



Northern Ireland  
Assembly

# Official Report (Hansard)

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Byrne, Joe (West Tyrone)  
Cameron, Mrs Pam (South Antrim)  
Campbell, Gregory (East Londonderry)  
Clarke, Trevor (South Antrim)  
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Dallat, John (East Londonderry)  
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Farry, Stephen (North Down)  
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Frew, Paul (North Antrim)  
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Storey, Mervyn (North Antrim)  
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# Northern Ireland Assembly

Tuesday 30 June 2015

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

*Members observed two minutes' silence.*

## Assembly Business

### Public Petition: Early Years Fund

**Mr Speaker:** Ms Claire Sugden has sought leave to present a public petition in accordance with Standing Order 22. The Member will have up to three minutes to speak on the subject.

**Ms Sugden:** Thank you, Mr Speaker, for the opportunity to present a petition of 13,599 signatures that urges the Minister to re-evaluate his decision to cut funding to early years services.

Early years education is a building block — an unsung building block — for the future of any child. The Minister's announcement of cuts of nearly £2 million to the early years fund stunned groups: it shell-shocked them. Many operate within the community and voluntary sector, which has already been an easy and nonsensical target for Executive cuts. The cut was not in the draft Budget. It was under-thought and an attempt to trim fat, yet, with early years, there was only skin and bones to begin with.

For some, this is the only funding that they will receive, and, without it, they will not be able to provide vital services for children, families and communities. I have heard from 16 funded groups in my constituency and other groups across Northern Ireland. This cut will devastate them.

I am concerned that the Minister does not fully grasp the impact of the decision. My biggest concern is that he does not understand the impact on early intervention. This is not about childcare, and if he believes it to be so, then he is more uninformed than the House realises. It is not simply a preschool issue either, because whilst 16,000 preschool places were provided under early years in 2014-15, there were also 900 crèche places for children aged nought to three. One hundred and seventy-seven jobs will be lost — jobs that were mainly for women — in the most disadvantaged areas of our

communities. Mums who have been able to go back to work because of the early years provision, particularly in rural areas in my constituency and in constituencies across Northern Ireland, now face the prospect of being unable to stay in employment. That is not equality. Eighteen hundred single-parent families will be directly impacted, and 620 places for children with special needs and 250 places for children whose first language is not English will be lost. Those are the most vulnerable in our society.

There is no indication of funding beyond August 2015. Staff are being put on protective notice right now. They need to be able to plan for the year ahead. You cannot apply a clinical, quantitative solution to budgetary problems. It is not simply a £2 million saving; it is a decision that will impact on families and communities and that will shift pressures on other areas. The lack of thought for the wider ramifications of cutting the early years fund is severely counterproductive, and I urge the Minister to reconsider, as do the 13,599 people who signed the petition.

*Ms Sugden moved forward and laid the petition on the Table.*

**Mr Speaker:** It is a very heavy petition. I will pass it on to the Minister of Education and to the Committee.

## Assembly Business

**Mr Speaker:** Members, in line with yesterday's ruling, if Members are more comfortable in the warm atmosphere that we are presently enjoying, they can feel free to take off their jackets.

### Committee Membership

**Mr Speaker:** As with similar motions, the motion on Committee membership will be treated as a business motion and there will be no debate.

*Resolved:*

*That the Ulster Unionist Party membership of Assembly Committees for Regional Development, Justice and Enterprise, Trade and Investment be changed in accordance with the proposals laid in the Assembly Business Office by the party on 29 June 2015. — [Mr Swann.]*

## Ministerial Statements

### Intergovernmental Agreement on Cooperation on Criminal Justice Matters

**Mr Ford (The Minister of Justice):** With permission, Mr Speaker, I wish to make a statement regarding a meeting under the auspices of the intergovernmental agreement (IGA) on cooperation on criminal justice matters held in Armagh on Friday 19 June. I represented the Executive at the meeting with Frances Fitzgerald TD, the Minister for Justice and Equality, who was attending her third meeting under the auspices of the IGA. It was the tenth formal ministerial meeting under the IGA since the devolution of justice in April 2010. As I have previously said in statements to the House, I am committed to keeping the Assembly informed of meetings held under the auspices of the agreement on the same basis as North/South Ministerial Council (NSMC) meetings.

The meeting on 19 June provided us both with an opportunity to review final progress against the 2014-15 joint work programme, as well as to formally agree a joint work programme for 2015-16, which will run through to next summer. Discussions also took place about maximising opportunities to access European funding for justice-related initiatives, and it is hoped to revisit that area when we meet again later in the year. In the interim, officials have been tasked with undertaking further exploratory research into appropriate potential European funding streams.

It was pleasing to note the positive progress that has been made across the 2014-15 work programme. Recent negotiations between forensic science services have resulted in agreement in relation to the sharing of DNA profiles, and appropriate protocols are under development. The value of the relationships established between the police services within the criminal justice and social diversity project advisory group was evidenced when an Garda Síochána (AGS) and the PSNI shared extremely helpful insights into best-practice approaches to policing in minority communities.

The annual public protection seminar was successfully held for the fifth time, on 21 November in Dublin. The event also saw the launch of the eleventh edition of the 'Irish Probation Journal'. Plans are advanced for the sixth annual seminar later this year in Belfast. Through the work of the youth justice group,

staff exchanges and information sharing between the juvenile detention facilities in the two jurisdictions continue. Those are just some of the examples that demonstrate the excellent ongoing cooperation between criminal justice agencies across the island.

I have attached to the printed version of this statement a copy of the joint work programme for 2015-16. That programme seeks to build on the 2014-15 programme and the progress made last year, but Frances Fitzgerald and I have also sought to sharpen the focus for the project advisory groups by assigning to each of them specific activities with anticipated outcomes. I intend to give a brief progress report in December following our next IGA. In the interim, progress will be monitored by the working group of officials.

In the years following devolution of justice, six project advisory groups have provided the mechanism by which work is taken forward. They have focused on the areas of public protection, registered offenders, youth justice, forensic science, support for victims of crime, and social diversity.

Following recent discussions emanating originally from the public protection and registered offenders project advisory groups, a proposal to merge those two groups was submitted to Frances Fitzgerald and me to consider and approve at our meeting. Our endorsement to the merger was given, and the 2015-16 work programme will be taken forward by five project advisory groups. This sensible merger creates an enhanced public protection group, optimising the use of resources due to the considerable overlap of operational and policy work areas. The public protection group will continue to be co-chaired by the heads of the two probation services, as well as having members drawn from the respective police and prison services.

Each of the project advisory groups has continued to promote and support cooperation across the broad spectrum of criminal justice agencies on both sides of the border. Examples include: work to develop proposals to improve cross-border information-sharing on persons unlawfully at large from custody; the exploration of opportunities for sharing knowledge and good practice in the area of diversity, specifically hate crime; consideration of relevant developments pertaining to the treatment of victims of domestic and sexual abuse and violence, including the outcomes from the Keir Starmer inquiry; examination of the potential for further PSNI/AGS cooperation on diversion in relation to young offenders; and

increasing opportunities for enhanced cross-border awareness relating to policing minority communities.

In relation to the management of sex offenders, there continues to be excellent cooperation between the police services at an operational level. This work area has become embedded into normal policing business.

As the Assembly will know, it is not the purpose of the IGA to provide for discussion of cross-border security issues. However, I used the opportunity on 19 June to briefly discuss with Frances Fitzgerald some cross-border security-related issues. These included the work being done in the areas of tackling fuel fraud and human trafficking. I also relayed my appreciation to AGS in supporting the work to tackle ongoing security challenges, particularly the despicable attempted bomb attack on a PSNI officer in Eglinton the day before our meeting.

Following on from previous meetings, the Irish Justice Minister and I discussed ongoing investigations into sexual abuse carried out by paramilitaries and recent reports on how those were dealt with by the justice system in Northern Ireland.

The intergovernmental agreement provides an extremely helpful framework for supporting North/South cooperation on criminal justice matters. We are tangibly experiencing the true benefits of cooperation as individuals within the criminal justice agencies have developed positive and mature working relationships with their respective counterparts. It is that genuine and sincere type of practical cooperation that Frances Fitzgerald and I are both determined to further develop and encourage in striving to keep all the people of this island safe and secure.

**Mr Ross:** The Minister has highlighted the work of the project advisory groups in promoting and supporting cooperation across the broad spectrum of criminal justice agencies and cited the example of the potential for further PSNI/an Garda Síochána cooperation on diversion in relation to young offenders, an issue in which he knows I have taken a keen interest. Can he provide further information on the extent of the cooperation to date and outline any areas of future cooperation?

Will the Minister also elaborate on the work that is being done to tackle fuel fraud in a meaningful way, given the scale of the problem and the lack of convictions in the past? Can he assure the Assembly that full cooperation and

information-sharing is taking place amongst all the agencies and organisations involved in tackling this crime to ensure that we get better results in the future?

**Mr Ford:** I thank the Chair for his questions. I will turn first to fuel fraud. As Members may have seen, yesterday I opened a pan-European conference on fuel fraud in the Hilton Hotel. It built very much on the work that has been done over the three years since the last conference, which was also held in Belfast, and led by HMRC and the Irish Office of the Revenue Commissioners with regard to, for example, developing a marker and dealing with the issue of proper management of registered dealers in controlled oils and the equivalent scheme in the Republic. Of course, we have also seen that we now have the potential for referral of unduly lenient sentences to the Court of Appeal. That builds on the work that has been done to see cross-border cooperation since the majority, but by no means all, of the fuel laundering plants have been discovered in border areas, and has been part of ongoing cooperation between the PSNI and an Garda Síochána as they deal with their normal cross-border policing issues. I believe that the introduction of the new marker is showing some benefits. Members will also be aware that this issue was actually discussed at the NSMC as well as at the IGA.

#### 10.45 am

Youth diversion is an issue not just for the police but for the two youth justice agencies. The respective youth justice agencies lead on that project advisory group (PAG). Again, it is a matter of sharing experience from the two sides of the border and learning lessons from each other. We have a lot to show from the work that we have done on youth engagement and recent initiatives across the justice system here, which will show benefits across the board.

**Mr Lynch:** Go raibh maith agat, a Cheann Comhairle. Gabhaim buíochas leis an Aire as a ráiteas. I thank the Minister for his statement. He will be aware that hate crime is on the rise, particularly in this part of the island. His statement refers to:

*"insights into best practice approaches to policing in minority communities [and] enhanced cross border awareness relating to policing minority communities."*

Will the Minister expand on that?

**Mr Ford:** Mr Lynch highlights hate crime. I have one slight caveat: we know that the

reporting of hate crime is on the rise, but we are not sure whether that is crime on the rise or the result of increased encouragement to ensure that people are more aware of it and report it. However, the issue needs attention from the PSNI as well as an Garda Síochána.

With regard to working with minority communities, Mr Lynch in particular will remember a recent murder in Newtownbutler in his constituency relating to a wedding in the Traveller community. There is no doubt that, in the response that the PSNI was required to make, it benefited significantly from work done in engagement with the Traveller community by an Garda Síochána. The cross-border sharing of information was of direct practical value in that operation. It shows that these are not always high-level discussions. These can affect day-to-day policing, and the PSNI dealt very well with a potentially difficult situation in the Newtownbutler incident, because of assistance from the gardaí.

**Mr A Maginness:** I thank the Minister for his statement. I also endorse the valuable work being done between Ministers and Departments, North and South.

With regard to the management of sex offenders, the statement says that:

*"there continues to be excellent cooperation between the police services at an operational level [which] has become embedded into normal policing business."*

Is there anything more that you can say, Minister, about cooperation between North and South in this matter that could provide further confidence to the public that the free movement of sex offenders from one jurisdiction to another will be firmly restricted or, in the event of movement, properly supervised?

**Mr Ford:** I thank Mr Maginness for his endorsement of the work of the IGA. It is good to know that some Members sometimes appreciate things being done by Ministers. I know that that was a genuine comment on the nature of the good work being done on a cross-border basis.

Members will recall that, whilst there are specific issues with sex offenders being required to notify travel outside the UK, for obvious reasons, it is slightly different in this jurisdiction, where it involves cross-border travel. Nonetheless, there is a requirement that people register if they are travelling for more than, I think, three days. There is an allowance

that some people travel daily for work, but things are different there.

There is no doubt that there is good liaison, which is exemplified by the fact that the registered offenders and public protection groups have been amalgamated because of the crossover in their work. The fact that that work involves the two probation, police and prison services shows a very high level of cooperation. It also shows that, while sex offenders are relatively free to move across the island, they are subject to the same notification and supervision arrangements of whichever jurisdiction they are in. That is an extremely good example of a number of agencies on both sides of the border working closely together.

**Mr Swann:** Minister, the work programme appended to your statement, under the heading "Support for Victims", states:

*"Consider relevant developments around the treatment of victims of domestic/sexual abuse and violence".*

Like the previous Member, I note the work being done by Ministers, North and South.

When did the Executive's ministerial group on domestic and sexual violence last meet and what recommendations will it feed into this programme advisory group?

**Mr Ford:** I congratulate Mr Swann on what is, I think, his first direct question on a justice issue. I am not sure whether that means that he will now be on the Committee, given the secret nomination process that has just taken place. I congratulate him on his creativity in seeking to get a matter that is led by DHSSPS in this jurisdiction into a statement dealing with justice cooperation across the two jurisdictions.

To take his first point: the way in which we ensure that we look at how the victims of domestic and sexual violence are treated will be informed by the recent report to the Public Prosecution Service (PPS) by Sir Keir Starmer; by the ongoing work of the Police Ombudsman here into investigating how allegations made by Mairia Cahill and others were treated by the police and by the PPS; and by the fact that related inquiries are being conducted by the Garda Síochána. All of that means that we will look at a process as we consider the best way of responding, whether together, in parallel, or separately, to ongoing work in the two jurisdictions.

**Mr Dickson:** I thank the Minister for the work that is done with Frances Fitzgerald and the cross-border cooperation between a wide range of security and justice agencies.

I have a question about psychoactive substances, which have caused a great deal of concern in many constituencies, not least in my constituency of East Antrim. What active work will be undertaken, particularly by Forensic Science NI, and in the control of psychoactive substances on a cross-border basis?

**Mr Ford:** I thank my colleague for his endorsement of the work of the IGA, although, of course, it is less significant when it comes from a colleague than when it comes from somebody else.

New psychoactive substances (NPS) are a major issue, as has been correctly highlighted, in both jurisdictions and on a wider spread across Europe. As Members will know, the Misuse of Drugs Act 1971 is a reserved matter, but I am pleased that the Home Office has responded to a certain amount of lobbying, including from the Department of Justice in Northern Ireland, to look at new legislation that has been introduced in the House of Lords, which builds on the Irish experience.

There will clearly be further pressure on forensic laboratories as they deal with these substances, but the fact that we are now working on a precautionary basis and not having to test each substance individually before it is banned will, I think, make life slightly easier for forensics. Ensuring that we get the best possible benefits of learning from the Irish experience will be an ongoing piece of work. I have no doubt that the fact that I was able to quote the Irish experience to the Home Office has helped to move matters on in the UK.

**Mr Frew:** How does the fact that the public protection and registered offenders project advisory groups have been merged, which seems to me to be common sense, and the fact that there will be respective police and prison services along with probation services involved in that advisory group, tie in with public protection arrangements in Northern Ireland (PPANI)? How will the introduction of a child protection disclosure scheme — Northern Ireland's equivalent to Sarah's law — affect that group and how it shares information?

**Mr Ford:** Mr Frew raises an interesting point, which is a euphemism for "I am not quite sure of the exact answer.". However, the merged public protection group will, in effect, be a

North/South mirror on the way PPANI operates with the agencies that have been brought together in Northern Ireland. PPANI considers individual cases; the project advisory group (PAG) looks at the overall policy matters. It will undoubtedly help that there is a single PAG looking at the range of issues that will rate directly across to PPANI arrangements in the same way as we look at the development of a child protection disclosure scheme, in which the Member has a very legitimate interest. We will then have the opportunity to see how that ties in with similar work being done across the border. Again, it is all part of learning lessons because, as far as I am concerned, I want to ensure that the justice system in Northern Ireland is responsive to trends wherever we can learn lessons. If positive work is being done in any part of the world that can affect our work, we should learn the lessons from it. However, we will learn most from our colleagues across the border and across the Irish Sea.

**Mr Allister:** The important subject of sexual abuse carried out by paramilitaries merits but one sentence in the statement. Can the Minister tell us a bit more about the discussion that he has been having with the Republic's Minister about the relocation of Provo pervers over the years? What advances have been made on getting to grips with that historic issue?

**Mr Ford:** In response to Mr Allister's point about the length of the mention, the simple reality is that, as I said to Mr Swann a few moments ago, inquiries are ongoing. Although the Keir Starmer report is now being considered by the PPS, work by the Police Ombudsman is ongoing. I hope that that work will be completed later this year. An Garda Síochána also has ongoing investigations. All of that means that there was very little that could be considered directly of relevance at this stage by the two Ministers. We therefore noted the ongoing work, but there was little that we could do in the way of decision-making. Mr Allister makes the entirely reasonable point that this is an issue of significant, ongoing public concern in both jurisdictions on the island, and we will need to ensure that we learn lessons from the work on reviewing what happened in Northern Ireland without wishing to create difficulties for the potential for prosecutions in further criminal cases, in whichever jurisdiction they might be.

**Mr Douglas:** I apologise for my phone going off. I set it to silent, but my cyclometer decided to tell me how many miles that I had travelled from my home to here.

I thank the Minister for his very full statement. Did he have any discussions with his counterparts on maximising European funding, and, if so, can he outline to the House some of the European projects that we can potentially access money for?

**Mr Ford:** I thank Mr Douglas for highlighting that point, because it will be a significant issue as funding becomes tighter. It was indeed mentioned, and we have asked for a specific report for the next meeting in the autumn. My official who looks after European matters was present to outline some of the work that is being done at this stage, largely under the Horizon 2020 programme, as part of which I had the opportunity to launch what was effectively an all-Ireland publicity day back in April in Belfast, looking with people from different parts of the justice system on both parts of the island at what opportunities there will be in the Horizon 2020 security strand to develop funding opportunities for us. We have one significant advantage: if we cooperate with our colleagues 100 miles down the road, we get the benefits of cooperating with people from a different European state who speak our language, share a large part of our culture and understand our problems, as we then seek to build wider pan-European networks. There have been some very significant successes in that area, mostly led by the PSNI. Unfortunately, because of the tightening of funds, we have not been so successful over the past year or two, and we are hoping to ensure that the Department of Justice does its part — *[Interruption.]* — in the general Executive commitment to draw down European funding as far as possible.

It looks as though you are not the only person who was cycling this morning, Sammy.

**Mr Speaker:** I am glad to see so many Members keeping track of their fitness regime. *[Laughter.]* That concludes questions on the statement and interference from telephones. Thank you very much, Minister.

