quickly to the emergent COVID-19 pressures. People will understand that the vast majority of civil servants, who are relied on to put these documents together, are working from home. That is not to say that they have not been provided with the IT equipment to do so, but it makes the gathering up of figures from across all Departments and the collation of all of that into a single document very difficult.

Of course, the role of the scrutiny Committees in these restrictive circumstances is all the more important, and I want to see them getting the information that they need. I intend to have a draft Budget before the House in September, and the timing of that will depend on the spending review. People mentioned that they would like to see a longer-term budgetary process. Of course, that is dependent not necessarily on our actions but on the spending review that takes place in Westminster. That was due to take place over the summer, but it

has been postponed by the Treasury. I hope that it takes place as soon as possible, because it will, in turn, inform our ability to carry out a much longer-term budgetary process and one that will give us greater ability to plan our Budget and allocations, as well as cohesion between Programme for Government objectives and budgetary spend and plans.

The Member also asked for a fuller explanation of the Utility Regulator. The Vote on Account reflects only funding provided by the Executive. As the Utility Regulator receives most of its funding through receipts from industry, not directly from government, the Vote on Account figure for the Utility Regulator is relatively low. The total cash authorised for the Utility Regulator in 2019-2020 in the spring Supplementary Estimates was significantly higher due to a one-off adjustment of £1 million that is not required in 2020-21. The 90% figure is based on the 2019-2020 cash requirement when the one-off adjustment is stripped out. The Utility Regulator does not feature in this Budget because the 90% Vote on Account was already given to it in the Budget Act 2020. We have engaged with the Utility Regulator's office, and it has confirmed that it is content with the approach that we are taking.

Other issues were raised. Matthew O'Toole raised the issue of the review of priorities post COVID. That is the trajectory that the Executive are on. In the limited time that we had prior to the COVID restrictions kicking in, the Executive met on a number of occasions off campus, if you like, to discuss prioritisation, the general financial picture and what we would want to achieve in the time ahead. When I look back through my diary now, I see a number of dates for Executive awaydays stroked out. We had planned further engagements over this period. I have no doubt that we will get back to that, because that is the approach that this five-party Executive wanted to take.

Allied to all of that are, of course, the issues around the fiscal council and the idea that we want more taxation powers. I will come back to the point that Mr Carroll raised.

He is right that the non-domestic rates holiday is probably the only significant lever that we have. However, bear in mind that, as regards business going forward beyond this, it is a very significant loss of revenue income for the Executive to give that holiday for the entirety of the year; it is four months for all businesses and a further eight months for those targeted interventions. However, as regards support for businesses, we also included as part of the Budget an effective business rate reduction of approximately 18%.

## 7.15 pm

He also asked about borrowing powers, as I think Andrew Muir did — or perhaps that was in the earlier debate; this has gone on so long that I am starting to merge some of the conversations from one debate to the next. To date, nearly £2,489 million has been borrowed and the outstanding borrowing is £1,680 million. The interest charges are a direct cost to the resource DEL and are £47.9 million in this financial year. The principal payments are a first call on the regional rates income. The Executive have the ability to borrow up to £200 million each year. There were some suggestions in relation to other borrowing that may be available but, clearly, the priority is to spend the COVID-19 allocations that we have and to look at the reprioritisation of money that we will not spend because of the restrictions on each Department before accruing any more debt through borrowing.

On the economic recovery, there was also some discussion on the access to financial transactions capital. Other people made that point in relation to housing and social housing build. Clearly, over the last number of years, that has traditionally fallen below the level that we want to see. Part of the reason for that is that the designated Housing Executive legislation was to have been brought through Westminster to effect change there, and that did not happen. The Communities Minister has signalled that she wants to take forward such legislation, so I anticipate that the uptake of financial transactions capital will increase in the next Budget. We intend to commission further work to work with Departments on that.