## Youth Training: Review Outcome

**Mr Speaker:** I have received notification that the Minister for Employment and Learning wishes to make a statement.

**Dr Farry (The Minister for Employment and Learning):** Today, I announce the outcome of our review of youth training and our final policy position through the publication of 'Generating our Success: The Northern Ireland Strategy for Youth Training'. At the outset, I emphasise that it was a significant root-and-branch review.

The outcome is not just a series of adjustments to existing provision, but, rather, it constitutes major changes that will culminate in a new system of professional and technical learning for young people in Northern Ireland.

### 11.00 am

The new system, as outlined in the strategy, will promote progression and greater social mobility by preparing our young people for higher-value opportunities and the jobs of the future. It will better match the needs of and provide a range of benefits to young people, parents and guardians, employers and the wider economy. It will constitute a high-quality parallel route to the traditional academic pathway and provide young people with opportunities for professional education at level 2 and training that will facilitate seamless career progression to sustained employment, an apprenticeship or further education (FE). That will be achieved through a broad curriculum and qualifications to support ongoing career development.

Through investing in the skills of our young people and integrating them into real working environments, we will develop their knowledge and understanding of chosen occupational pathways. Consequently, young people will be better skilled to meet employers' current and future needs, to sustain employment and to support economic growth. Employers are integral to the success of the new system of learning. They will be involved in the design of curriculum content and delivery requirements. Employers will assist with the delivery of the system and the development of the new skilled workers that they require through the provision of work inspiration activities to young people who are not yet sure of their career choice by offering work placements and by establishing a workplace buddy support system.

The new system for youth training should be considered in conjunction with the review of apprenticeships and the new strategy for

apprenticeships, *Securing our Success*, which was launched in June 2014 and is now being progressively implemented. The apprenticeships strategy covers professional and technical training between level 3 and level 8. The new system of youth training presents a transformed offer at level 2. Fundamental changes to the apprenticeship model informed the focus and remit for the review of youth training. It is essential that young people have the opportunity to progress to the highest level, should they wish to do so.

Research has shown that, over the next decade, more than 70% of vacancies will require qualifications at level 2 or above, while employment opportunities for individuals with skill level 1 or below are predicted to decline. In addition, a level 2 qualification is regarded as the minimum prerequisite for further study. To prepare young people for the demands of the labour market, achievement at level 2 will therefore be critical, but there are challenges on the supply side in ensuring that young people reach that level. Last year, approximately two out of five young people left school without five GCSEs at grades A\* to C including English and mathematics. That measure of achievement at level 2 is, in many cases, the minimum requirement for prospective employers. However, it is encouraging that the majority of young people do leave school with a level 1 qualification and have the potential to progress into the system of youth training.

The youth training review considered the professional and technical training currently provided at level 2, which includes training programmes such as Training for Success — Skills for Work Level 2, apprenticeships at level 2 and mainstream further education at level 2. One of the key challenges identified was the complexity of the current offer, with a variety of different options available to young people. Greater clarity on progression routes was also a key concern highlighted by stakeholders. Employers also expressed concerns about the rigour and relevancy of the qualifications available, as well as the number available at present. Many current options at level 2 only require that literacy and numeracy skills be developed to level 1, which subsequently restricts a young person's access to higher-level training or alternative careers. The review also recognised that the current options face challenges in delivering training that can respond to industry needs and deliver the breadth of skills, knowledge and experience that young people require.

Finally, at an individual and system level, young people require support to guide their choices

through independent careers advice and guidance, supported by up-to-date labour market information. Greater monitoring of outcomes and destinations of participants is also required. The review therefore proposed a brand new youth training system to greatly expand the scope of training beyond its present boundaries and, consequently, replace the current options and address gaps to fully provide for the needs of young people who leave school without level 2 qualifications.

The review drew from international best practice in professional and technical education and training systems, a call for submissions and an employer survey. My Department published the interim report on the review for consultation in November 2014. The review benefited from a robust consultation process, engaging with a wide range of stakeholders including young people, employers and providers of training. Overall, the response to the consultation was very positive, with broad support for all of the proposals. The expert panel that I established last year has been particularly helpful in providing advice on the emerging proposals, and I am very grateful for their key contribution. Additionally, I wish to thank the Committee for Employment and Learning for its typically positive contribution to the review process throughout the development and consultation stages.

The review resulted in the strategy that I present to the Assembly today, and which will also be published online. Entitled 'Generating our Success: The Northern Ireland Strategy for Youth Training', it is not just another initiative simply to replace existing programmes. It is an innovative and revised system of professional and technical learning for young people aged between 16 and 24. It provides equality of access, irrespective of entry point, that will take youth training at level 2 into new areas. In essence, young people who traditionally may have found themselves trapped in low-paid jobs can now access a pathway to progression that will allow them to move forward, should they wish to do so.

The extensive research base of stakeholder feedback enabled the refinement of the 26 proposals in the interim report, and there are now 22 key policy commitments under four themes: the core features of the youth training system; supporting young people; delivery and employer engagement; and ensuring quality.

The first theme ensures that the new system will be underpinned by a set of core features defining the target group, the routes of

progression, the curriculum offered and the expected duration for participants.

All young people aged between 16 and 24 who require training at level 2 will be offered the opportunity to participate in the new system. It is a significant departure from the current provision, as it widens the focus of the new system beyond the current emphasis on training 16- and 17-year-old school-leavers not yet in employment. The offer will be extended to those in employment, those starting a new role and those who wish to change occupation, as well as those not yet in employment. The system will also provide distinct routes of progression: an employed route, designed to cater for those in employment or starting a new job role; and a non-employed route, for those who wish to change occupational area, or who have not yet secured employment. There will be a shared curriculum across both routes, providing considerable flexibility.

The new system will provide a broad-based baccalaureate-style professional and technical award at level 2, equating to a minimum of five GCSEs at grades A\* to C, including level 2 English and mathematics qualifications, with additional qualifications deemed relevant to the needs of individual sectors. That will provide a solid foundation and ensure that young people are recognised as having the knowledge and skills required to enable progression in employment, training and education, and that they can meet the current and future needs of employers.

In addition to the breadth of learning, the youth training system will deliver structured work-based learning to all participants, whether through existing employment or a work placement. That will further broaden the young person's knowledge and experience of the real working environment in their chosen sector. It will enable them to develop sector-specific skills in addition to employability skills. Employers will benefit by having the opportunity to train young people following the employed route, in line with their organisational culture and the exact requirements of the role, whilst addressing skills shortages and benefiting from new ideas and fresh thinking.

Work inspiration activities, including short project-based work tasters, will be widely used to help to engage young people not yet in employment. They will make learning about the workplace dynamic and attractive, providing positive experiences to assist informed decision-making on study options and potential future careers.

To ensure that a young person is ready to participate in a full level 2 programme, and to better align provision, there will be one common minimum entry requirement for youth training: namely, a full standard of achievement at level 1, to be defined as four GCSEs at grades D to G, including English and mathematics at grades D to F. Equivalent qualifications or alternative evidence of a young person's potential to achieve at level 2 will also be recognised. Young people not yet ready to start youth training, or who have not yet reached a full standard of achievement at level 1, will continue to receive support from my Department through a range of targeted initiatives and mainstream further education to assist their progression into youth training.

The new baccalaureate-style award for youth training will normally be designed to take a maximum of two years to complete. There will, however, be some flexibility within that. Temporary breaks to facilitate a withdrawal from the system for a period may also be authorised for those who want an opportunity to return and complete their qualification.

The second theme of the strategy focuses on support measures to help young people to successfully complete their training and progress into employment or higher-level training or education. Each young person will receive impartial careers advice and guidance before starting and upon completion. My Department is also developing a Northern Ireland skills barometer that will enable labour market trends and potential future skills shortages to fully inform young people's choices.

A dual-mentoring approach will be delivered through the provision of a one-to-one buddy system in the workplace with pastoral support mechanisms, including mentoring, being offered by providers of training. Workplace buddies will help the young person to integrate into the workplace by giving practical advice and assistance relevant to their skills development. Pastoral support offered by providers of training will mainly focus on non-workplace or study-related issues that many young people face.

Young people following either the employed or non-employed routes will receive financial support to contribute towards the costs of transportation, equipment and living expenses. My Department is reviewing funding arrangements, and the current level of funding will be the starting point in developing an appropriate level of financial support. Current provision recognises that some individuals have additional requirements, such as a disability, for

example, and may require extra support and flexibility. The existing arrangements already provide for extended duration, additional funding and specialist support services, and those arrangements will be bolstered by the additional development opportunities and support provided by workplace buddies and the pastoral support offered by the new system.

The third theme of the new strategy recognises that the new youth training system will be effective only if it meets the needs of all parties, all stakeholders are engaged and employers are actively involved in its design and delivery. Following the approach being implemented through the apprenticeships strategy, a strategic advisory forum based on a partnership comprising employers, government, providers of training and representatives of young people will enable the new system to learn from experience and to adapt to changes and differing demands. A common forum for apprenticeships and youth training will help to ensure that the two systems are aligned. However, the forum's roles for each system will be shaped around that system's individual needs.

In accordance with international best practice, sectoral partnerships comprising industry representatives and curriculum experts will be established. They will help to determine the overarching expectations of work-based learning and define the qualifications to be delivered as part of the curriculum for each sector. They will also advise on mechanisms to increase and maintain participation, particularly for small and microbusinesses. Depending on each sector's needs, sectoral partnerships may be shared between apprenticeship and youth training provision or established to carry out that function specifically for youth training.

A central service will be established to help facilitate the sourcing and managing of opportunities for work-based learning across all sectors. It will provide an online location to advertise training opportunities, provide promotional tools and signpost to careers advice and other support. A central register of participating employers who meet the required quality standards will also be available. That will provide young people, along with their parents and guardians, one central point from which to obtain information and to connect with employers and providers of training.

To further support employer participation, dedicated industry consultants will complement the central service. Industry consultants will possess extensive knowledge of training provision and local employment opportunities

and will build and maintain good relationships with key organisations. Most importantly, they will liaise with employers to provide advice, encourage their engagement, source work placements and, critically, provide practical support to minimise bureaucracy for employers wishing to engage. Through their efforts, they will raise the profile of the new system and promote its benefits. Incentives will be provided to promote and maintain critical participation by employers, particularly small and microbusinesses. Financial and non-financial incentives will be considered.

A final key aspect of engagement to support the new youth training system is clear branding and marketing. A clear brand will engage and secure buy-in from employers, young people, parents and guardians and will raise awareness of the new system's baccalaureate-style award.

The final theme recognises that quality will be the foundation of the new youth training system. The new system will be successful only if it is recognised as a high-quality alternative to the traditional academic pathway, providing clear progression into sustained employment, full-time education or training at a higher level. A range of measures will be implemented to ensure that the highest standards of quality for training are embedded and maintained and that the new system will be respected nationally and internationally by employers, further and higher education providers, young people, parents and guardians.

#### 11.15 am

At a system level, to ensure that prescribed quality standards are achieved, only providers who meet the set quality standards and curriculum requirements will be funded to deliver youth training.

To ensure that quality standards are maintained, tutors delivering the non-work-based elements of youth training will be required to have recent experience of their industry and relevant qualifications.

In order to clearly delineate responsibilities, maintain quality standards and ensure requirements are not onerous for any party, a specific and easily understood tripartite contractual agreement will underpin relationships between young people, providers of training and employers. The system will be informed by ongoing robust data collection, analysis and evaluation, and it will feature mechanisms for young people to provide regular qualitative feedback on their experience of training. It will include not only analysis of

qualifications achieved but employment outcomes and levels of progression.

It is my ambition that the new youth training system will form a key part of a seamless range of opportunities for professional and technical education that will facilitate progression for all young people. This strategy establishes an ambitious system of professional and technical training at level 2, which, when fully implemented, will have a transformative impact on the economy and opportunities available for young people.

A time-bound implementation plan, also published today within the strategy, will ensure that the new model of youth training is in place by September 2016. That implementation plan will, where appropriate, build upon some of the projects and pilots already in place through the apprenticeships strategy.

Given the scale of the changes and the requirements for new and creative solutions, piloting of elements of the apprenticeship and youth training projects will commence in September 2015. That will enable lessons to be learned and allow development to upscale in time for full delivery of the new youth training system in 2016.

My Department is also developing a suitable financial model to take account of the considerable commitment and investment required from employers, the costs incurred by providers of training and the support required for young people in training.

I commend this statement to the Assembly.

**Mr Swann (The Chairperson of the Committee for Employment and Learning):** I thank the Minister for his detailed statement. I think it recognises the trouble we have in Northern Ireland with our large number of unemployed young people. I welcome the Minister's commitment that this will not be just another initiative to replace existing programmes. I think that he has been genuine in some of the work that he has done on this.

My concerns relate to the work-based learning. Recently, we have heard about how important that is to young people and employers. Where exactly will the central management of that process rest to ensure that there is the quality and the quantity to meet the needs of the large numbers of young people who are going to look for work-based learning and to ensure that the incentive for some employers will not become more important than the experience of the

young person? What is the timeline for the establishment of the baccalaureate?

**Dr Farry:** I thank the Chair for his comments, and I join him in recognising the significance of what we are announcing today and the potential that it has to transform the landscape of training for young people at level 2. Of course, given what the Chair has said, it will deliver that transformation only if we are effective in its delivery and implementation. That now becomes our central challenge.

Again, he is right to focus on the large numbers of young people who are unemployed. Indeed, youth unemployment is a problem across the European Union. We tend to be somewhere in the mid range. Nonetheless, we have an immense challenge ahead of us. That is why the Chair is right to focus on the importance of work-based learning and how we can place a much stronger focus on that. As we have sought to learn from evidence from across Europe to inform the strategy that we are announcing today, we have looked at societies that have been most successful with vocational training systems. Without stating what is not a coincidence, they have also some of the lowest figures of youth unemployment. So, there is a very clear lesson to be learned.

There is a challenge to ensure that we properly coordinate all of this. That engagement will probably take place in three elements. First, we have the strategic advisory forum, which will build upon the existing forum. It is established on an interim basis and is chaired by Bryan Keating, and it is looking at the apprenticeship strategy.

This is not going to be a bolt-on; this will be a genuine integrated partnership looking at both youth training and apprenticeships. It will advise Government and others on the high-level policy interventions and how to wider engage employers in the process. Beneath that, there will be the sectoral partnerships that will look at the need for individual sectors, combining industry and curriculum experts. We then have the central service, which will be based in my Department, or whatever successor is determined in due course by the Assembly, that will work with and assist the employers.

I want to highlight the role of the industry consultants. They will be a critical element in sourcing the new opportunities. In that regard, we will have a challenge to create the opportunities for young people. It is important to stress that this has to be seen as a win-win situation both for employers and young people.

While there may be some sense that this has a wider social responsibility to Northern Ireland, there is a very hard-edged economic reality for employers. They need to be investing in their skills and planning for the future. This is the means by which they will access the young people of Northern Ireland who will be their future employees and make their businesses and organisations a success well into the future. They have a real self-interest in nurturing that fresh talent and making sure that they are investing and delivering the technical skills that they require, and also the employability skills.

We know that there is a real issue, and we have heard from employers about the quality of employability skills. However, with this switch to a much stronger focus on work-based learning, the young person will know that they are getting the skills that they require to be successful in the workplace and to find and sustain employment, rather than doing something in a classroom situation where the direct links to what is happening in industry may not be as clear-cut.

**Mr Buchanan:** I thank the Minister for his statement. The key in all of this is that it is delivered on the ground in a way that is beneficial to the employers. Will the Minister advise whether there will be a cap on the numbers, should more young people apply for the uptake of this than was anticipated? The Minister mentioned the dedicated industrial consultants complementing the central services. Will they be employed by your Department and, if so, will they be remunerated for the role that they play in this?

**Dr Farry:** I thank the Deputy Chair of the Committee for his comments. I will look at the first issue around the numbers, and that will, to an extent, gravitate into financing. At present, across the three different elements that the system will be replacing — when I say "replacing", I stress again that this not a like-for-like replacement. The new system will be covering a lot more in terms of entry routes, age groups and different types of approaches to training. Across Training for Success, Apprenticeships NI at level 2 and mainstream further education, we are talking about 10,000 young people. However, if we look to the number of young people who are leaving school without level 2 qualifications, we see that that is in the multiples of tens of thousands. We also know that, at present, there are between 30,000 and 40,000 young people who are not in education, training or employment, so there is a bigger market out there for this system beyond

the immediate headcount that is going through the existing provision. We have no plans to cap provision, because we want to expand this into new territory, although, obviously, the issue will be how far budgets can stretch in that regard.

To give a scale of the commitment that we are talking about, if we take the current budgets around Training for Success Apprenticeships NI at level 2 and what we do around further education, we are talking in excess of £50 million a year that is spent. Notwithstanding the cuts that my Department has had to face this year, we have not cut any of that provision. Where things have been notified to the Committee and others around savings in those areas, that simply reflects changes or fluctuations in demand. All things being equal, I am committed to at least that level of funding going forward. It is worth stressing that that is supported by the European social fund, where 40%, in common with the practice previously, is earmarked for work on apprenticeships and youth training collectively.

We also have access this year to the £7.5 million change fund that was authorised by the Executive and which can be used to take forward pilots, so we are looking to expand and see where that goes. If we have difficulties, we will look to see whether we need to make further interventions.

The precise location of the industry consultants has yet to be determined, but they will be people who are employed for the specific purpose of engaging businesses and working with young people to source opportunities and provide support. The precise location will be determined through the implementation phase. They will be dedicated people who are there to service this particular programme, this new system of learning, for young people at level 2.

**Ms McGahan:** Go raibh maith agat. I thank the Minister for his comprehensive statement. How will the needs of young people with disabilities be integrated into a system that starts at level 2?

**Dr Farry:** I thank the Member for her comments. She is right to say that this is a system at level 2, and that will include many people with disabilities. As the Member well knows, there are people with disabilities who are more than capable of engaging with the world of work at a whole range of different levels, and it is incumbent on us to give them full support. In parallel with this strategy, my Department is also finalising a disability employment and skills strategy, which will be issued for public consultation shortly. That will

complement the work that is taking place on youth training. As she also knows, within some of the existing provision there is additional support available for people with disabilities. At a minimum, that will be replicated in the new system.

We also see the additional focus that there will be in the buddy system in the workplace, which is there as a form of mentoring. We are trying not to use the term "mentor" because we do not want to create a sense of bureaucracy for businesses, where they feel that this means that a lot of training has to be put in place. That would almost act as a deterrent. The system is there to provide a friend in the workplace for all young people, whether or not they have a disability. There is also a focus on pastoral care to be delivered through the off-the-job training providers, which will give further support for people with disabilities.

Beyond that, we recognise that there will be a need for assistance for those who have not yet reached the level 1 qualification, which is required to access the level 2 provision. Work will continue through the existing channels, whether through the FE sector or the community and voluntary sector, which deliver a lot of projects at level 1 and also, when we talk about the disability sector, at level 2. We will work with them to ensure that we have strong progression routes. The Member will appreciate that we will be talking in more detail about the European social fund (ESF) at the Committee meeting tomorrow.