Andrew Muir made a couple of other points. On the economic recovery, I agree with the social partnership approaches in the safe return to work. That will require investment. Rachel Woods asked what we are doing to assist businesses on the safe return to work. Part of the reason for the directed rates support was to recognise those businesses that would have most difficulty returning to work and perhaps feel the economic impact the longest, particularly hospitality, tourism, leisure and certain sections of retail. That rates relief was, in effect, money that they would not spend, which is a substantial amount when you take it across the whole range of businesses, and permit some of them to invest in the limited return to business that they will be able to experience over the coming months. So, there was support for them in that regard. Of course, we are also looking at procurement. We have sent a signal around Departments that they should be ready to assist in the return to work

of construction. Construction makes up about 25% of our economy. A substantial portion of construction comes from public-sector contracts. There is, I think, over £1 billion-worth of public-sector contracts sitting in the system ready to go. We have asked Departments to go and look at that and take them to the point of readiness to award and allocate so that the Executive can play our role in getting construction back up and working again, because we are the larger procurement of construction and it makes a very significant input to our economy.

A number of Members mentioned ideas on future working. This coronavirus experience has accelerated a number of things. One of those is the quickness with which a system can react. Others referred to how the system is built on red tape. We have proved that, if we need to react, we can set aside the red tape and, through remote and agile working, make a contribution not only to people having a better work-life balance — by not having to travel in and out of Belfast every day, as I and many others do — but to reducing carbon emissions, creating a greener economy and reducing congestion issues, particularly around the city of Belfast. Prior to the outbreak of the virus, the Department of Finance, which has responsibility for personnel, had been doing a series of studies on where people came from to work in some of buildings on this estate. The idea was to have satellite locations right across the North to allow people to work closer to home at least two or three days a week. Saving those journeys would make an economic contribution to towns and cities across the North and reduce the carbon footprint, travel-time lost and travel expense. So, that idea of remote and agile working was already in the system. The experience of this period and the upsurge in IT provision to civil servants will accelerate that, as it will in relation to a number of matters.

Jonathan Buckley asked about cancer services in COVID times. As the expected intervention in relation to COVID has begun to reduce in the health service requirements, the discussion and the advice that we are being given by the Health Minister, who gives us a question-and-answer session at every Executive meeting, is about how we get back to the provision of the other critical services. So, I know that the minds of the Health Department are looking at all of that.

He also mentioned corporation tax from a different angle. Setting aside the corporation tax issue, which was never the cornerstone of any economic policy that I was involved in, we are going to have to recognise that, in the short to

medium term, FDI is probably not going to be possible. We are going to have to look at the role of Invest NI — I am sure that the Economy Minister addressed that in the paper that she provided to the Executive — and support local indigenous businesses. That goes back to another point that Sinéad Ennis made on security of supply, which is becoming more critical than cheaper prices. The rush in procurement, not in foreign investment, was to get cheaper goods from the other side of the world. Similarly, we are coming into a different economic reality on the other side of this. That will not be about chasing FDI, because it will not be available to us in the short to medium term, and we need to concentrate on local businesses.

**Mr Buckley:** I thank the Minister for giving way and for his willingness to look at creative solutions, whether it is FDI or something else. He will bear witness to the fact that cutting the rates bill, although it might be something for some to shout about, for businesses during COVID-19 is crucial to their survival post-COVID. That is a perfect example of how creative thinking on taxation can help businesses now and in the future.

**Mr Murphy:** I absolutely agree. I was just making the point about the emphasis on FDI, the need for us all to rethink the priorities prior to March, the need for us to recognise how the global economy, and our position in that, has changed, and the need to ensure that we support local economic recovery as best we can.

Caoimhe Archibald made a number of points on the principles of recovery, which I agree with, including workers' rights, remote and agile working, green climate recovery, looking at the tax loopholes, which I am happy to press with Treasury, and supply chain security, which feeds into the point that I was just making.

Gordon Dunne raised the ongoing support for manufacturing. Of course, manufacturing continues to benefit from manufacturing relief, which is worth 70%. It had the entirety of measures, which did not apply in Britain, because manufacturing, commercial and service industries did not get rates holidays in Britain. All sectors of business will have a rates holiday for four months after which manufacturing will continue to benefit from the rates reduction that is unique to here; it is not experienced anywhere else.