**Mr Ramsey:** I warmly welcome the statement from the Minister and commend the Department's staff as well for taking on board a lot of Members' comments. I warmly welcome the robust data collection and information gathering, which is necessary to prepare for the future. However, I am concerned that this statement is mainly about those who are achievers and who are going into level 2.

I am more deeply worried — the Committee has always been more challenged on this — about those who are furthest away from the market and who are on the same ESF programme that you talked about. Large numbers of young people are not able to achieve level 1 and will not be able to progress to this new youth training programme. Like Bronwyn, I want to see how we are going to help those furthest away who have not achieved in post-primary, either because they have been unable to achieve it or because they have a learning difficulty or disability.

**Dr Farry:** I thank the Member for his comments and I reflect on the contribution that a very strong team has made on the delivery of this strategy over the past number of months. The Member is right to focus first on the importance of data collection, monitoring and evaluation. It is fair to say that there can be legitimate criticisms of some of the outgoing programmes in that regard; we have not had sufficiently strong results in progression into work or proper monitoring of where people are going as leavers on the far side of programmes.

I appreciate that the bulk of the Member's comments have been about the entry point to the new system and how we can facilitate people in that regard. It is important to recognise that we have a large pool of people who are leaving school without a level 2 qualification.

That is a major challenge for us as a society. The programme is open to those individuals. We should recognise, however, that, through our school system, we are seeing some improvement in the figures for level 2 qualifications. The Department of Education is getting things right on an incremental basis in that regard, but, nonetheless, we have a large pool of young people for whom the school system is not delivering for a host of reasons. Within that, there will be a large cohort of people who have, at the very least, achieved level 1, and they can move into the new level 2 offer straight away. The Member and Ms McGahan's focus has been on the young people who do not yet have a level 1, and that is where what can be delivered through the European social fund is so important. We will have a detailed discussion on that tomorrow in Committee. We face some challenges, but I will bring solutions to the attention of the Committee tomorrow. As a society, we have a challenge to ensure that we are sufficiently resourcing all the skills profile that we need to invest in every young person.

We will also continue with the provision of mainstream FE to work with young people, particularly those who are on the margins of getting into the system. We can do dedicated work to give them a real incentive to get into the new system, which should offer a range of new opportunities for young people to progress into work.

**11.30 am**

**Ms Lo:** I thank the Minister for a very detailed statement. It is very much his style. He is always thorough and puts thought into his

statements. I also welcome the new system following the thorough review of youth training in Northern Ireland. The Minister also published the apprenticeship strategy recently: how will the new system complement the apprenticeship strategy?

**Dr Farry:** I thank the Member for her comments. She is right to identify the fact that the new system of youth training should be reviewed almost as the sister strategy of our apprenticeship strategy. They share a new approach to vocational training in Northern Ireland and a commitment to investing in professional and technical skills from level 2 right through to level 8. In the outgoing system across apprenticeships and youth training, we have an offer that covers level 2 and level 3. It tends to stop at level 3. We know that, as a society, we have much more pressure on higher-level skills as a whole if we are to grow our economy and take full advantage of the opportunities that lie ahead.

We want the system of youth training to be part of a progression route that may lead into apprenticeships. There may be other pathways. Young people will exit youth training into full-time employment or go back into mainstream education or other forms of training, but we see this as a means for young people to gain a foothold from which they can move into a formal apprenticeship.

Given the commonality across the two strategies, it is intended that a lot of the structures will be common to both strategies. There will be a single strategic advisory forum. There will be a common set of sectoral partnerships, where appropriate, and there may be some sectoral partnerships that are only for apprenticeships and only for youth training, depending on whether there is a critical mass of skill pressures at higher levels or at level 2. The central service will also be common across both strategies. In that way, there will be economies of scale, and we will fully maximise the potential for synergy between the two strategies and systems.

**Mr F McCann:** Go raibh míle maith agat, a Cheann Comhairle. I also thank the Minister for his speech this morning. I have said that anything that enhances youth training has to be welcomed. I was reading some statistics from Include Youth, and I sometimes think that Pat looks over my shoulder and picks up on what I am about to say and then uses it. The statistics raised a couple of interesting points. Include Youth deals with people at the coalface, where most of the difficulties are, and it sometimes does that one on one. How does that fit into the

new regime? How can we ensure that it will not be left behind as it has been in the past?

**Dr Farry:** I thank the Member for his comments. I know that he and Pat are often a double team, in that they come at issues from the same angle. He is right to stress that this is about ensuring that no young person is left behind. If we are to maximise our potential as an economy and a society, we need to make sure that we utilise everyone's talents. Everyone has the ability to make a contribution, and the challenge for us, as a Government, is to ensure that we have the systems in place that will draw out everyone's talents to the full.

I will focus a lot on the workplace buddy system and the pastoral care to be provided by the off-the-job training providers. This is about ensuring that we train people as individuals and do not simply see them as yet another number going through a system. We need to treat people as individuals who have particular challenges and barriers and different aspirations. We are also putting a much stronger focus on careers advice, both at entry level and when they are about to leave the system, to make sure that we properly signpost individuals to the most lucrative opportunities for them, whether it is employment or further training opportunities.

**Ms Sugden:** I wish that the Minister had not said that this was not just another initiative, because the cynic in me says that that usually means that it is. On a serious note, I welcome the policy, because it offers a lot of opportunities for young people and for the local economy.

A significant barrier for those not in education, employment or training has been the cutting of the pathways education maintenance allowance (EMA). The Minister mentioned financial assistance in the statement, so, further to the review, is he minded to continue pathways EMA?

**Dr Farry:** First, let me address the point about this not being just another initiative. This is a new system of learning. It is not about a like-for-like replacement of programmes; it is about a systematic approach to training at level 2. We are not simply replacing Training for Success apprenticeships at level 2 with this provision; it covers a much wider range of areas. For example, it will cover a much wider age group, including, for the first time, young people who are in work but are trapped in low-paid jobs and do not have the tools and skills to find new employment opportunities for themselves. We

are talking about a fresh baccalaureate-style qualification, a very broad-based qualification that includes technical and employability skills alongside core qualifications, particularly in maths and English. That will be shaped by employers and other experts. That is all radical change in the system. Of course, it will make a difference only if we can deliver it.

We have recognised that we will be continuing financial assistance directly to young people. As the Member will appreciate, that exists in the Training for Success system. Obviously, those enrolled in apprenticeships receive a wage in connection with that, which is a different concept. Young people going through the employed route, which is almost like a traineeship in the forthcoming system, will receive a wage, and those going through the non-employed route will receive an allowance that is at least the same amount that they currently receive.

The pathways EMA is a different issue. I will give a foretaste of what I will say to the Committee tomorrow. We have considerable pressures on what we are doing to support young people not in education, employment and training. As the Assembly will know, we had a dedicated funding stream that expired in March 2015. It has not been renewed by the Executive, so we are scratching around — I use that term deliberately — to find what money we can to make the biggest impact for young people not in education, employment and training, particularly in addition to the European social fund (ESF).

We have a choice to make between what we do on the delivery of match funding, on which there is huge pressure across all Departments, and the payment of the pathways allowance. If my Department pays the pathways allowance directly, that comes at the opportunity cost of match funding. If we invest money in match funding, we get the leverage of drawing down a 40% contribution from the European Union. So we are almost getting a double hit if we spend money on match funding rather than the pathways allowance. However, organisations have the option to pay an allowance out of the funding that they receive under the European social fund. We are happy to work with any organisations, including Include Youth, with whom we had a meeting last week in this regard, on finding a means for them to pay that resource from their existing allocation. We will work with them to revise their targets in line with that. Across the piece, that is the best way in which we can maximise a scarce budget to have the greatest impact on as many young people as possible.

## Executive Committee Business

### Justice (No. 2) Bill: First Stage

**Mr Speaker:** The next item of business is the First Stage of the Justice (No. 2) Bill. I call the Minister of Justice. I hope that I did not waken you. *[Laughter.]*

**Mr Ford (The Minister of Justice):** I beg to introduce the Justice (No. 2) Bill [NIA 57/11-16], which is a Bill to make provision about enforcement of the payment of fines and other penalties; to provide for the appointment and functions of a Prison Ombudsman for Northern Ireland; to amend the law relating to lay visitors for police stations, the possession of extreme pornographic images and the early removal from prison of prisoners liable to removal from the United Kingdom.

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

### Housing (Amendment) Bill: First Stage

**Mr Speaker:** The next item of business is the First Stage of the Housing (Amendment) Bill. I call the Minister for Social Development.

**Mr Storey (The Minister for Social Development):** The Pension Schemes Bill makes provision for Northern Ireland corresponding to provisions —

**Mr Speaker:** Minister, we are dealing with the Housing (Amendment) Bill. The Houses in Multiple Occupation Bill has not been cleared yet under the clearance mechanism, but it will be tabled later today. We are moving straight on to the next item. I thought that you would have been informed.

**Mr Storey:** I beg to introduce the Housing (Amendment) Bill [NIA 58/11-16], which is a Bill to make provision for the better sharing of information relating to empty homes or to anti-social behaviour; and to provide for the registration of certain loans as statutory charges.

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

## Pension Schemes Bill: Accelerated Passage

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

*That the Pension Schemes Bill proceed under the accelerated passage procedure.*

Maybe I was sleeping, not the Justice Minister, Mr Speaker.

The Pension Schemes Bill makes provision for Northern Ireland corresponding to provisions in the Westminster Pension Schemes Act 2015. The Bill aims to facilitate different models of private pension schemes that will provide better outcomes for members than the current defined contribution schemes and allow for greater risk sharing between members and scheme providers. The Bill therefore contains proposals to establish a new legislative framework for private pensions. I will outline the proposals in greater detail at Second Stage, and I look forward to the contributions on that occasion. However, it may be helpful if I briefly describe the main provisions.

The Bill establishes three mutually exclusive categories of scheme type based on the type of promise offered to members during the accumulation phase. It also provides for collective benefits where the scheme assets may be used in a way that pools risk across the membership. It also contains changes to existing pension legislation, mostly as a consequence of the new categories and collective benefits.

As required by Standing Order 42(4)(a) and (b), I will outline the reasons why I seek accelerated passage and the potential consequences of accelerated passage not being granted. Although pensions are a devolved matter, in effect there is a single pension system and regulatory regime across the United Kingdom. Many private pension schemes operating in Northern Ireland are UK-wide schemes. Additionally, the Pensions Regulator, the Pensions Ombudsman and the Pension Protection Fund operate on a UK-wide basis. Therefore, it is highly desirable that the same regulatory framework be in place here to facilitate compliance and enforcement.

The Westminster Government intend that the new pension scheme definitions and the provision to allow schemes to offer collective benefits outlined in the 2015 Act will come fully into effect from April 2016. The intention is that the equivalent Northern Ireland provisions will

come into operation at the same time. If accelerated passage is not granted, the best-case scenario is that the Bill could complete its legislative passage through the Assembly and receive Royal Assent towards the end of February 2016.

This timescale would result in significant uncertainty for the pensions industry, employers and scheme members as the legal position in Northern Ireland would not be settled until shortly before the proposed operational date. The industry needs a significant lead-in time to develop new pension products, and this requires certainty that any new products will be compatible with Northern Ireland law. For example, to operate most effectively, collective benefit schemes need to be able to create economies of scale. To help achieve this, it is imperative that collective benefit schemes are able to operate on a UK-wide basis.

#### 11.45 am

Employers will also look for an early indication of how the changes could affect them. The ongoing roll-out of automatic enrolment means that every employer must automatically enrol workers into a workplace pension scheme. Employers who are seeking to establish an occupational pension scheme, perhaps for the first time, may decide that they cannot select certain schemes as there is a chance that they may not be compatible with Northern Ireland law. This could undermine the objectives of the Bill and potentially result in more Northern Ireland workers being enrolled into defined contribution schemes that offer no certainty over pension outcomes.

The overall aim of the Bill is simple: it is to help to provide safer and better incomes in retirement. It is vital that we do all that we can to support and encourage employers to embrace quality pension provision for employees here in Northern Ireland. It is vital that the changes here and in Great Britain dovetail from the same date to ensure that we do not make employers and schemes decide that it is too much trouble to run schemes for employees in Northern Ireland.

Additionally, the new regime will require numerous regulations to be in place well before April 2016 to ensure that adequate safeguards and protections are in place. Without accelerated passage, the short time frame from Royal Assent to operation will make this very challenging and add to the uncertainty facing schemes and employers. I appeared before the Committee for Social Development on 4 June to

explain to the members, as required under Standing Order 42(3), why I am seeking accelerated passage for the Bill. I had a productive session with the Committee at that stage, and I thank the Committee Chair and members for recognising the need to expedite the process for the Bill and for their support in seeking Assembly approval for accelerated passage.

Turning to my obligation under Standing Order 42(4)(c), I stress that the use of the accelerated passage procedure is not something that I take lightly. I know that Committee members rightly take their scrutiny role seriously, and I recognise the importance of that role. The Committee has received several briefings from my officials and explored a number of issues. My officials have also provided the Committee with written clarification on a number of points. So, although under accelerated passage there will be no formal Committee Stage, the Committee has already actively engaged with my officials on the proposals.

When I attended the Social Development Committee, I assured members that supporting accelerated passage for this Bill would not be seen as setting a precedent for all future Bills in this field. I will give the same commitment to the Assembly today: my Department will always seek to bring forward legislation in a timely manner to ensure that due process is followed and that the Committee is afforded its proper place and given adequate time to scrutinise a Bill clause by clause. I fully accept and agree that the use of the accelerated passage procedure should be the exception rather than the norm. Despite there not being a formal Committee Stage, there will, of course, be an opportunity for all Members of the House to make their views known and for the issues to be fully discussed during the Bill's passage through the Assembly. I invite the House to support the motion for accelerated passage.

**Mr Maskey (The Chairperson of the Committee for Social Development):** Go raibh maith agat, a Cheann Comhairle. As the Minister has said, he attended a meeting of the Committee for Social Development on 4 June to discuss the potential accelerated passage of the Pension Schemes Bill. The Committee noted then that, although pensions are a devolved matter, in effect there is a single pension system and regulatory regime across the UK, and many private pension schemes operating here are UK-wide schemes.

The Committee is aware that the Westminster Government intend that the new pension scheme definitions and provision to allow

schemes to offer collective benefits will come fully into effect from April 2016. The Committee therefore appreciates the importance of the Bill being enacted here as soon as possible so that the industry has time to develop new pension products with the certainty that they will be compatible with law here.

The Committee notes that the new regime will require regulation to be in place before April 2016 to ensure that adequate safeguards and protections are in place. To that end, the Committee further notes that retaining the same pension regulatory framework here as operates in GB — the Pensions Regulator, the Pensions Ombudsman Service and the Pension Protection Fund — will continue to facilitate compliance and enforcement.

The Department provided the Committee with several thorough and detailed briefings, as the Minister outlined, on pension schemes legislation. The Committee is, therefore, content that it has considered the proposals in the context of the Westminster Bill and the proposed Assembly Bill. Following an oral briefing on 8 January 2015, the Committee agreed to support a legislative consent motion to extend to this jurisdiction the new pensions flexibilities outlined in the Westminster Pension Schemes Bill. The Committee notes that the remainder of the Bill is, essentially, of a technical nature.

The Committee for Social Development supports the Minister's request for the Pension Schemes Bill to be brought forward by way of accelerated passage.

**Ms P Bradley:** At this stage, I will be very brief. I do not believe that I need to go into any great detail as the Minister and the Chair have already set out in detail why the Minister is asking for accelerated passage. I welcome the fact that the Minister said that he does not intend this to set a precedent for future Bills and that the accelerated passage procedure should be the exception rather than the norm. I believe that he will be absolutely true to his word on that.

I will say a little more in our next debate. For the time being, I support accelerated passage.

**Mr Beggs:** On behalf of the Ulster Unionist Party, I speak in support of accelerated passage.

As others said, whilst pensions are, in theory, a devolved matter, they are, in practice, operated by a UK-wide pension industry. It is vital that we retain legislative parity. I understand that

there may be one, if there are any, local institution that offers pensions, so we deviate at our peril. I will say more about that later.

The scheme that introduces the UK-wide pension changes is due to be fully in effect by April 2016. The pensions industry is not one that you can change very quickly; it takes time. Time is required to develop the products and to train those who are to sell them so that selling is done ethically and there are no repercussions. Therefore, we support accelerated passage.

**Mr Storey:** I thank Members for the views that they expressed during the debate. I also thank, in particular, the Chair and members of the Committee for their help in getting to this stage. I assure Members that I will do all that I can to be of help as we make our way through the Bill, and I thank them for being understanding of the need for accelerated passage.

As alluded to by my colleague, I do not seek accelerated passage lightly. There may be a temptation on my part to try to get accelerated passage for another Bill that has had a bit of a difficulty, but I will leave it there. I am happy that we proceed.

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

*Question put and agreed to.*

*Resolved (with cross-community support):*

*That the Pension Schemes Bill proceed under the accelerated passage procedure.*

## **Pension Schemes Bill: Second Stage**

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

*That the Second Stage of the Pension Schemes Bill [NIA 55/11-16] be agreed.*

The Bill follows on from the Pension Schemes Act 2015 recently enacted by Westminster. The Bill will introduce a new legislative framework for private pensions and seeks to rejuvenate the pensions industry by allowing for greater innovation in pension scheme design.

Increasing life expectancy has been one of the success stories of the last 60 years. The fact that, in general, people are living significantly longer and healthier lives is to be celebrated. However, increasing life expectancy brings with it a number of challenges across government; for example, for health and social care and how we ensure adequate incomes in retirement. The provision of pensions involves financial, economic and longevity risks, all of which come with very significant costs. Existing private pension legislation is based largely on a binary system of money purchase schemes, commonly referred to as defined contribution schemes, which offer no certainty over retirement benefits, and non-money purchase schemes, commonly referred to as defined benefit schemes, which traditionally offer salary-related benefits that provide certainty about what will be paid in retirement.

The key difference between those models is who bears the risk of pension saving, such as longevity, investment and inflation. In traditional defined benefit schemes, the risks are borne by the employer. In defined contribution schemes, they are borne by the employee. Whereas for an employer, defined contribution schemes provide certainty regarding costs, for scheme members, the level of income that they can expect in retirement is uncertain.

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

The last few decades have seen a decline in defined benefit pension provision in the private sector. Many employers have found the increasing cost of longevity and investment risk too heavy to bear. Crucially, the employer remains liable for any deficit in the scheme funding. In 2014, the Pensions Regulator reported that only 13% of defined benefit schemes remained open to new members. As

membership of defined benefit schemes has declined, there has been a growth in the membership of other types of private pension schemes, particularly defined contribution schemes. That means that, increasingly the risks associated with pensions are being borne by individuals, rather than employers.

Some reform has already taken place, and the continued roll-out of automatic enrolment is expected to reverse the trend of falling private pension participation over time. However, if defined contribution schemes remain the main alternative to defined benefits, outcomes for savers will be less certain and more volatile, making it much harder for future generations of savers to plan for later life. The need for further reform is clear.

Part 1 of the Bill will introduce three mutually exclusive categories of pension scheme, including a new shared-risk category. Each category will be defined by the type of promise provided to savers during the accumulation phase about the benefits that will be available to people on retirement. The categories will be a defined benefits scheme, in which the member has a full pensions promise about the rate of the retirement income they will receive for life from a fixed normal pension age; a shared-risk scheme, also known as defined ambition, will promise some retirement benefits, whether income or lump sum; and the defined contributions scheme, where there will be no promise about the benefit outcome.

New definitions are necessary, because whilst the terms "defined benefits scheme" and "defined contributions scheme" are well recognised and are often used to distinguish between the two types of schemes that currently make up private pension saving, they are not generally used in private pensions legislation. The new shared-risk definition describes a middle ground between the more polarised defined contribution and defined benefit definitions. It will create a distinctive space to encourage innovation in pension scheme design. Shared-risk schemes should provide employees with greater certainty about the final value of their pension than they would have under a defined contribution scheme but with less cost volatility for employers than a defined benefit scheme.

The new scheme categories will apply to existing pension schemes. However, they do not make any additional requirements about benefit design and do not change current legislative requirements, such as occupational scheme funding or member protections. The new definitions do not apply in any public

service pensions legislation. That issue was raised by colleagues across the House during previous discussions on the issue.

In the case of a scheme not fitting exclusively into one of the new definitions, regulations will provide for a scheme to be treated as two or more separate schemes, each of which will fall within a category.

### **12.00 noon**

In addition to establishing a new legal framework for private pensions, the Bill will also enable the provision of collective benefits. Collective benefits are provided on the basis of allowing the scheme's assets to be used in a way that pools risk across the membership, both in the accumulation phase and in payment. As such, members do not have their own individual pension pots from which their pension income will be provided. Instead, any gains or losses that arise from the performance of the scheme's investments will be shared amongst all members. Consequently, collective benefits cannot provide members with a promise or guarantee about the level of benefit that they are likely to receive, and the benefit received will depend entirely on the scheme's funding position and the factors used to determine what proportion of that is available for the provision of particular benefits.

Trustees or managers of pension schemes that offer collective benefits will be required to set targets in relation to the rate or amount of those benefits. The intention is that members of a scheme that offers collective benefits should be provided with a reasonable estimate of the benefits that they can expect to receive from the scheme. In the absence of a well-defined pot over which the individual has clear ownership, the target is a way of illustrating what a member might expect to receive. Regulations may also require trustees or managers to set initial targets at such a level that the probability of meeting the target will fall within a specified range, and for that to be certified by an actuary. The setting of targets is key in ensuring that schemes that provide collective benefits operate in as transparent a manner as possible.

There is no employer liability to stand behind or guarantee a target that is offered in relation to a collective benefit beyond the contribution level. However, the Bill contains a series of regulation-making powers that relate to the governance of schemes to ensure that appropriate safeguards are in place. For example, requirements may be set out in secondary legislation in relation to scheme

reporting, the payment of benefits, benefit targets and valuation.

As a consequence of the new scheme definitions and the provisions about collective benefits, a number of changes are required to existing pensions legislation. Part 3 of the Bill aims to ensure that current legislative requirements that relate to governance and administration apply in the appropriate way to the new scheme categories. It contains new powers to make regulations, for example, in relation to indexation and revaluation of benefits and setting out conditions to be met for a pensions promise to be obtained from a third party, and it imposes a duty on managers to act in the best interests of members when making specified decisions in relation to collective benefits or shared-risk schemes. It also enables the Department to issue statutory guidance on the disclosure of information about schemes and includes provision that deals with pension sharing and normal benefit age.

In conclusion, the underlying objective of the Bill is to create space for market innovation rather than for government to design commercial products. However, it will, as ever, involve achieving a balance between ensuring that there is a level of regulation that does not discourage new models and, at the same time, adequately safeguarding members' interests. The Bill will provide for a new, permissive regulatory framework with proportionate regulation for different types of schemes. I think that that is an important element to underline and underscore, because there is always a concern that, when we have the imposition of regulation, it is in some way very draconian and inhibitive. I want to ensure that the Bill will provide for new permissive regulatory frameworks. I think we want to underscore the element with proportionate regulation for different types of schemes. It has to be balanced, and we have to get the balance right.

For the first time, the Bill will set out clear statutory definitions of various scheme types, including defined benefit, shared risk, defined contribution and an additional benefit level classification to recognise collective benefits.

I think that we can all agree that we want to ensure that good-quality pension provision continues for future generations. As I said during the debate on accelerated passage, the overall aim of the Bill is simple. It is to help provide safer and better incomes in retirement. I suppose that some of us would do well to declare an interest at this point as we head towards that. I never thought that I would be

standing in the House saying that. However, the other day, I got a piece of correspondence through in relation to my own pension, which gave me the date for my retirement. I looked at it and thought, "Well, that seems to be away in the future". I think it was 2029. Then I suddenly realised that that is only 14 years, and that is almost as long as I have been in the House, so it does not seem that long. I declare an interest in dealing with this particular issue. I have no doubt that other Members who speak following me will have to do the same thing.

In conclusion, legislation is being brought to the House that will allow for greater flexibility in scheme design and greater risk sharing between employers, employees and third parties, and that should improve private pension outcomes in the long-term; something that, I believe, we all want to support in the House. I commend the Bill to the Assembly.

**Mr Maskey (The Chairperson of the Committee for Social Development):** Go raibh maith agat, a Phríomh-LeasCheann Comhairle. The Minister referred to his length of service here. Some of us might say that he has perhaps put years on the rest of us, but I will not go that far. It has been a pleasure to work with you.

Pension reform is ongoing in both the public and private sectors, and I have no doubt at all that we will continue to see significant changes in pension provision over the coming years. The Pension Schemes Bill is yet another step in that reform process.

On behalf of the Social Development Committee, I would like to draw the Minister's attention to specific issues related to the Bill that I hope he will be able to further elaborate on in his concluding remarks. Obviously, he has already covered quite a number of them, but I want to put on the record that the Committee has considered those matters in some detail. The Bill defines private pensions on the basis of the promise they offer for members about their retirement benefits during the accumulation phase. It enables the provision of collective benefits in a way that pools risks across membership, thereby providing a greater amount of stability in pensions outcomes, and it also gives force to measures so that people aged 55 and over will have more flexibility about how they access their defined contribution pension savings. Generally speaking, those are all positive measures that the Committee welcomes.

The Committee received an oral briefing on 8 January and agreed to support a legislative

consent motion, which related to the extension of pension flexibilities outlined in the Westminster Pension Schemes Bill to this jurisdiction. The Committee was also content with the equality impact assessment (EQIA) on which it was briefed on 30 April. At that briefing, the Committee noted that officials believe that the Bill:

*"is expected to have a mainly positive impact on each of the section 75 groups."*

However, there was some concern that the introduction of collective benefits could potentially shift greater risk on to younger scheme members — so-called intergenerational risk.

One of the central planks of the Bill is to ensure greater stability of outcomes by making pension incomes less dependent on market conditions. To ensure that that is the case and that younger members of pension schemes are not put at risk, there must be strong governance of those schemes. The Minister's views on that aspect would be welcome.

Furthermore, it is absolutely essential that, in relation to drawing down funds from a pension prior to reaching state pension age, there must be sound financial guidance and advice. Given the complex nature of this area of work, that issue gave the Committee considerable cause for discussion. I point out on behalf of the Committee that it takes the view that guidance and advice are, of course, two different things.

We have excellent generalist advice services here, and Pension Wise has been established to provide guidance on pensions. However, I understand that the Pension Wise service does not recommend any pension products per se, and there have been some concerns that the advice on pensions is given, by and large, by generalists, not pension experts as such. Can the Minister, therefore, give some information on the type of advice this service provides, assurance on the quality of guidance provided and information on how this service actually operates?

Secondly, there have been recent reports of pension schemes not allowing people to draw down funds until they receive financial advice because, it would appear, they do not want to be accused of not properly advising their members of the implications of drawing down funds. This is, in many ways, understandable, given the fear that some disreputable organisations or individuals may wish to prey on people and give them fancy deals that may not, in reality, be to their benefit. Reports also

suggest that some people have had to pay for such advice; even figures of £1,000 have been quoted in some instances. On a related matter, there have also been reports that people are being charged for drawing down their pension early. Does the Minister know whether that is standard practice in the industry and, if so, should it not be made clear in advice that the legislation does not ensure that early drawdown of a pension is actually free? I ask the Minister to share some of his views on these matters and provide some insight into the role of the Financial Conduct Authority in regulating the new provisions.

The Committee has taken several briefings on the Bill, as the Minister has confirmed. We are content that it is a positive step forward towards greater stability in relation to sustainable pension outcomes and should ultimately benefit the consumer. We are also realistic and recognise that there will undoubtedly be hiccups in its practical application across the industry. As I have said, the Minister's response regarding the steps taken to protect the consumer will go some way to provide assurances on these matters.

**Ms P Bradley:** I do not intend to repeat anything that either the Minister or the Committee Chair has said. I intend to keep my comments brief. I do not claim to be an expert on pensions, although having read through the Bill and other information that has been made available to us, from my reading, it seeks to bring greater shared responsibility between employers and employees, which, in turn, will lead to better outcomes for future pension provision.

Earlier, the Minister mentioned that his own pension date is looming not too far away in the future. When I was preparing for this debate, I remembered very acutely being approached at 18 years of age by the company that I worked for then to sign my occupational pension forms. I remember reading that and thinking that it was the most hilarious thing that I had ever come across; that, at 18 years old, I needed to start preparing for my retirement. Now, almost — not quite, but almost — 30 years down the line, I find that it is not such a hilarity any more. I am glad that I worked for a responsible employer then that did offer a very good occupational pension scheme. That has now almost become a thing of the past. Actually, opening up that conversation at 18 years old and discussing pensions with my colleagues and peer group around me certainly did bring the reality home that I needed to start planning for my future. As I said, with occupational pensions becoming a thing of the past, we need to do everything

within our power to improve pension schemes that operate for employees at present.

I would just make one point to the Minister. I believe that, even with this Bill and other legislation that we have in place, we are certainly not doing enough to address pension provision for those who are on low incomes or in part-time work. As most of us in this Chamber will know, the majority of people who are in part-time work and, therefore, on low incomes, are women. Albeit we can certainly take out our own private pensions, women are most definitely disproportionately affected when it comes to employer contributions. We need to be mindful of that and address it.

### 12.15 pm

Pensioner poverty is certainly to the fore and is being debated day and daily not only in the Chamber but throughout the media. We need to encourage everyone, when possible, to plan financially for their future.

I support the Second Stage of the Pension Schemes Bill.

**Mrs D Kelly:** I apologise for having to leave at about 12.30 pm. I have a previous meeting arranged, so apologies if I am not here for all the Members' contributions and the Minister's winding-up speech, but hopefully we will be brief.

I will pick up where Ms Bradley left off about the disproportionate impact on women and her comments on young people. Our party also has a concern about zero-hours contracts. I know that it is not the responsibility of the Social Development Minister, but I hope that he will bring influence to bear in discussions around the Executive table as to whether zero-hours contracts should be allowed in Northern Ireland.

Minister, I know that you declared an interest, as did many, but some Members may already be on a pension. I am not mentioning names or looking at anybody in particular. I will keep my head down.

I was most concerned about adequately safeguarding members' interests. The Minister was at pains to point out the importance of balanced and appropriate financial regulation versus the need to safeguard people's interests. Given what we have experienced from 2007 with a lack of adequate and appropriate financial regulation, I hope that the Minister will consider the review's guidelines and the advice given to members.

Some Members talked about the impact of taking money out early, so it is important to have good sound independent financial advice. Is it also important for the Minister's Department to provide sound financial advice. Has advice been readily available for people who contacted the Department, and has it been the best advice possible?

I hope that the Minister will review all applications for such advice to see how that might be better incorporated into the Bill and what might be learned for the outworking of pensions. I hope that there will be a commitment from the Minister to work closely with the trade unions to explain these technical issues to people.

I do not know about you, Mr Principal Deputy Speaker, but my children's plans are to live off the bank of mum and dad for as long as possible and, when we kick our heels up, to sell our house and live off the benefit of that. Those are the only plans that I see my children having at the moment, so it is important that we get it right and set up the proper regulatory framework whilst safeguarding members' interests.

**Mr Beggs:** Like everyone else, I am getting older, so I will declare an interest if that is required at this stage. I got a letter a short time ago, and I suddenly realised that I was getting older and a certain date was approaching, but I hope that I will have an active working life in the meantime.

On behalf of the Ulster Unionist Party, I support the Pension Schemes Bill. As others said, whilst, in theory, pensions are a devolved matter, in practice, the pensions industry operates on a UK-wide basis. We would be only kidding ourselves if we thought that we could alter legislation in this area because doing so could significantly affect our citizens adversely. As public representatives, we ought to be doing what is best for the entire community and understanding all the implications of any change. Why do I say that? There is an effective UK-wide regulatory pensions regime. Anyone who examines the Bill will see that it is technical and specialist in nature. We alter anything in it at our peril. We really could not fully understand the outworkings of any such changes.

Many private pension schemes are currently available, offered and taken up in Northern Ireland. That is principally because they operate on a UK-wide basis, and there are economies of scale that come from that. To run a pension scheme, you need a critical mass,

because, first, there is the administrative burden of running the scheme; and secondly, in order to share the risk of any scheme, you want to gather up a sizeable investment and be able to spread that risk in order to minimise risks to the individuals who have invested in it and also to, hopefully, maximise any benefits that can be accrued.

Northern Ireland consumers also need competition. It is vital that there is a variety of products on the market. At one stage during some of the advanced discussions with the Minister and officials on the Bill at the Committee, I asked how many pensions that might be on offer elsewhere could not be afforded here because there would be different rules. I was concerned that, if we were to change the regulations, we might be limiting the market and the ability for customers or constituents to choose how they invest in their pensions for the future.

The official's answer was very illuminating. He agreed that it would be a very big risk:

*"if we were to get it out of kilter with GB."*

He went on to say that:

*"At the moment, the vast majority of pension products here are all based in Britain. One local institution offered products, but I am not sure whether it still does. So they all come from GB."*

We must take cognisance of that. If we were to alter parity in this area, we may stop the current products on the market from being afforded here, because pension companies would have to follow any legislative changes that we make. Their existing pensions may not fit into that. We would risk the offering that is available to Northern Ireland citizens were we to make any changes to parity on this issue.

As others have said, there is a UK-wide Pensions Regulator, Pensions Ombudsman and Pension Protection Fund. Again, I asked what would happen if we were to deviate from parity. All of these schemes operate on a UK-wide basis. If we were to deviate, I believe that we could put that at risk and that, again, would have significant financial implications in the administrative costs of managing each of these legislative requirements in order to protect our citizens. Not only that, there would be further risk to our citizens. How, for instance, could we gather up a pension protection fund? Again, economy of scale is required in order to spread that burden or load. It would be much better if we were to retain parity in this vital area.

Making any changes to the legislation would have very significant financial implications, both in administration and in the outworkings of the scheme. Where have we heard that before? I am pleased that, on this occasion, Sinn Féin and the SDLP have recognised the benefits of parity and have indicated their support for the Bill. However, it is unfortunate that the same understanding is not being afforded to other legislation before the Assembly, particularly welfare reform proposals, where Sinn Féin has made uncostered proposals. It would be fiscally irresponsible to make uncostered proposals regarding pensions. I am pleased that that has not happened. Equally, it is fiscally irresponsible to make uncostered proposals about welfare reform.

I am pleased that, at least in this area of Government responsibility, everyone within the Assembly appears to recognise their financial responsibilities to the entire Northern Ireland community and that there are administrative benefits in retaining parity. I only wish that they would recognise it in other areas.

**Mr Storey:** I thank Members for their contributions. I concur with the comments made by my colleague about the technical nature of all of this. Paula Bradley said that she did not claim to be an expert. Well, neither do I. Indeed, for many people listening to the debate or those who have to deal with them, pensions are complicated and bring their particular challenges. I am just glad that I have very well informed officials who have become embedded in the issue.

I will come to advice as I work my way through the conclusion to this particular legislative stage. First, I thank the Chair and the Committee for their work on the Bill. I also say a word of appreciation to my officials, who have on a number of occasions made themselves available to the Committee, and who will still be available to it should any more queries arise during the process. We are also quite happy to continue to engage with Members. If, during my contribution, I fail to deal with any particular issue because of an oversight, I assure Members that I will get back to them after checking Hansard so that no issues raised by Members are not addressed.

The Chair of the Committee raised the issue of guidance. Guidance and advice requirements, as they are known, fall within the remit of the Westminster Pension Schemes Act 2015 rather than this Bill. Guidance falls within the ambit of financial services, which is a reserved matter. The provision seeks to ensure that people proposing to take advantage of the new

pension flexibilities from April 2015 have access to free guidance through Pension Wise, and the Chair referred to that. That is provided online, through a telephone helpline run by the Pensions Advisory Service, as well as face-to-face by Citizens Advice in Northern Ireland.

Those in a defined benefit scheme who wish to take advantage of the flexibilities must take independent financial advice. That is because defined benefit pensions tend to be of good quality, so it will be to most people's financial advantage to stay in the scheme. Her Majesty's Treasury and the Department for Work and Pensions (DWP) are closely monitoring the operation of the schemes and the new flexibilities and will consider action in any way necessary should particular trends begin to emerge.

Others commented that the flexibilities will open the door to scams. Unfortunately, those who want to do something that is unlawful and that can be very detrimental are not averse to trying to scam this particular regime. It is an unfortunate fact of modern life that there will always be those who seek to scam others. As part of the pension flexibilities announced in the 2014 Budget, the Government proposed that all consumers with defined contribution pensions should be entitled to free, impartial guidance at retirement about their options when accessing pension savings. Pension Wise was thus launched, and the Financial Conduct Authority (FCA) published the standards for guidance when delivering Pension Wise.

### 12.30 pm

The Pension Wise website includes guidance on how to avoid scams. Northern Ireland Direct signposts people to the Pension Wise website and to further advice on pension scams. The Financial Conduct Authority has recently launched its ScamSmart campaign to raise public awareness of potential scams. So an effort is being made, but, in all these things, we need to ensure that there is due diligence in a way that is relevant to our circumstances. The question was asked: what advice is available to warn people? As I said, the Government have launched Pension Wise, and I think that we should endeavour to use that information to the best of our ability.

The Chair also raised the issue of consumer protection and the intergenerational risk. The Bill contains powers to restrict the ability of schemes offering collective benefits to undertake significant amounts of intergenerational risk transfer. For example, there is a duty to ensure that the scheme

remains well funded, plus a duty to take the specified actions of taking a deficit or specifying a pension within which stocks must be absorbed. I assure the Member that members' protection is paramount for us, and it is also an issue of importance for the Department as we move forward, particularly in relation to the regulations. The regulations will be brought to the Committee so that the Committee will have the opportunity to see those regulations. Much detail will flow from those regulations, and I trust that, as that is made available, it will give Members assurance on consumer protection, intergenerational risk and the issues that were raised by my colleague Mrs Bradley and make it clearer that we are doing everything that we possibly can to protect and to ensure that this is a fair and balanced scheme.