Sinead McLaughlin is away, but one of the points that she raised has me wondering. She asserted that Magee and Ulster University are

deeply uncertain, as she is, on the next steps. There was extensive consultation and dialogue with Magee over the last number of weeks, and I was advised that they were certain about, and supportive of, the steps that were taken and were pleased that it gave them a sense of security. I will have to go back and check with those who, at a very senior level in the Executive, were speaking to them if that is now not the case.

Karen Mullan's point on childcare was well made. The Executive decided to include the childcare sector in the rates holiday until the end of the financial year. We recognised that it was another sector that was going to struggle due to the social-distancing measures; the sector effectively collapsed over the period of lockdown and will struggle to get up and going.

John Blair asked about the cost arrangements for the protocols for Brexit. Of course, we did get some Brexit no deal money last year ahead of the Executive coming back, some of which was able to be used. It was retained, and, obviously, no deal then did not happen, although a version of no deal could well happen in the time ahead. Clearly, the Treasury has committed to provide any spend that is required to give effect to Brexit, so we will hold it to that in the time ahead.

Declan McAleer, on behalf of the Agriculture Committee, raised the issue of COVID support, and, obviously, we have provided £25 million. The Agriculture Minister did update us regularly about the pressures across all the sectors in agriculture, so I will assume that he wants to ensure that there is a fairer distribution of that level of support across all sectors, because, clearly, there is a recognition that all the sectors in agriculture are suffering as a consequence of this.

Colin McGrath raised the issue of victims' pensions, and he had me confused at one stage. I agree with him entirely that the victims' pension policy was a British Government policy. It was legislated for by them, and the suffering of many of the victims that they are addressing happened under the watch of direct rule. Of course, I am very firmly of the view that the costs of that should be met by the British Government. He said in his remarks that the Executive should not have to pay this on their own, so I am not sure whether he means that we should pay a proportion of that. If he thinks that we should, what proportion is he suggesting? Certainly, it is my view that it is their responsibility, even under the policy rules that the British Government operate by. It is their policy, they devised it and they legislated

for it, so they are responsible for any payment that comes out of that. That is the argument that we have made very clearly to them. It is unfortunate that the people who have suffered the most are caught in the middle of this argument, but they would not be if the British Government adhered to their own rules that they operate under.

I have to say that the idea that a myth, if it is repeated often enough, becomes a fact applies to some of the SDLP spokespeople who repeat that following our three years without an Assembly, Budget allocations to the Departments that are run by the larger parties have been made, with the SDLP saying that its members will scrutinise to make sure that that does not happen again. I am not aware that the departmental budgets were allocated on that basis in previous Executives, and I spoke with your leadership throughout the three years that we were without an Assembly. I know that the leadership of your party changed its view at times, but there were many times when it was fully supportive of no return to the Assembly under the conditions that applied at that time. So, on the idea that you are absolved of any responsibility for any of that and the notion that there was a budgetary carve-up among the larger parties, that would not have been acceptable. I am sure that the Assembly would not have accepted a vote that resulted in that.

I agree with Colin McGrath about a Brexit extension. As Chair of the Committee for the Executive Office, he will know and I do not have to tell him that that is not an Executive position because there are differing views in the Executive. He knows that the parties that favoured Remain agree on the position that there should be an extension to the Brexit discussions, even though we do not agree with the outcome of that. Nonetheless, to try to conclude those discussions in a fashion that does not take any account of the loss of momentum that there has been over this last period will lead us to, I think, a more damaging outcome than would otherwise have been the case, and I think that we will ship some damage as a consequence of Brexit.