The Member for Upper Bann Mrs Kelly referred to the zero-hours contract guidance and to low earners. We are all aware of issues with zero-hours contracts. My ministerial colleague Dr Farry is equally aware and is, I believe, seeking to address the issue in some way. I will be supporting his efforts on that. Guidance is outlined in the position that I stated earlier in reference to Pension Wise and what is available through the work of that website. Automatic enrolment is under way, and that will bring many people, particularly lower earners, into private pensions for the first time. That, together with the new state pension being set above the rate of pension credit, will particularly help low earners. I trust that that gives Members some assurance that consideration is being given to that issue and that benefit will flow from the Pension Schemes Bill in that regard.

I will conclude on the comments that were made by the Member for East Antrim Mr Beggs, particularly his concerns about parity. We are bringing the Bill and having accelerated passage to ensure that we maintain parity. I fully support his comments on the need to maintain it, and that is precisely why I am doing what I am doing in the House today. For those reasons and for others that we have outlined in terms of the timescale, it is important that we continue to focus on bringing the Bill through the Assembly so that we can meet the deadlines. That will ensure that the position in Northern Ireland is not out of kilter with that in the rest of the United Kingdom.

*Question put and agreed to.*

*Resolved:*

*That the Second Stage of the Pension Schemes Bill [NIA 55/11-16] be agreed.*

## **Environmental Better Regulation Bill: Second Stage**

**Mr Durkan (The Minister of the Environment):** I beg to move

*That the Second Stage of the Environmental Better Regulation Bill [NIA 55/11-16] be agreed.*

First, I would like to thank my Executive colleagues for their support in bringing the Bill to the Assembly. I look forward to working with Members in taking it forward.

On my appointment as Minister, almost two years ago, I made it clear that I was adopting the following theme for my time in office: a better environment and a stronger economy. It is vital that we grasp the many opportunities that arise from thinking about our environment and the economy together. I see them not as mutually exclusive but as complementary and interdependent. The economy and the environment are inextricably linked. Future economic prosperity and, indeed, our path to recovery out of the current recession, will be aided by having a clean and productive environment, and cleaner, better resource management by businesses.

What is environmental better regulation? For some, it means less regulation; for others, it means more. To me, it means striking the appropriate balance. Over-regulation delivers as many bad outcomes as under-regulation, and just as often. Regulation needs to be focused on real risks and designed so that it protects the environment. With that in mind, we need an environmental regulatory system that goes beyond being fit for purpose: it must actively support and recognise responsible businesses and their need for swift, well-informed decisions.

A good modern regulatory system in the 21st century should ensure that, if you regularly comply with environmental legislation, you have less burdensome regulation and that, if you regularly fail to comply with environmental legislation, you get more attention from the regulator. This is what the Environmental Better Regulation (EBR) Bill is designed to achieve: to support the good guys and go after the bad.

Environmental permitting is essential to protect our environment from pollution. Currently, there are separate regimes with different sets of regulatory controls governing waste, pollution prevention and control, water, and radioactive substances. That leads to confusion,

duplication and inefficiencies. It can act as a barrier to businesses. I intend to bring forward integrated, single, clearer environmental permitting and a consistent system that is easier to understand and does not compromise or concede on environmental standards but leads to better environmental outcomes.

I will take a few minutes to talk through the elements of the Bill, beginning with the powers of entry, which are a valuable tool for environmental regulators, enabling them to enter premises and carry out inspections, searches, the collection and retention of evidence etc. In the current system, businesses and organisations are subject to a multitude of powers of entry under 50 pieces of environmental legislation. The multitude and variety make it difficult for individuals and businesses to understand and implement the law. The Bill creates a streamlined system of regulation and guidance that makes it easier for individuals and businesses to understand this important area of environmental law.

The Bill provides for the rationalisation of powers of entry and associated powers, making them easier for all parties to understand and follow.

Alongside the environmental permitting provisions, that will allow for the simplification and optimisation of compliance-assessment and enforcement arrangements. In so doing, it is important to respect human rights and the rights of individuals in their own homes and businesses against unnecessary intrusion. It is essential that powers of entry, as with any enforcement power, achieve the right balance between the need to enforce the law and ensure public protection and provide sufficient safeguards and rights for the individual.

It has become more difficult for the regulated community to understand and meet its obligations. The complexity of the current system inhibits regulators from taking a holistic approach to environmental regulation, performance and management. My Department needs a regulatory system that will deliver desired environmental outcomes and help responsible businesses to operate effectively within environmental limits. By reducing regulatory burdens on compliant, responsible businesses, the Bill will have the added benefit of freeing up resources to target irresponsible businesses and bring them into compliance. It will result in a system that is more effective in avoiding major and costly non-compliance or that can detect it at an early stage, thus reducing the risk of very expensive

environmental restoration. That is why the Bill is important and timely.

I will now address each of the Bill's provisions in turn. Part 1, along with schedule 1, specifically provides enabling powers for my Department to introduce regulations, supporting measures and guidance to enable the Northern Ireland Environment Agency and councils to change the way they work with business. The regulations will contain a lot of detailed technical provision that would be inappropriate in a Bill. Such measures would also need to be regularly updated to take account, for example, of technical developments and new EU and international obligations of the UK. The flexibility that is needed in this area would not be available if the relevant measures were specified directly in primary legislation.

In that respect, I think that it would be helpful to briefly outline at this stage how I intend to exercise the enabling powers through regulations and what I envisage the regulations will contain and, indeed, to reassure the Assembly of its scrutiny role and approval. The regulations under the Bill will provide a common set of environmental permitting procedures to replace several regimes under existing arrangements and will allow for a single permit to cover multiple activities on a site where appropriate. That will simplify compliance-assessment arrangements and will, in some cases, reduce the number of inspections that are required. It will reduce red tape for compliant operators and will allow my Department to focus on higher-risk activities.

Regulated activities may require a bespoke permit, a standard permit, a registration or to be subject to general environmental rules, depending on the complexity of the activity and the environmental risks that it poses. The public will, of course, have the opportunity to comment on the draft regulations during consultation, just to reassure Members, and the regulations will be subject to the affirmative resolution procedure, which is the more stringent form of Assembly control.

Schedule 1 contains the finer detail of all matters for which regulations may be made under clause 2. Amongst other things, it enables the regulations to specify the procedures relating to the authorisation of regulated activities by permits and registration. It allows for detailed procedural provisions to be included in the regulations governing how an application for a permit or registration may be made, how that application will be assessed and how a permit or a registration may be granted. It also provides a framework for the

extent to which the regulations may allow requirements to be imposed in permits and registrations, as well as allowing regulations to provide mechanisms for transfer, variation and consolidation, and for the suspension and revocation of permits or registration together with a requirement to take associated preventative or remedial action.

### 12.45 pm

Schedule 1 to the Bill also enables the regulations to provide for emissions trading schemes; charging schemes; local enquiries; public registers; compliance and enforcement; rights of appeal; and payment of compensation in respect of any loss or damage.

The proposed regulations will transpose all or parts of a number of EU directives which have previously been delivered through various subordinate legislation. That will include, but is not limited to, the waste framework directive, the landfill directive, the industrial emissions directive, and the waste electrical and electronic equipment directive.

The drafting of the regulations is at an early stage, due to their length and the complexities involved in rationalising a number of different permitting and licensing regimes. As I have already said, the draft regulations will be subject to full public consultation.

Part 2 of the Bill provides enabling powers for the rationalising of the powers of entry and associated powers for environmental inspection and investigation. It ensures that powers of entry and associated powers should not simply be reviewed on an individual basis. Rather, groups of similar powers should be combined to improve transparency and synergy, provide more consistent safeguards and, ultimately, reduce numbers of powers of entry in statute, making powers of entry easier to identify and understand. Part 2 also contains provision for a code of practice in relation to the exercise of powers of entry. Regulators must have regard to the code. The code will contain guidance on such matters as notices given to owners or occupiers of premises, witnesses who may be permitted during inspections, conduct of officials during searches and the retention of records about the exercise of powers. The draft code will also be subject to consultation. The final version of the code should help greatly to provide clarity for the regulator and the regulated.

Part 2 also makes provision for a statutory review of powers of entry. The Bill, therefore, ensures that a review is carried out to clarify

what powers of entry and associated powers exist across the body of environmental law, how they are exercised and what safeguards are in place. The review will also help to determine how the Department intends to bring forward a simpler and more streamlined set of powers of entry and associated powers. It is important to have in place a robust mechanism to ensure that powers of entry are considered carefully and to question whether they are fully justified and proportionate. As with the code, any changes proposed in the statutory review will be subject to affirmative resolution procedure in the Assembly.

Parts 3, 4 and 5 of the Bill contain miscellaneous provisions that also help to deliver environmental better regulation, albeit in a small number of discrete areas.

Part 3 amends the Clean Air (NI) Order 1981 to provide for the streamlining of the method for listing authorised fuels and exempted fireplaces in a smoke control area. That will provide a speedier process for manufacturers to have their fuels approved or fireplaces exempted and published in accordance with the provisions of the Clean Air Order. The current process requires the Department to issue regulations every six months, adding new approved fuels and exempted fireplaces. The amendment will remove the requirement to produce regulations and replace that with an approved list, which will be updated monthly. The list will be approved by a senior official and published on a UK website. That revised process will allow manufacturers a much quicker route to market and reduce the administrative burden on the Department, while still providing an open and accountable process.

Part 4 amends the Environment (Northern Ireland) Order 2002 to remove unnecessary burdens on district councils in respect of the preparation and implementation of local air quality action plans. As part of the ongoing review of local air quality management across England, Scotland and Wales, the Department has consulted with district councils about the need to undertake further assessments of air quality to supplement information that it already has.

District councils were supportive of the policy to remove the requirement, as they see further assessments as an unnecessary burden that is an impediment to the speedy implementation of local action plans and prolongs non-compliance with prescribed air quality objectives.

Part 5 amends the Water and Sewerage Services (Northern Ireland) Order 2006 to

transfer sole responsibility for public drinking water regulation from DRD to DOE, thereby allowing my Department to have full responsibility for the functions of the Drinking Water Inspectorate and simplifying regulatory structures. Currently, responsibility for the regulation of drinking water quality for public supplies rests with DRD, while regulation of private supplies is the responsibility of DOE. In practice, my Department's Drinking Water Inspectorate carries out regulation of drinking water in the North on behalf of both Departments to cover both areas since the previous responsibility was split from DOE following the 2007 water reform process that created NI Water. The intention is to simplify arrangements for the inspectorate, giving back my Department sole responsibility for its duties. The transfer has also been approved by Minister Kennedy.

The Bill has been assessed to determine any regulatory impact, and it is considered that it does not contain any provisions that will result in an increased or adverse impact on businesses. That is not surprising, given the better regulation aims of the Bill.

I have spoken about the regulations to be made under the Bill after it has been passed. Those regulations will, of course, require full and detailed regulatory impact assessments at a future date when the respective regulations giving effect to the powers in the Bill are developed. Those assessments will also be subject to consultation along with the draft regulations.

As Environment Minister, I am passionate about delivering better environmental outcomes. This rationalisation of environmental law will, I believe, deliver better and smarter environmental regulation by providing a more streamlined and effective regulatory system for businesses and regulators. It has resulted from extensive stakeholder engagement between businesses, regulators and environmental groups, and it aligns with the Executive's Programme for Government priority of growing a sustainable economy and investing in the future by having a simpler, harmonised and easier-to-understand regulatory framework.

The Bill also supports the Executive's initiative, Building a Prosperous and United Community, which refers to the need to reduce regulatory burdens and red tape for businesses. Let me be clear: the Bill will not change the substantive requirements of permits in environmental protection, but it will reduce the administrative burden necessary to deliver those requirements. The benefits for business will,

therefore, generally be expressed in terms of savings in administrative costs. That approach has the additional benefit of reducing the risk of long-term serious non-compliance going undetected and has strong similarities with good practice in other countries such as England, Wales, the Netherlands and Australia.

The measures that the Bill introduces will provide a modern, fit-for-purpose regulatory regime and a more attractive regulatory environment that will help businesses to invest and grow whilst maintaining environmental standards. Creating a more streamlined and effective regulatory regime will support compliant businesses and target those who flout environmental law. It will reduce the risk of environmental harm and the very significant costs involved in cleaning up and restoring the environment, of which the Assembly knows only too well.

**Ms Lo (The Chairperson of the Committee for the Environment):** I welcome the opportunity to speak in today's debate on the Second Stage of the Environmental Better Regulation Bill. I thank the Minister for explaining in detail the background and purpose of the Bill. In my personal capacity, I endorse the Minister's opening remarks that good environment and business development are interrelated and it is not one against the other. I am sure that my colleagues on the Environment Committee would support me in that.

During a briefing on 5 March, officials advised the Committee of the need for an environmental regulatory system that actively supported and recognised responsible business and a need for swift, well-informed decisions. Environmental regulation has developed over time and has become complex, with different inspection regimes and different rules, making it confusing for businesses. The Committee is aware that the Bill is one aspect of a wide regulatory transformation programme aimed at reducing the burden of regulation on business. The Bill is, in essence, a skeleton Bill, meaning that the real operation of the Act would be made entirely by the regulations under it. Therefore, the Committee will wish to examine the justification for the decision to adopt this structure of powers and what powers the Assembly will have in considering any future subordinate legislation.

Part 1 of the Bill relates to the introduction of environmental permitting powers. Officials advised the Committee that the current regulatory regime contained elements of duplication, making it confusing for industry and regulators, and that the purpose of Part 1 is to

rationalise the permitting regime to simplify and reduce administrative costs while continuing to achieve intended outcomes. During its detailed consideration of the Bill, the Committee will wish to ensure that a balance is struck between streamlining the regulatory regime without compromising the Northern Ireland Environment Agency's compliance and enforcement role.

Members have questioned officials on aspects of Part 2 of the Bill. It requires a review of powers of entry and associated powers to be completed by the Department. Officials advised the Committee that the purpose of the review is to provide an opportunity for a thorough and full analysis of all environmental powers of entry and associated powers. Powers of entry are significant powers and a valuable tool for environmental regulators in enforcement. There are also human rights implications associated with powers of entry. The Committee asked officials why the Bill asked for a review of the powers of entry and whether the Department should not first conduct the review and then legislate on the outcome of that review. Officials advised the Committee that there was precedent for this approach in the Protection of Freedoms Act 2012 in Great Britain. That Bill included a published review that could be consulted on before the regulations were brought forward. The Committee will wish to look at the rationale for this approach during Committee Stage.

Parts 3, 4 and 5 contain miscellaneous amendments to the Clean Air (Northern Ireland) Order 1981, the Environment (Northern Ireland) Order 2002 and the Water and Sewerage Services (Northern Ireland) Order 2006. The Committee questioned officials on the impact that the amendments, particularly those in Part 3 relating to authorised fuel and exempt fireplaces, will have on businesses. Officials advised the Committee that it is simplifying the law on exempt fireplaces and fuels because, currently, when an operator develops a new smokeless fuel or fireplace, the legislation can take six months to catch up.

The Bill, therefore, will make it easier and better for businesses.

### **1.00 pm**

The Committee sought assurances that the Bill will not give out a message to businesses that standards will be lowered as a result of simplifying and streamlining environmental regulation. The Committee may wish to consider that during the scrutiny stage.

The Committee has already initiated its call for evidence as it wished to notify as many stakeholders as possible of the Bill in advance of the summer holidays. The Committee looks forward to examining submissions and to exploring specific issues in detail. I look forward to developing a good working relationship with the stakeholders and departmental officials to ensure that the Committee is able to scrutinise the legislation properly. On behalf of the Committee, I support the principles of the Bill and look forward to formal scrutiny during Committee Stage. That concludes my comments as Chair of the Committee.

With your indulgence, Mr Principal Deputy Speaker, I want to make some brief comments as an Alliance MLA. The Alliance Party welcomes the overall aim of the proposals to simplify and streamline the regulation system. The current procedures have been accused of hindering good environmental outcomes, because they are inflexible, bureaucratic, expensive, and there is often a low level of enforcement. The new regulations aim to create an environmental permitting system to replace the existing model, which, in theory, will allow the Department to act swiftly to enforce when needed.

That streamlined approach will increase the chance of improving environmental performance whilst delivering improved business objectives. A document produced by the Northern Ireland Environment Link in 2013 emphasised that the ultimate result of good environmental regulation is good environmental outcomes. Regulation is a means to that end. It is important that we bear that in mind as we move to Consideration Stage.

That leads me to environmental enforcement. I have raised my concerns at the lack of enforcement officers in the DOE on numerous occasions. With budget cuts and the future merging of the Department of the Environment with the Department of Agriculture and Rural Development, there is a risk that environmental enforcement may not be seen as a top priority. We must ensure that, when enacting this legislation, we have the means to deliver.

Other aspects of the Bill are to be welcomed. Businesses will be able to benefit from minimised bureaucracy through a more streamlined environmental regulation system, which will also allow for certain existing permissions to be brought together into a single environmental permit. Much of the detail on how the new system will work in practice will be provided only when the statutory review of

powers of entry is completed after the passing of the Bill.

Consultation will also be carried out on any new powers of entry regulations. As that is still to be finalised, it is hard to comment, other than to stress that it is important that there is a strong monitoring and enforcement system that ensures that those who break the law will face penalties.

I support the Second Stage of the Bill and look forward to engaging with stakeholders and seeking further clarification during Committee Stage and Consideration Stage.

**Mrs Cameron:** As Deputy Chair and a DUP member of the Environment Committee, I welcome the opportunity to speak on the Second Stage of the Environmental Better Regulation Bill today. The primary aim of the Bill is to streamline environmental regulation whilst robustly protecting the environment and, in turn, ensuring that businesses can operate in a more efficient and cost-effective manner.

When looking at regulation, it is important that those who comply are not burdened with additional red tape. However, those who do not comply should rightly expect greater attention from the Northern Ireland Environment Agency. It is key to the success of the Bill that we do not penalise those businesses that act in accordance with the regulations and instead seek to deal severely with those businesses that persistently flout the rules and damage our environment.

The Bill will mean that serial offenders, or those who seriously breach the regulations, will be dealt with quickly and severely. Conversely, those businesses that have breached the regulations through oversight or misunderstanding will receive support and guidance to achieve compliance. The current system is not especially user-friendly for businesses, which has, unfortunately, led to breaches that are largely avoidable and, at times, inadvertent. Businesses have had difficulties in understanding increasing regulation and environmental laws, thus becoming complacent or using vast amounts of resources to ensure that their obligations are met.

The Bill will amend the Clean Air (Northern Ireland) Order 1981, the Environment (Northern Ireland) Order 2002, and the Water and Sewerage Services (Northern Ireland) Order 2006 to provide a framework that is easier to regulate, understand and operate. Under the Bill, the existing separate regimes governing

waste, pollution, water and radioactive substances will be brought together into a single framework, which will ensure greater uniformity and ease of use.

Parts 1 and 2 of the Bill will make businesses more aware of what is required of them and will make it easier for the Department to assess and implement compliance. It is important to note that the Bill does not intend in any way to dilute the importance of environmental regulation; its sole purpose is to reduce bureaucracy and to make it easier for businesses to fulfil their environmental obligations.

Parts 3, 4 and 5 provide a streamlined method for listing authorised fuels and exempted fire places for use in smoke-free zones, which will mean that businesses will have to wait only one month before they are passed for us instead of six months. Those parts also transfer the regulation of drinking water from DRD to DOE, which is a pragmatic and sensible approach, given DOE's expertise in dealing with water-quality matters.

The Bill is welcome for the environment and for businesses in Northern Ireland. The new regulations will ensure that, by introducing less cumbersome legislation, we allow companies not to get bogged down in red tape and ensure that they can continue to expand without restrictive regulations. Environmental protection is, of course, at the fore of the Bill, and I am hopeful that the Bill will be of benefit to our environment through a quicker and more streamlined action to those who fail to comply with regulation. I look forward to scrutinising the Bill at Committee Stage.

**Mr McElduff:** Go raibh maith agat, a Phríomh-LeasCheann Comhairle. Ba mhaith liom labhairt go gairid ar an reachtaíocht seo. On the surface, the Bill appears to be very positive and necessary, if it is aimed at reducing bureaucracy. This legislation will come to the Committee in the early autumn.

From what I picked up from the Minister today, and from a briefing to the Committee in March, the Bill seems quite technical. I am asking a few questions now. Is it a desk exercise? Is it like the strategic planning policy in the sense that it brings together existing rules, regulations and powers under one umbrella, or is it more substantive than that? The word that the Minister used most was "streamlining"; there was a lot of streamlining in the Minister's contribution. He referred to the transfer of powers from DRD to the Department of the Environment.

He mentioned "responsible businesses". We have heard that the Bill will reduce the regulatory burden, but how will it do so? Will the responsible businesses notice any changes, and what will be the better outcomes for responsible businesses? Furthermore, how will the legislation change the way in which the Department works with councils? Will that work, as the Minister outlined, be largely in the area of air-quality assessments, or will it be more than that? A third question is on powers of entry. What is the difference between the current situation and the proposed situation? My contribution was essentially to ask three or four questions.

**Mr A Maginness:** I welcome the Bill. The Minister is to be congratulated on introducing legislation that will ease the burden on businesses throughout Northern Ireland. Of course, that chimes very much with the Executive's commitment to building a prosperous and united community, and it also chimes with their attempt in the Programme for Government to prioritise growing a sustainable economy. Of course, if businesses are hampered by over-regulation, they will not prosper. All of us in the House want to ease the burden on businesses, so the Minister is to be congratulating for introducing the Bill and for advancing the Executive's priority to grow a sustainable economy. In any society, of course, regulation is needed. That is just a sad fact of life, but we also need to look at whatever regulation we have, particularly in the environmental field, to see where we can in reduce it. The legislation is, I think, a valiant attempt by the Minister to do that. The Bill, which hopefully will become an Act, provides a framework by which regulations can be introduced that achieve the objective of relieving that burden. It is important that we take into account the genuine, honest and legitimate complaint of business that finds environmental regulations complex, inflexible, incoherent and time-consuming. We have a duty as legislators to address the issues that businesses have quite properly highlighted to government.

The public consultation responses are important for us to take into consideration when the Committee, which works tremendously well under the chairmanship of Ms Lo, looks carefully at the detail of the legislation. It is a Committee that takes its responsibilities very seriously, and it will in due course scrutinise the legislation to see whether it can achieve the objective that the Minister has set. We will look in particular at the environmental powers of entry, which are important, as is the

environmental permitting system. Those are two good steps forward.

The Bill will also amend the Clean Air (Northern Ireland) Order 1981 and provide for a new streamlined method for listing authorised fuels and exempted fireplaces for use in smoke control areas. It may not be the most exciting piece of legislation, but it is practical and important for people. It will also amend the Environment (Northern Ireland) Order 2002 to remove the requirement to make further assessments of air quality in air-quality management areas, again reducing the burden. It will also amend the Water and Sewerage Services (Northern Ireland) Order 2006 to transfer responsibility for the regulation of drinking-water quality from public supplies from the Department for Regional Development to the Department of the Environment.

### 1.15 pm

I welcome in particular the Minister's emphasis on a code in relation to the environmental powers of entry. A code is a very important and helpful initiative. It is important that we look at that and make sure that the code is robust and helpful to all involved — in particular, businesses and organisations that are affected by the right of entry. The environmental permitting system is a wide range of activities and involves the management of waste or cause of emissions that have the potential to pollute the air, water or land, which must have a permit or licence issued by the Department or, in some cases, a district council to carry out operations. Again, these might not be the most exciting activities, but, nonetheless, they affect ordinary businesses and it is important that we get them right. This is a good step forward in doing that, which I welcome. It is important that the House backs any efforts to do that.

There are balances to be struck between environmental protection and the growth of the economy, and, through the Bill, the Minister is striking the right balance. Over-regulation delivers bad outcomes; there is absolutely no doubt about that. Indeed, under-regulation can deliver bad outcomes as well. It is a balancing act, and we have to get the balance right. Regulation needs to be focused on real risks and designed so that it actually protects the environment by supporting the good guys and going after the bad guys. I do not know whether the Minister sees himself in the role of a sheriff, but maybe the Environment Committee can be the posse assisting the sheriff in carrying out his role.

The Bill streamlines the regulatory system and makes it easier to understand, which is important. People sometimes see the regulations and so forth as incomprehensible. It is like finding a needle in a haystack, and they ask, "What is the purpose of this?". If we make the regulations understandable and free up resources to focus on businesses that are non-compliant — let us face it: there are businesses that do not give a hoot and are non-compliant, and it is important that they become compliant — the result will be good for the environment, good for employment, which we all want, and good for prosperity, which we dearly desire and need in Northern Ireland. That is demonstrated by the support that the Bill is receiving from the environment sector and all the good organisations that are sensitive to the needs of our environment. At the same time, it is important that the Bill attracts support from the business sector. If we have those two important sectors in tandem, that bodes well for the Bill.

I welcome the Bill and its underlying principles. I look forward to the work of scrutinising the Bill and perfecting the legislation in the autumn.

**Mrs Overend:** I rise on behalf of the Ulster Unionist Party to support the progress of the Environmental Better Regulation Bill at this stage. I commend the Minister on his ideal of providing a better environment and a stronger economy. I agree with the broad thrust of what the Bill tries to do: to provide a more streamlined and effective regulatory system for businesses and regulators. Much like the changes proposed for planning a few years ago, the Bill will, hopefully, lead to a more harmonised and more easily understood regulatory framework.

The current system is functional but does little to actively encourage innovative and efficient operation. In fact, the complexity of the current legislative framework is beyond the means of many ordinary businesses. I welcome the fact that the Bill looks to rationalise the system. I particularly welcome the fact that it seeks to introduce the legislative framework for any new regulations in order to make it easier for businesses to understand the legal requirements. Greater recognition of what is necessary to comply will lead to a reduction in red tape and bureaucracy, something that the Ulster Unionist Party strongly believes in. In fact, in discussions over the years with businesses and through my work on the Enterprise, Trade and Investment Committee, a comment that I hear from businesses time and time again is how regulation, bureaucracy and red tape limit their ability to grow and develop.

Businesses say that they keep needing to go back to the regulations to ensure that they are meeting them. Simplifying the process and making it easier to understand and comply with is very welcome. I also welcome the fact that this is a better system for businesses and still helps the environment. We are reassured by the words from the Minister that environmental protection standards will not be weakened or compromised by the proposals.

I noted the Minister's brief comments on the proposed process for Part 3: the amendments to the Clean Air Order. Am I right in saying that looking to reduce bureaucracy for businesses will, in turn, increase bureaucracy for the Department? Maybe he will address that.

I note the reference to a new method for listing authorised fuels in smoke control areas. This is an issue that I would like to pay a great deal of attention to, especially in light of the flawed proposals to ban a range of solid fuels, even in non-smoke control areas. I note, however, that further details on how the new system will work in practice will be provided only when further consultation on the environmental permitting regulations is carried out. Does that mean that the Assembly is being asked to pass primary legislation without key details? The Minister talked about further consultation being carried out afterwards. I find that strange: consultation should be carried out beforehand. As the Chair of the Committee mentioned, at this stage of the legislation's progress, we do not have the regulations or code of practice in our hand. I share the Chair's concerns.

I welcome the progression of the Bill and look forward to scrutinising it further in Committee. I commend the Minister on the rationalisation of environmental law. It is good to see, especially in times of reduced cash in our hands. If it will save money for the Department, it is welcome. I support helping businesses to invest and grow while ensuring a good environmental regulatory process and good environmental protection.

**Lord Morrow:** The Chair of the Committee got it fairly right — she does not always get it right — when she told us that this is more of a skeleton Bill than anything else. It is hard to see where the real meat and content are.

However, as it has to go through Committee Stage, we will hopefully get a better understanding then of what exactly the Bill is trying to do. Quite frankly, when I look at it and read the explanatory notes, I am not sure that they enlighten us greatly. Leave it to the Committee, and we will enlighten the Assembly when it comes to that stage. I know that we will

have Mr Maginness's support on that, because he will want to get his teeth into it, as will the rest of us.

There are issues that I want to make some brief comments on. Maybe like Mr McElduff I will pose a few questions, rather than making comments. The Bill promises to do some wonderful things that, on reading through it, I am not sure it will deliver. I have some real concerns about its modus operandi. It states that the options considered for Parts 1 and 2 are:

*"General Environmental Regulation & Powers of Entry and Associated Powers".*

That sounds very highfalutin, and I am not sure that it tells us very much. It goes on to refer to amendments to the Clean Air (Northern Ireland) Order 1981 and in Part 4 to amendments to the Environment (Northern Ireland) Order 2002. I suspect that, at the end of the day, when all is said and done, the consumer will pay, as they always seem to have to.

There has been a lack of enforcement in the past against those guilty of some of the most horrendous crimes in the disposal of waste that pollutes our waterways and air. I am sure that Members will recall vividly that quite recently a large quantity of waste material came across from the Irish Republic and was dumped in Northern Ireland. To this day, I have not been made aware of the cost of that. I have never been made aware of the damage that it did to the environment. More particularly, I would like to know what damage, if any, it did to our drinking water system. It has to have impacted on it in some way.

Someone said that some of those who damage our environment come from big businesses; I think the phrase used was that they "do not give a hoot". In the past, Departments have not been guiltless in this either. When I look at some of the damage that has been done to some of our rivers and watercourses, I see that it has very often been the result of actions by Departments. I will now pose a few questions to the Minister. Will his Bill take all that on board? Will his Bill increase the powers to deal with that sort of behaviour? One of our greatest natural resources is our rivers, and they are sometimes the least looked after. Those of us who use rivers for whatever purposes value them greatly, whether we have an interest in angling or in some other activity that takes us there. It really grates on us to see the pollution that sometimes goes into our rivers and the destruction that it causes, particularly to fish life. The angling fraternity has become one of the

greatest custodians and protectors of our watercourses.

The Minister has to also tell us about this as we go along, and perhaps we will be able to tease it out anyway when we go into the Bill in greater detail during its Committee Stage. We can improve on the Bill. I think that, when it gets it, the Committee will bring back to the House a Bill that is much fitter for purpose and much more able to do what it is supposed to be designed for.

I think that when the Minister is winding up he will want to tell us about proposals for a solid fuel ban in areas. If that is a proposal, I hope that you will tell us what that will cost the consumer. If that is not the case, it is welcome, and I hope that you will be able to tell us that.

I look forward to working with the Committee as we scrutinise the Bill. I am sure of this: when it comes back to the House at a later date, we will have something that is quite different from what we have today. I hope that that will be the case.

**1.30 pm**

**Mr Principal Deputy Speaker:** I call the Minister of the Environment. Sorry, I call Mr Ian McCrea.

**Mr I McCrea:** Thank you, Mr Principal Deputy Speaker. I am not sure whether I was getting promoted or the Minister is now demoted. Mr Maginness referred to the Minister as the "sheriff": the only sheriff that came to my mind was Sheriff Woody from 'Toy Story'.

**Mrs Cameron:** There are similarities.

**Mr I McCrea:** There are. He has the length and is a bit strangly. Nonetheless, as things progress, we will see what kind of sheriff he turns out to be.

I join my colleague in agreeing with the Chair of the Committee that the Bill is just the bare bones of a Bill — I think that the Minister would also accept that — and does not have the required detail. It is a regulatory Bill, so I can, in a sense, understand that. More of the detail will come as it goes through Committee. It is important that we get down to the nitty-gritty, the detail and what it means. There are many concerns across our business community that there is too much red tape, and I do not think that anyone can deny that. No matter what we do — my colleague referred to this — we need to ensure that the consumer does not pay.

That is an important aspect. I may be being cynical, but the costs tend to find their way down to the consumer and they have to pay. It is important that we do anything and everything that we can to ensure that that is not the case.

Those of us who have been in local government will be more than aware of the regulations that environmental health officers have to endure. They have to go out into the community, especially to businesses, and deal with them. I suppose that it comes down to the aspect of enforcement. Many have had concerns about the lack of enforcement, and I know that the Chair referred to that in a personal capacity as a Member. It is important that the Minister addresses that matter and tells the House how he plans to tackle enforcement.

The Minister said that, since he had become Minister, he had set out to have better regulations and that it was something that he had a passion for. Until we see the detail, we will not be able to see whether that is the case. As Mr Maginness said, there is no doubt that there is over-regulation. For the sake of our economy and our businesses, it is important that we get the right level of regulation. I do not think that anyone expects there to be no regulation, but, whatever the outcome when the Committee gets its teeth into the detail, I have no doubt that, as other Members have said, we will have something that is better for our businesses, which, in turn, will be better for our economy. But it must have the sole focus of ensuring that the consumer does not pay.

Like others, I look forward to scrutinising the Bill when it comes to Committee. No doubt, as he always has been, the Minister will be willing to work with us and at least consider our wiser counsel on some of these matters.

**Mr Durkan:** I am grateful to the Chair of the Environment Committee and to Members from all sides of the House for their consideration of the Bill and their contributions to the debate. Their comments have, as always, been most valuable.

I would like to respond to issues that have been raised. I can assure Members that I will also read the Hansard report of the debate to ensure that I have not missed any issues. If I find that I have, I will write to the Members concerned. If I do not find the issues that I have missed, please feel free to come and remind me of them.

Ms Lo was first to respond. I very much welcome her support for the Bill and the rationale behind it. She gave a synopsis of the

Committee's involvement to date. I look forward to the Committee's continued and intensified involvement, and I pledge to work with it to get the best better regulation Bill that we can.

With her Committee Chair hat off, Ms Lo outlined the need for the legislation from the perspective of environmental groups as well as of businesses. Let me assure Ms Lo that, over the next couple of months, I intend to work with my staff, NGOs and DARD to ensure that the ethos and enforcement of environmental protection is at the heart of the new Department.

Mrs Cameron's contribution was also very welcome. She made the very important point — I picked it out specifically — that the Bill will not dilute environmental regulation.

Mr McElduff said that the Bill appeared to him to be very technical in character. I can assure the Member that there was an awful lot of streamlining, not just in my speech but of my speech. I took it from 26 pages to 16. Initially, this is essentially a desk-based exercise, the benefits of which will be apparent to and welcomed by those who are regulated, many of whom — Mr McElduff will be aware of this from a rural perspective — feel overburdened and over-regulated. It will ease the pressure on good businesses by reducing the number of permits and licences that they need to apply for. That will not reduce the height of any environmental hurdles that businesses need to clear, but it will reduce the number of them and will ensure that there are not loads of hurdles very close together, one after the other, that businesses and individuals find extremely difficult to navigate.

The Member asked a question on powers of entry. Currently, powers of entry are spread over 60 or 70 pieces of legislation. I was just chatting to one of the officials in the Box who showed me his warrant card that lists the specific pieces of legislation that he has powers of entry under. There are other officials, I am sure, who have much bigger cards, and some who practically have books giving their powers of entry. The Bill will also give greater clarity to those who are regulated when an official lands to carry out an inspection and says under what piece of legislation he is there.

Mr Maginness made a good contribution. It was very supportive, as always. However, I have to say that I am very sorry that he does not find the issue of permitting and registration particularly exciting. While it is hardly as dramatic as an episode of 'Eastenders', it is an

area that affects many people and many businesses.

Mrs Overend made a good contribution as well. She focused — as I suspected she might — on the issues around clean air. It was an issue raised by Lord Morrow as well. First, I assure the House, again, that there are no proposals to ban fuels of any type. The first part of a cross-border study has been carried out. A report has been shared with stakeholders. It has also been available in the Assembly library for over a month. I do not know if any or how many Members have availed themselves of the opportunity to actually read it.

**Mrs Overend:** Yes.

**Mr Durkan:** I am glad to hear that. The Member has read it, yet still thinks that there are proposals to ban certain fuels. This is not about taking fuels off; this Bill is about allowing new fuels to be added, and it is exclusive to the controlled zones. She was a wee bit concerned, as were other Members, about a lack of detail. We are only at Second Stage. Lord Morrow was so concerned that he described it as a "skeleton Bill". I look forward to working with the Committee to put more flesh on those bones.

The Member also expressed concern that the consumer will pay. This is about aiding consumers. This legislation and its implementation will ensure that the type of major and heinous environmental crimes that he talked about are much less likely to occur, and certainly much less likely to go undetected. I also concur with the Member on the role that the angling fraternity plays as custodian of some of our rivers. Mr McCrea made a good contribution as well. I have to tell him that I would much rather be compared to Sheriff Woody than the Sheriff of Nottingham. *[Laughter.]* I would also like to assure the Member, the House, environmental groups and businesses that, 'You've got a friend in me'. *[Laughter.]* Again, I would like to thank Members for their contributions to the debate on the Environmental Better Regulation Bill and for the questions and issues that they have raised. To conclude, as I said earlier, there are balances —

**Lord Morrow:** I thank the Minister for giving way. I just want to make a correction. It was remiss of me not to declare an interest in that I am a member of an angling club.

**Mr Durkan:** I thank the Member for that intervention and declaration, although, from

what I hear, he is not that good at it anyway. *[Laughter.]*

**Mrs Cameron:** You've not got a friend in him. *[Laughter.]*

**Mr Durkan:** As I said earlier, there are balances to be struck between environmental protection and growth of the economy via reductions in regulatory burdens on businesses. I believe that this Bill strikes the right balance. I fully understand that we all need to be sure that it does and I am committed to considering the views of Members to ensure that we arrive at the best possible package of measures.

I and my officials look forward to working closely with the Committee for the Environment as it begins the detailed scrutiny of the Bill, which, I have no doubt, will prove to be equally valuable. I commend the Bill to you.