Kellie Armstrong asked me about what will happen post-October in relation to the finances. When we reach October, we will have accessed up to 80% of our Vote on Account, and we are, obviously, working to bring a Main Estimates and associated Budget Bill to the Assembly in the early autumn. That will allow us to access all available cash and also to access receipts and accruing resources that are not available at present. So, it is not just about the remaining 20% but money that the Executive would

accrue over the course of that. We also have further spring Supplementary Estimates before the end of the financial year to allow for further monitoring rounds that will take place throughout the course of the year. So, there is a plan in place to manage all of this. No doubt, it will be challenging, but there is a plan in place to do all of this.

She mentioned a range of issues that we need to spend on, and, on reprioritisation, I think that she maybe echoed what the Chair of the Justice Committee said in a previous debate, where he said that Committees do have an important role to make sure that Departments are not sitting on money on the off-chance that they might spend it and that they have a long hard look at that. That is what we have been asking them to do, and I have to say that the response has been patchy.

We need Committees to perform a function in that regard if we are to ensure that we have the sufficient funds at the end of the financial year to deal with all of the things and the ongoing effect of the downturn that COVID-19 will undoubtedly bring. As I say, I have addressed some of the issues that she mentioned about financial transaction capital.

### 7.30 pm

On the issue of spending in Northern Ireland Water and Translink, we have given the largest allocation in the Department for Infrastructure's history and clearly it has to set its priorities within that capital allocation. I know that the Infrastructure Minister is aware of the need for investment in Northern Ireland Water and Translink. The status of Northern Ireland Water is changing. When I was the Minister for Regional Development, I brought a proposition to the Executive to change the status of NIW to achieve the outcome that she argued for. I never got backing from a single other party to achieve a change to the status of NIW and the issue went back onto the shelf. I wish the Minister for Infrastructure luck this time around, if she can do something about that.

With regard to the points that Rachel Woods made about accelerated passage, we have just had the debate — I cannot just ramstam through accelerated passage. Not only does the Committee have to agree, after having had discussion with officials and some sight of what we are trying to do, but the Assembly has to vote to set aside Standing Orders to allow for accelerated passage. I agree with her that it is not ideal and it is not the way that we want to do business, but it is not undemocratic because

I cannot do it unless the Assembly votes by cross-community support to agree that we can run the Budget process in a way that has not been done before. It is not a way that I want to revisit again because I want to ensure that it is done in the correct way and that we are not faced with circumstances such as we are.

The Member also asked about PPE requirements if there is a second wave. We continue to actively pursue significant and sufficient PPE to meet our demands in the time ahead, and I am doing that alongside the Health Minister. We hope to be able to see that through in the not too distant future.

In terms of the local council COVID-19 allocation, we got £50 million in Barnett consequentials, so that is a measure of what was given to local councils in Britain. Local councils in Britain, as you will understand, deliver education and social services, which are not delivered by our local councils here. When those were stripped out, we had a Barnett allocation of £20 million and that was given to local government. The Department for Communities will work out the formula by which that is distributed and obviously local government will be involved in discussions and the priorities to which they will put that money. We certainly understand the challenges that are faced by local government and we want to support them.

Miss Woods mentioned a whole range of other issues and for every one of them her answer was more resource. If I answer them collectively, the very short answer is no. We do not have enough resources to cover all of the issues that she mentioned. We have limited resources and we have given away, as a consequence of supporting businesses, significant access to revenue that is available to the Executive over the course of the year. We will not have enough resources to do all of the things that she asked us to do, and that means that we have to prioritise. That is what these debates and discussions in the Committees are for and to recognise that we have a very limited financial allocation. We need to prioritise it and we need to agree on those priorities. Where they are wrong, we should be criticised, and we are open to criticism, but we cannot make the pot any bigger. As a matter of fact, because of the financial supports that we have put out there, we have actually shrunk the pot over the last number of weeks, but everybody told us that it was the right thing to do to ensuring that businesses did not go out of business, and I am sure that she does not disagree with that.

I fully agree with her when she talks about a sustainable, fair and just recovery — that is exactly what I would like to see. I recognise that I am part of a five-party Executive and that those agreements have to be won around the Executive table, but I assure her that that will be my endeavour over the time ahead.