*Question put and agreed to.*

*Resolved:*

*That the Second Stage of the Environmental Better Regulation Bill [NIA 55/11-16] be agreed.*

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

**Mrs Foster (The Minister of Finance and Personnel):** I beg to move

*That the Budget (No. 2) Bill [NIA 53/11-16] do now pass.*

The passing of the Final Stage of the Budget Bill by the Assembly will facilitate legislative cover for Departments and other public bodies to deliver services in this financial year. I must emphasise again the critical importance of this legislation completing its passage through the Assembly.

I have listened with interest to the debate over the last few weeks. It is a debate that has covered many important issues, not only relevant in the current financial year but for the future of Northern Ireland. I thank everyone who has contributed and, once again, place on record my thanks to the Committee for Finance and Personnel for its role in ensuring that this Bill could pass through the Assembly via accelerated passage. The Committee plays a vital role in the scrutiny of the Executive's draft Budgets and I welcome its continuing work in this area as we look ahead to setting the Budget position for the coming years in the autumn.

The timing of the Executive's next Budget will depend on when the UK Government complete their spending review for 2016-17 and beyond. Regardless of the timescales that are involved, I look forward to constructive engagement with the Committee for Finance and Personnel in the deliberation on our next Budget.

Returning to this financial year, Members will be aware that this Budget Bill is not the end of the budgetary legislative process. There will undoubtedly be, as indeed there are every year, substantial changes agreed to departmental budgets through the Executive's monitoring rounds.

All in-year changes will then be reflected in the spring Supplementary Estimates, which are usually brought to the Assembly in February. I expect that the legislative process will be no different this year. However, as I have repeatedly said, the uncertainties about our Budget position are much more severe than usual due to the lack of agreement on implementing welfare reform, which puts in jeopardy the financial flexibility included in the Stormont House Agreement.

**1.45 pm**

We must find a way to address these issues. The alternative is swingeing cuts to departmental resource budgets in this financial year and much more pain to come. The reductions, for example, to our resource departmental expenditure limit (DEL) budget to offset welfare savings not achieved are estimated to increase to nearly £200 million next year, some £283 million in 2017-18 and rising to £366 million in 2018-19. We will also be faced with significant costs in developing new IT systems to deliver welfare payments here. Furthermore, the procurement of such systems before the existing ones become obsolete will be a huge challenge. All that is well known but worth reiterating to remind Members of the critical importance of us all doing our level best to find a solution to the current impasse. The alternative is simply not workable.

Another unwanted implication of not implementing welfare reform is that all elements in the Stormont House Agreement fall, including the commitment to devolve corporation tax powers to the Assembly. As Members will be aware, this issue is close to my heart, and I have been championing it over the years in my role as Enterprise Minister. I firmly believe that we must not and cannot afford to lose the huge opportunity that it presents us with. Ulster University's Economic Policy Centre estimates that a reduction in our rate of corporation tax to 12.5% could generate some 40,000 additional jobs here by 2033, on top of everything else that is going on. That is equivalent to an increase in economic output of around 10%. That is the size of the prize that is in front of us.

Mr Principal Deputy Speaker, I am aware that I have strayed somewhat from the Bill, but it is important that we do not forget the bigger picture. The Budget Bill, which I hope that Members will support again today, does not exist in a vacuum. It is important to our financial cycle and the principal mechanism through which the Assembly can hold Departments to account for their expenditure. However, decisions that we take in this financial year will have profound and wide-ranging consequences not just for us as an Administration but for all the people of Northern Ireland. With that in mind, I ask Members to support the legislation and pass the Final Stage of the Budget (No. 2) Bill.

**Mr D Bradley (The Deputy Chairperson of the Committee for Finance and Personnel):**

Go raibh míle maith agat, a Phríomh-LeasCheann Comhairle. As previously outlined, the Bill makes provision for the balance of cash and resources required to

reflect the departmental spending limits in the 2015-16 Main Estimates.

As the Chairperson indicated during the previous debate, the Committee agreed, under Standing Order 42(2), to grant accelerated passage to the Budget Bill on the basis of having been consulted appropriately on its expenditure provisions. It is imperative that the Department meets the requirement for appropriate consultation on each occasion, given the importance of such Bills progressing through the Assembly before summer recess.

During the remainder of the Second Stage debate last Wednesday, mention was made of the Committee's decision to grant accelerated passage to the Bill. To ensure that everyone understands fully the basis for the Committee's decision, I will, with your permission, Mr Principal Deputy Speaker, take a few moments to provide further background and explanation.

Members should be clear that the briefing from the Minister on 17 June marked the culmination of a process of engagement between the Committee and DFP on the Budget for 2015-16. That process commenced in November 2014 and included a series of written briefings and oral hearings to inform the Committee's coordinated report on the Executive's draft Budget, which was published on 17 December. The report included recommendations on strategic and cross-cutting issues, as well as reflecting the positions of each statutory Committee on the draft budgets at a departmental level.

The Committee recognised in its report that, despite DFP's best endeavours to gain Executive agreement on the draft Budget 2015-16 earlier, circumstances had resulted in a truncated budgetary process with considerably less scope than normal for input by the Assembly and, indeed, by the wider public. In that regard, the Committee highlighted its concerns about the resultant time pressures and absence of detailed information on some key issues during the draft Budget process.

Following publication of its report, however, the Committee undertook a programme of follow-up engagement and scrutiny, including, for example, the following dates on which relevant issues were considered: on 12 January, the Committee led a take-note debate on the draft Budget; on 19 January, there was a ministerial statement on the final Budget; on 21 January, there was a briefing from DFP on the final Budget and outcomes; and on 27 January, there was a plenary debate on the final Budget. That was followed on 25 February by a briefing

from DFP on the Northern Ireland Civil Service voluntary exit scheme; then, on 11 March, we had a briefing from DFP on its response to the Committee's report on the draft Budget. On 10 June, a briefing was received from the head of the Civil Service, as chair of the public sector workforce restructuring steering group, on the voluntary exit schemes. Finally, on 17 June, there was a ministerial briefing on the Main Estimates and the Budget (No. 2) Bill.

It is undeniable, therefore, that a significant process of consultation with the Committee took place on the Budget for 2015-16. While the Committee was forthright in pointing out the shortcomings and in seeking assurances, it nonetheless recognised the particular circumstances around the process. A balanced decision was therefore taken by the Committee to grant accelerated passage to the Bill on this occasion.

On the theme of continuing to press for better information on budgetary issues, I reiterate the Committee's desire to gain some clarification on the savings from the voluntary exit schemes. During recent evidence sessions, the Committee pressed senior officials to provide further detail on each Department's projected savings from the voluntary exit schemes that have been factored into their pay bill budgets for 2015-16. Indeed, the Chairperson also asked the Minister to clarify the position during last week's Second Stage debate.

However, in her concluding remarks on the debate, the Minister stated:

*"the expected quantum and spread of savings from the scheme across the Departments is being calculated by the working group under the leadership and chairmanship of the head of the Civil Service. It will be available shortly." — [Official Report, Vol 106, No 3, p 21, col 2].*

She went on to add:

*"Of course, the savings that were to be generated from the voluntary exit scheme have already been put into this Budget." — [Official Report, Vol 106, No 3, p 23, col 1].*

Given that projected savings have already been accounted for in the Main Estimates and budgets for each Department, it is difficult to see why figures are not readily available. That raises a number of questions. First, do Departments not know what pay-bill savings they have built into their budgets? Secondly, if Departments have these figures, why has DFP

not collated them, given its central monitoring role?

Thirdly, how might the departmental budgets reflected in the Bill be altered by the further calculations being made by the group led by the head of the Civil Service? Perhaps that is something that we will finally receive some clarity on today, notwithstanding the work by the head of the Civil Service on refining the figures.

I think that it is fair to say that, while the absence of that strategic information to date may reflect the particular circumstances of the 2015-16 Budget, it underlines the importance of facilitating Assembly scrutiny. By being enabled to undertake more effective oversight of the Executive's Budget and expenditure, the Assembly could easily add further value by helping to ensure efficient and effective delivery of the Executive's strategic priorities. Indeed, as you are, no doubt, aware, the Committee has carried out a review of the financial process, and its main outcomes have been referred to in speech after speech during Budget debates here by me and, more particularly, Mr Cree. We have, however, seen little change on that front. Perhaps the Minister will take the opportunity to give us her view on where she sees the review of the financial process going — if it is going anywhere.

We need a focus on strategic and cross-cutting finance issues. That will be important in the remainder of the current financial year, both in implementing the 2015 Budget and in looking forward. Regarding the challenges that lie ahead for the remainder of the financial year, Committees will need to be facilitated to undertake regular, timely and effective scrutiny of the financial forecasting and performance of their Department. They will also need to examine the impact of any further budgetary reductions that may arise from decisions by the Westminster Government. As we know, some of those are imminent. Regular scrutiny by Committees will, no doubt, help ensure that no moneys are returned to the Treasury as a result of underspends, beyond the thresholds agreed in the Budget exchange scheme, and that retrospective action will not be needed to regularise any excess expenditure.

Looking ahead and subject to a resolution of the more immediate sticking points, it would be useful if the Minister could clarify some further issues. What is the time frame envisaged for the next UK spending review? What local Budget process might flow from that? Is the next spending review likely to set ceilings for a multi-year Budget as we move into the next

mandate? How might the proposed reduction in the number of Departments be factored into the next local Budget process?

Clearly, the immediate focus has to be on reaching the necessary agreement to see this Budget implemented. However, we must also be mindful of the process that will need to be followed for the 2016-17 Budget and even beyond. It would therefore be useful if the Minister could at least outline the indicative timetable for the next Budget process. In that regard, it will be important that the lessons of the 2015-16 Budget process are learned. That will mean the Executive building up —

**Mr Principal Deputy Speaker:** I am afraid that I must interrupt the Member, as Question Time begins at 2.00 pm. I will call him again after Question Time.

**Mr D Bradley:** Mr Principal Deputy Speaker, if you allow me one more minute, I will finish.

**Mr Principal Deputy Speaker:** Question Time commences at 2.00 pm. The Member will be called again after Question Time. I ask the House to take its ease while we change the Table.

*The debate stood suspended.*

2.00 pm

(Mr Speaker in the Chair)

## Oral Answers to Questions

### Finance and Personnel

#### Austerity: IMF Memorandum

1. **Ms Fearon** asked the Minister of Finance and Personnel for her assessment of the recent International Monetary Fund memorandum warning western Governments against what it termed "needless austerity". (AQO 8532/11-15)

**Mrs Foster (The Minister of Finance and Personnel):** There are three points, for me, from the IMF report. The first is that a high level of public-sector debt represents a burden on the economy that must be dealt with. However, it is the pace of repayment that is in question, and, in that regard, the United Kingdom has room to manoeuvre. In such circumstances, rushing to pay down debt could be the worse of two evils. The report reaffirms my view that debt should be tackled but in a way that reflects the circumstances of all the United Kingdom regions.

**Ms Fearon:** Go raibh maith agat, a Cheann Comhairle. I thank the Minister for her answer. Does she agree that, aside from being harmful, continued cuts to our block grant by the British Government are not only needless but counterproductive?

**Mrs Foster:** The deficit has to be dealt with, and, as part of the United Kingdom, we have to play our role in dealing with it. The deficit peaked at £153 billion, which is around 10·2% of national income, in 2009-2010. That was clearly unsustainable. Therefore, if the Member reads the IMF discussion paper that she referred to in her question, she will note that debt has to be tackled. Where I may differ from the Chancellor and his plans slightly is that I believe that, when you are dealing with debt and the deficit, you need to have concern and regard for all the regions of the United Kingdom. I have commented previously that you do not just look at London and the south-east; you have to have regard to all the other regions of the United Kingdom. That is where we need to focus our discussions with our national Government, the Chancellor and the Chief Secretary to the Treasury.

**Mrs Hale:** The Member opposite is clearly and sadly not aware of what is happening in Greece, which is a very real example of austerity. Will the Minister agree that that alone is a reason why we should live within our means?

**Mrs Foster:** The Greece situation is very worrying for a number of reasons. It points to the issue that the Member has raised in relation to just avoiding dealing with national debt. You cannot do that; you have to grasp the nettle and deal with the deficit and the debt. In relation to Greece in general, there are certainly worrying times ahead because, if Greece exits the euro, as looks increasingly likely, that will lead to a time of grave uncertainty for the eurozone. Thankfully, we are not in the euro. That gives us some protection, but that will be of no comfort to our exporters who are exporting to the European Union generally and to the eurozone in particular. There are worrying times ahead, particularly for our exporters, and we will do all that we can to support them in the knowledge that there are difficult times ahead.

**Mr Attwood:** This morning, the High Court in Belfast ruled that the Executive had a legal duty to adopt an anti-poverty strategy, that they had not done so and that they are in breach of their legal obligations. Will the Minister, if not now then soon, perhaps by written statement, advise Members of the consequences of the High Court ruling in respect of ongoing budget and welfare issues, not least in the context of what may happen on 8 July and how that might impact on people who are deemed to be poorer in Northern Ireland?

**Mrs Foster:** I thank the Member for the information. I was not aware of that court case, and I am sure that the First Minister and deputy First Minister, who have policy responsibility for that issue, will come to the House in due course after they have had a chance to consider the judgement. In relation to poverty in Northern Ireland, I want to say to the Member that his continued refusal to implement welfare reform proposals in Northern Ireland will lead to an awful lot of people being in very difficult circumstances right across Northern Ireland in terms of public services. He should not lecture me about dealing with those in poverty: he should try to stop people going into poverty.

**Mr Cree:** The Minister referred to the IMF report. It is important to note that it also states:

*"Inherited public debt represents a deadweight burden on the economy,*

*reducing both its investment potential and its growth prospects."*

Does the Minister agree with that?

**Mrs Foster:** I do, and I am glad that the Member referenced that. I tried to reference it in my substantive answer because it is very clearly the case. You may recall that, at first, the IMF criticised the Chancellor of the Exchequer for the way in which he was dealing with the deficit and then had to apologise for that criticism. Afterwards, Christine Lagarde said that there was, in fact, no single way to deal with the particular issue that she was talking about. There are different ways to deal with the issues, and it would be wrong of us not to recognise that the deficit has reduced to over £70 billion from a high of £153 billion. That is important, and we need to recognise it. However, we also need to recognise that different regions of the United Kingdom have different needs, and that is where we really need to push ahead with the Chancellor and the Chief Secretary to the Treasury.

**Mr Speaker:** I inform Members that question 6 has been withdrawn.

## **Expenditure: Control Limits**

2. **Mr Allister** asked the Minister of Finance and Personnel how she plans to keep expenditure in 2015-16 within HM Treasury control limits. (AQO 8533/11-15)

**Mrs Foster:** The Executive Budget for 2015-16 is predicated on the full implementation of the Stormont House Agreement. I now expect all parties to follow through on the commitments given in that agreement, including the implementation of welfare reform.

**Mr Allister:** Perhaps the Minister would take a moment to explain to the House the significance of the Treasury control limits. Can she explain how monitoring the implementation of the Budget, which she has to measure against the allocations, can be done authentically when the allocations are themselves inflated by £604 million? Will the Treasury acquiesce in that?

**Mrs Foster:** As the Member is aware, I met the Chief Secretary to the Treasury two weeks ago, when we had the opportunity to talk about those issues. At that meeting, he made it clear that there would be no extra money and that we could not breach our control totals. The Treasury has not made it clear what it will do if

we breach our control totals because, first and foremost, it is a matter for and a responsibility of the Executive to live within our means — the money that has been allocated to us.

As I said to the Member during the Budget debate last week, if we have no welfare reform, we have no Stormont House Agreement, no Assembly and no Executive. Therefore, we will not come to a situation of trying to deal with the situation that he mentioned — how we measure against those allocations or how we deal with that issue — because the Assembly cannot continue with a Budget that seeks to deal with that size of cut to the public sector and we would not be able to proceed. Therefore, it is imperative — I will, no doubt, say this many, many times during the Budget debate today — that welfare reform and the full Stormont House Agreement are implemented.

**Mr Ross:** I note that the Minister visited her Welsh counterpart last week. Although the Welsh do not have to grapple with the difficulty of welfare reform, I wonder whether she learnt any lessons from them about novel approaches to budgetary issues. Do any of the other regions across the United Kingdom have different approaches from ours, and are there lessons to be learnt from them?

**Mrs Foster:** I thank the Member for his question. I had a very constructive meeting with my counterpart in Wales. She mentioned welfare tangentially, insofar as she said that she was not looking for welfare powers to be devolved to Wales, which is possibly very wise.

We had a very useful discussion about the Barnett formula and how the Welsh feel that it is working for them. Of course, under the Barnett formula and in relation to funding, they are worse off than we are in Northern Ireland. They want to look at how they can bring in an element of need. We discussed that very issue in the Chamber last week when debating the Committee's report on the Barnett formula.

We had a good discussion about how we could engage more with the public generally on financial matters so that they are aware of the decisions that have to be taken on a fixed Budget. How do you decide on your priorities, and how do Departments decide what is very important to deal with? It was a very good engagement, and it is one that we will continue with.

**Ms McCorley:** Go raibh maith agat, a Cheann Comhairle. Gabhaim buíochas leis an Aire as a freagraí go dtí seo. Thank you, Mr Speaker,

and I thank the Minister for her answers thus far. Has she considered the implementation of new levies to generate much-needed local finance?

**Mrs Foster:** I do not know whether the Member is suggesting water charges or what she is talking about. Of course, if her party's Ministers want to bring forward suggestions on revenue raising, I am sure that the Executive will give them due consideration.

**Mr D Bradley:** Go raibh míle maith agat, a Cheann Comhairle. Thanks very much, Mr Speaker. I thank the Minister for her answers up to now. During her answer, she mentioned her meeting with the Chief Secretary to the Treasury. Did she receive any indications from the Chief Secretary of the impact on this region of the Chancellor's planned statement?

**Mrs Foster:** The Member knows that, when various members of his party asked that question of the Secretary of State, they got the same answer as I got from the Chief Secretary to the Treasury, which was that we would find out what the implications would be for us on 8 July. The Treasury is not going to tell us what the quantum is before it makes the announcement to the House of Commons on that date. However, I think that we are very aware of the commitments that the Conservative Party made in its manifesto before the general election, so we have a fair idea about the sorts of areas that it is looking at for dealing with further cuts to welfare and other issues.

**Mr Dickson:** I thank the Minister for her answers thus far. Minister, when you are dealing with the current situation and the spending by Departments, you find that there are those that are prudent when it comes to discretionary spending and those that are spending regardless. How do you intend to deal with that?

**Mrs Foster:** I sent a note around Departments, I think about a month ago now, advising them that they should be prudent with discretionary spend and should not commit to further spend that is not necessary and that they have not committed to. It is for each individual Minister who is responsible for his or her own Department to decide what they do about that, but, fundamentally, that will come to the Executive, and we will have a discussion about it. I think it would be very foolish for any Minister to continue to spend without any regard to the situation that we find ourselves in. If the Stormont House Agreement and welfare

reform were implemented, we could continue with our discretionary spend and could continue to deal with the areas of very great need that there are right across Northern Ireland. Again, it comes back to the very fundamental issue that, without welfare reform, there is no Stormont House Agreement and, therefore, the flexibilities that we require to move forward are not available to us.