On the NDNA commitments that she referred to, and I think that I remarked on this in a previous debate, no sooner had we agreed, and we all agreed our political agreements and we hold to them as part of NDNA, the financial commitments were then reneged on immediately. They were not a wish list and they were not pie in the sky. They were worked through — I sat in on the meetings — with senior officials in the Department of Finance, the head of the Civil Service and senior officials in the NIO. We were told at every stage that those commitments would be met by the British Government as part of any agreement that was reached, but they were very quickly disowned on the other side of that. We have not given up on that and I still intend to take up that issue with the Treasury. It went by unnoticed that we recently managed to secure the confidence and supply money that was agreed by the DUP and the Conservative Party, so that was a welcome contribution to our Budget. I do not intend to give up on those things.

Gerry Carroll was the last speaker. He quoted some of the other speakers. Of course I agree with him. It is our party policy. One of the differences is that when we make arguments for that, particularly in the South, we have to cost all those issues. If we are going to make a contribution to a Budget debate in the South and we criticise the propositions and approach of the Government down there we cost those with the Department of Finance and we put up an alternative Budget.

I recommend to him that at some stage he do that. He is entitled to criticise and that is what he is here for, to represent the people who voted for him. However, at some stage you have to say, "Here are my priorities, this is what they will cost and here is what you are spending. That is what I disagree with and that money could go there, with a better outcome". I look forward to hearing that from him, at some stage.

In relation to corporation tax, it was not the cornerstone of any policy. It was an agreement, and if he reads the Stormont House Agreement, in which it was mentioned, it was very clear that it was in the context of it being considered affordable by the Executive. Clearly, since that

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

**Mr Murphy:** I will just finish this point and then I will give way, if everyone is happy to stay here all evening.

Clearly, since that point, the Executive has considered it not to be affordable. I said very early on in my position as Finance Minister that it was not something that I was pursuing, and I think that the Economy Minister said that she agreed with that position.

**Mr Carroll:** I thank the Minister for giving way. Why did the Executive spend at least £417,000 in preparing for a tax reduction? I think that was revealed in an answer to a question from Mr Aiken a few years ago, including the development of new IT systems? I welcome it if he has changed his position, but surely that was a cornerstone policy of the Executive for many years?

**Mr Murphy:** Corporation tax was no cornerstone policy. It was something that the Executive considered in terms of its affordability and clearly it was never considered to be affordable and is not being pursued.

As I said, we have a responsibility where we make arguments from an opposition point of view to cost them and present them so that they can be scrutinised. I invite him to do something similar. I realise that he may not have the same resources available to him, but some attempt at doing that would be welcome.

I am sure that you will be delighted to know that I am going to draw my remarks to a conclusion. I have tried to respond to as many of the relevant issues raised as possible. As always, the debate has been very useful, with many significant points raised, and I am thankful to Members for that. It is imperative that the legislation debated today continues its passage through the Assembly so that public services here can be delivered without delay or interruption.

In conclusion, I ask Members to support the Bill, thereby authorising spending on public services by Departments in 2020-21.

**Mr Principal Deputy Speaker:** Before we proceed to the Question, I advise Members that as this is a Budget Bill the motion requires cross-community support.

*Question put.*

**Some Members:** Aye.

**Mr Carroll:** No.

**Mr Principal Deputy Speaker:** Mr Carroll, and Miss Woods if you were the other one? No, you were not, Miss Woods.

Mr Carroll, if you would like me to record that you voted no, that is now in Hansard and we can avoid a Division of the House. That is now on the record that you were against.

*Question put a second time.*

*Resolved (with cross-community support):*

*That the Second Stage of the Budget (No. 2) Bill [NIA 5/17-22] be agreed.*

**Mr Principal Deputy Speaker:** That concludes the Second Stage of the Budget Bill. Amendments to the Bill may be submitted to the Bill Office up to 12 noon on Wednesday 27 May.

Item number 4 on the Order Paper is the Adjournment. Before I put the question, I remind Members that the next plenary session of the Assembly is on Monday 1 June.

*Adjourned at 7.39 pm.*

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