### **Rate Rebate: East Belfast**

3. **Mr Newton** asked the Minister of Finance and Personnel whether she has considered a rate rebate for business owners in East Belfast as a result of Mersey Street being closed for through traffic. (AQO 8534/11-15)

**Mrs Foster:** Members will be aware that the reason why Mersey Street is closed to most traffic is to facilitate ongoing work by Northern Ireland Water to improve drainage and alleviate the threat of future floods. While I am sympathetic to the issues raised by business owners as a result of ongoing schemes in Mersey Street and on the Castlereagh Road, I am sure that the Member will understand that I simply cannot issue a blanket rate rebate to ratepayers in the area.

**Mr Newton:** I thank the Minister for her comments. I know that she will understand, from her previous role in Enterprise, Trade and Investment, the absolute need of those small businesses that are suffering as a result of the traffic diversion measures that are in place. Is the Minister minded to raise the matter around the Executive table and, perhaps, urge the appropriate Minister to see whether anything can be done to accelerate the scheme and alleviate the problems for the small businesses that are being impacted upon?

**2.15 pm**

**Mrs Foster:** I thank the Member for his comments and question. I am fully aware of what is going on down on Mersey Street and feel a lot of sympathy, because, as I understand it, that scheme was to be finished by the end of May, but, because of unforeseen issues relating to the ground and what have you, it is projected that it will not be completed until December of this year. That is nearly a whole year of businesses having to deal with the issue. I am looking forward to meeting the Member and some businesspeople from the area in relation to the issue. Whilst I cannot issue a blanket rebate, individuals can apply to the district valuer to have their rates looked at. So, if there are particular incidences of hardship, he should,

perhaps, encourage those involved to have a conversation with the district valuer in relation to the specific issue, because it looks as though the issue will be around for some time.

It is not just happening on Mersey Street. There have been other examples. At a constituency level, there are roadworks in Enniskillen, at present. Whilst we very much welcome the fact that works are going on in those areas to deal with issues, sometimes I think that a little bit more thought needs to go into the planning of the roadworks and how we can help businesses while they are ongoing. So, I am happy to mention it to the Minister involved and to raise it at the Executive table.

**Mr Speaker:** I remind Members that this is a specific question in relation to a constituency, so I call Mr Chris Lyttle.

**Mr Lyttle:** I thank the Minister for acknowledging the hardship that has been caused to residents and businesses alike in Mersey Street and, indeed, on the Castlereagh Road. I appreciate her answer about not being able to issue a blanket rate rebate, but will she raise the issue at the Executive table with the Ministers who have responsibility for some of the agencies involved in those works to ensure that any other compensatory schemes that may be available are expedited as quickly as possible?

**Mrs Foster:** As I have already indicated, I will certainly raise it at the Executive table. I think it is a specific issue for East Belfast, at present, but, unfortunately, there may be other cases around Northern Ireland. I absolutely acknowledge that it is good that Roads Service and NI Water are undertaking works in particular areas to alleviate floods, because we remember the damage that was caused a couple of years ago. It is good that the works are taking place, but you also have to recognise that businesses need to function and be able to attract people into them. Therefore, there needs to be a balance and a proportional response to deal with the issue.

**Mr Speaker:** I call Mrs Karen McKeivitt, and I am looking forward to the connection.

**Mrs McKeivitt:** Thank you, Mr Speaker. I, in South Down, have experienced — *[Laughter.]* — some of the issues that people in East Belfast are experiencing. Indeed, they were to do with flooding, even in my constituency office on Newry Street in Warrenpoint. I am letting the Member know that Land and Property Services will not entertain you unless the street

in question has been closed for more than 12 months. Maybe the Minister can take that information to the Executive table, and maybe they will be able to look at that again, because it affects businesses, particularly if a road is closed for a long time. It is not a laughing matter.

**Mr Speaker:** You are pushing your luck.

**Mrs Foster:** I recognise that there has to be disruption for a considerable period before the valuer can look at a new rateable valuation in respect of the small business concerned. That may be somewhat difficult, particularly in the context of the revaluation having just been rolled out this year. However, I think that there is a role to look at how the works are progressing. Could traffic management be dealt with in any other way that would get people to the businesses? Could we involve ourselves in providing more signage? There are other ways to help businesses. I think that we need to look at that matter proactively and innovatively, and not with a closed mind, to help those businesses.

**Mr Speaker:** Mr Robin Swann is not in his place.

## **Barnett Formula**

5. **Lord Morrow** asked the Minister of Finance and Personnel for her assessment of the operation of the Barnett formula in Northern Ireland compared to other regions of the UK. (AQO 8536/11-15)

**Mrs Foster:** The Barnett formula is used by Her Majesty's Government to determine changes in the spending allocations of the devolved Administrations. It is applied uniformly across the United Kingdom, as set out in the statement of funding policy, with devolved Administrations receiving a population-based proportion of changes in planned spending on comparable services in England, Scotland and Wales or Great Britain as appropriate.

**Lord Morrow:** I thank the Minister for her answer. Does the Minister agree that sticking with the Barnett formula is the best way forward here, rather than going to some new untried system? Is there room for improvement in the administration of the Barnett formula?

**Mrs Foster:** I certainly think that the debate last week pointed to some of the weaknesses of the Barnett formula, but it also talked about its strengths. A view was expressed — one that I

probably concur with — that it is better the devil you know. Of course, the Barnett formula gives us certainty and is relatively simple — I use the word "relatively" — and easy to administer, but that is not taking away from the fact that there are difficulties with it. I suppose that, as with any formula that deals with public finances and how that is divvied up against Scotland, Wales and Northern Ireland, there will always be challenges for each of the Administrations. I have to say, though, that we benefit from the Barnett mechanism to the tune of 23% higher than the United Kingdom average. So, currently, we certainly are benefiting from the Barnett formula.

**Mr Murphy:** Go raibh maith agat, a Cheann Comhairle. As the Minister said in her answer, she recognises that there are difficulties with the Barnett formula. She may agree that one of the difficulties is the fact that financial benefits from policy changes in the Executive are not retained by the Executive but returned to Westminster. Does she agree with the recommendation of the Smith commission for Scotland that the result of such policy changes should be retained by the devolved institutions, and has she had any discussions with the Treasury on that?

**Mrs Foster:** I have not had any discussion on that particular issue as yet, but I imagine that we will have discussions around the Smith principles. I am having a meeting with John Swinney in early August, and then we are having a trilateral with Jane Hutt from the Welsh Administration. We will look at where we can coalesce around the difficulties with the Barnett formula, because, obviously, they may have different emphasis on the changes that they want made. If the Member is referring to the issue that we talked about in relation to corporation tax and the fact that, at the moment, secondary benefits are not able to be retained in Northern Ireland, we certainly want to explore that with the Treasury and with the Chief Secretary, because we very firmly believe that secondary benefits should be retained here so that the no-detriment principle of Smith applies to us in Northern Ireland.

**Mr Rogers:** Minister, with respect to your discussions with your Welsh counterpart, are there any particular lessons around the Barnett formula that you would like to bring back to the House?

**Mrs Foster:** Of course, the Welsh are not as fortunate as us in relation to the Barnett formula. They are at a disadvantage because, when the Barnett formula started, they had a

lower baseline, and they have suffered as a result of that. The Welsh are very keen on the idea of a Barnett floor coming into play, so that they do not fall below a certain level. I am quite attracted to that from the terms of what we discussed last week around convergence issues. Of course, in bad times, the convergence does not happen, so we have not seen a convergence happen as yet. However, if the convergence does happen, I think that a Barnett floor would be a useful mechanism. It is something that we will continue to discuss, particularly with the Welsh, but I am sure that the Scots will have a view on that issue as well.

**Mr Beggs:** While some have criticised the Barnett formula, I am of the view that it has been relatively generous, providing an additional £2,000 per head of population and recognising the needs of Northern Ireland. Does the Minister agree that, with the call for further devolution of fiscal powers to regions of the UK, the Barnett formula could come increasingly under review? Will she advise us of her approach to that and her thoughts on how best to protect the needs of Northern Ireland?

**Mrs Foster:** The Barnett formula has not disadvantaged us in Northern Ireland in the way it has Wales, for example. As I indicated, we are 23% better off. If you look at very recent figures, which I talked about in the House last week, we in Northern Ireland received a little over £2,000 more than the UK average per head of population. So, certainly, it has provided us with a good example. However, I anticipate that there will be further discussions in relation to the Barnett formula. Of course, when the Barnett formula came in, it was meant to be only a temporary measure to deal with allocation, and it has been in place since 1978. That just shows you that some things never change; things that come in as temporary measures stay, a bit like income tax. Therefore, we will have a discussion around that, and I am sure that it will form part of the discussion when we are looking at the next spending round.

## **Welfare Reform: Departmental Budgets**

7. **Mr Dunne** asked the Minister of Finance and Personnel for her assessment of the impact the weekly £2 million fine in relation to the non-implementation of welfare reform is having on the budgets of the Executive Departments. (AQO 8538/11-15)

**Mrs Foster:** The delay in implementing welfare reform is already placing additional constraints on the resources available to the Executive. Continued non-implementation of welfare reform will jeopardise the financial package agreed at Stormont House, increasing those constraints. That cannot fail to have a significant detrimental impact on the ability of Departments to deliver public services. The costs of not implementing welfare reform are forecast to escalate significantly in the years ahead, potentially placing further pressure on key public services. Now is the time either for the parties around the Chamber to live up to the Stormont House Agreement or for Westminster to step in and deal with the welfare issue. Doing nothing is simply not an option.

**Mr Dunne:** I thank the Minister for her answers. Will she advise on the impact on the Budget of the non-implementation of the Stormont House Agreement?

**Mrs Foster:** Of course, the implementation of welfare reform is central to the Stormont House Agreement. That point has been made very many times by me and others, not least the Secretary of State, back in March, when she was in the United States. Failure to progress welfare reform casts doubt on the other flexibilities negotiated in the Stormont House Agreement that underpinned the Budget, and that is why it is so fundamental to the Budget proceeding. Key flexibilities included the capacity to use £200 million of reinvestment and reform initiative (RRI) borrowing to fund workforce restructuring this year, the flexibility to repay the £100 million access to the UK reserve in 2014-15, and the £114 million in reductions for non-implementation of welfare reform from the capital Budget. Those are quite fundamental issues and, therefore, there is a great need to have welfare reform implemented as soon as possible.

**Mrs D Kelly:** Does the Minister share my concern in relation to the recent findings of a report by the Office for National Statistics, which said that, on average, the income of an average household here is some £6,000 less than any other region within the United Kingdom? That being the case, as well as the predicted onslaught on working tax credits and child tax credits in 8 July Budget, what representations, if any, has she made to the Department for Work and Pensions?

**Mrs Foster:** It is not my job to make representations to the Department for Work and Pensions. I will make representations, of course, to the Chief Secretary to the Treasury

and the Chancellor in relation to those issues. It is disappointing to note the low level of wages in Northern Ireland. That is, of course, to do with the fact that our productivity has fallen. The way to deal with that issue is to bring more high-value jobs into Northern Ireland, something that we have spent a lot of time engaging in, and to make sure that we have the skills available for our young people so that they can access jobs with higher wages. That is the way to deal with the low-wage economy. We must make this economy more competitive, grow the private sector and engage in more research and development and more innovation so that we can move out of this growing productivity gap between ourselves and the rest of the United Kingdom; something about which, I must say, I am very concerned.

**2.30 pm**

**Mr Speaker:** We will have a very quick supplementary question from our new Member, Neil Somerville.

**Mr Somerville:** The cost of the failure to introduce welfare reform this year is estimated at £114 million. What is the Minister's estimate of the cost for next year?

**Mrs Foster:** The estimate of the cost for next year — 2016-17 — will rise to £196 million. For 2017-18, it will rise to £283 million, and it will rise to £366 million in 2018-19. That is based on the current welfare situation in Great Britain. If that changes — we understand that it will change in the very near future — the gap between us and the rest of the United Kingdom will grow even further.

**Mr Speaker:** That brings us to the end of the period for listed questions. We now move on to topical questions. Question 1 has been withdrawn within the appropriate arrangements.

## **Divided Society: Financial Cost**

**T2. Mr Dickson** asked the Minister of Finance and Personnel for her best assessment of the financial cost of managing our divided society — for example, in the duplication of some services — and to state what plans she has to reduce such duplication. (AQT 2742/11-15)

**Mrs Foster:** Unfortunately, I do not have the precise figures here on duplication, but I know that the party that the Member represents has spent some time looking at the figures for duplication, particularly for housing and education. I am aware of those figures.

Unfortunately, I do not have the specific figures in front of me, but I am happy to have a discussion with the Member about that, because, at a time of a decrease in our block grant, we should address the issue.

**Mr Dickson:** The Minister will no doubt be aware of an Audit Office report today that is highly critical of the Department of Education about duplication in schools. There are some 70,000 empty desks across Northern Ireland. How can the Minister justify that use of public finance, given the difficult times that we are in?

**Mrs Foster:** It is not my job to stand here and defend the way in which the Minister of Education deals with all the sectors over which he has a remit. I am very concerned that new schools are opening in different sectors and pupils are being displaced from existing sectors. That is the reality. We have a fixed number of children, so, if you open new schools with new facilities and everything else, those kids will move to those schools, leaving empty desks at the schools that they have left.

### Funding Returned to the Treasury

T3. **Mr Craig** asked the Minister of Finance and Personnel whether the figure mentioned by the honourable Member for Strangford Mr Nesbitt, who alleged that over £500 million has been handed back to the Treasury in London, is correct. (AQT 2743/11-15)

**Mrs Foster:** Of course it is not correct. In the last four years, the Executive have not lost any resources — not a single resource — that could have been used to fund public services. It appears that Mr Nesbitt has assumed that the underspend in any year represents funding returned to the Treasury, and that is simply not the case. We can carry the majority of funding forward, either under special arrangements in place for the Department of Justice or under the Budget exchange scheme, which happens across the devolved Administrations in the United Kingdom. The only funding that is returned to the Treasury due to underspend is for ring-fenced resource DEL budget for depreciation and impairments that could not be used for anything other than non-cash costs. It could not be used for public services, so Mr Nesbitt is very wrong.

**Mr Craig:** I thank the Minister for that answer, but I have to say that it is not the first time that Mr Nesbitt has got his sums wrong, as we witnessed in Fermanagh in the selection process. Will the Minister outline the accurate figure over the same time period?

**Mrs Foster:** The Member makes a salient point. The ring-fenced resource DEL that was returned for 2014-15 — this is a provisional figure — was £30.3 million. As I said, that is money that we could not spend on public services, so it goes back because it is ring-fenced and connected to depreciation and non-cash issues. So, there is a bit of a difference between that and the figures quoted by Mr Nesbitt in a television studio to someone who could not deal with them because he had never seen them before. It was a cheap stunt, but I hope that the papers and the broadcasters give as much coverage to this answer as they did to Mr Nesbitt.

**Mr Speaker:** Mr Roy Beggs is not in his place.

### Voluntary Exit Scheme: Pensions Branch Capacity

T5. **Mrs D Kelly** asked the Minister of Finance and Personnel whether she can assure the House that, should the voluntary exit scheme go ahead, there is the capacity within pensions branch to facilitate those people who wish to leave. (AQT 2745/11-15)

**Mrs Foster:** There absolutely will be. As she knows, the voluntary exit scheme is reliant on the Stormont House Agreement being implemented, so I am sure that any of her constituents who want to avail themselves of the scheme will very much want her to go ahead and implement the Stormont House Agreement.

**Mrs D Kelly:** With all due respect, my question was just about the capacity in pensions branch. Can the Minister assure the House that pensions branch has the capacity, in staff resources, to deal with the requests?

**Mrs Foster:** Yes, it has.

### Voluntary Exit Scheme: Uptake

T6. **Mr Givan** asked the Minister of Finance and Personnel for an update on the number of civil servants who have indicated their willingness to take up the voluntary exit scheme. (AQT 2746/11-15)

**Mrs Foster:** Overall, 7,700-odd people applied for the voluntary exit scheme across the Civil Service. The Member will know that 1,200 of them received conditional offers, which were sent out towards the end of May. Those who want to accept the offer made to them by the Civil Service have until 5.00 pm to do so.

**Mr Givan:** I appreciate that there are still a couple of hours to go until 5.00 pm, but maybe the Minister can indicate how many, at this stage, have said that they will take up that conditional offer. Will the Minister elaborate on whether the offer is subject to the Stormont House Agreement being implemented? If so, failure to implement it will mean that the civil servants who have signed up for the exit package will no longer be able to avail themselves of it.

**Mrs Foster:** In relation to that last question, the funding for the voluntary exit scheme came from the Stormont House Agreement negotiations, with £200 million from the RRI facility being made available this year. If the Stormont House Agreement is not implemented, that money will not be available to us.

As at 1.00 pm today, of the 1,199 offers that went out — I said 1,200, but one of those was withdrawn before the offers went out — at the end of May, 842 staff had accepted their offers of early exit and 161 had rejected theirs. As I said, those who have not responded have until 5.00 pm to do so. After that, I will give a final update on the numbers.

### **Roadsides, Verges and Central Reservations: Negative Image**

T7. **Mr Moutray** asked the Minister of Finance and Personnel whether she believes that the current overgrown roadsides, verges and central reservations are giving a very negative image of Northern Ireland this summer. (AQT 2747/11-15)

**Mrs Foster:** I totally agree with the Member. The Regional Development Minister has commented in the media on how the Executive's Budget has required him to make drastic cuts to road maintenance activities. However, contrary to what he has implied, his Department's non-ring-fenced resource budget for 2015-16 has been reduced by only 0.6%. That is one of the best outcomes for any Department. So I urge the Minister to look again, particularly at the lack of grass cutting, because, although it is a minor issue in the grand scheme of things, it creates an image that we want to avoid, particularly for tourists to Northern Ireland. We are presenting a very poor image to those who visit our country.

**Mr Moutray:** I thank the Minister for her response. Will she encourage the Regional Development Minister to prioritise his resources in a way that will once again make Northern

Ireland an attractive place to live, to work in and to visit?

**Mrs Foster:** I do hope that he will listen to the Member's points today. As I said, his non-ring-fenced resource budget has been reduced by only 0.6%. By contrast, my Department is having to live with a reduction of 10% to its non-ring-fenced resource budget. It is really a matter for the Minister for Regional Development, and I assume that the Member has already raised the issue with him, and will again, to try to get the matter dealt with.

### **Shackleton Barracks: Exploitation**

T8. **Mr Dallat** asked the Minister of Finance and Personnel whether she is satisfied that putting the former Shackleton Barracks land of 900 acres on the market is the right thing to do and that everything humanly possible has been done to exploit that site for the creation of jobs, given that, although certainly not on her watch, she will be aware that, in the past, millions of pounds were made overnight on the sale of Government land and property. (AQT 2748/11-15)

**Mrs Foster:** I am sure that the Member will be pleased to see that movement has finally come on the Shackleton site. The Executive certainly believe, and I believe, that there is a huge opportunity there to be grasped. We very much hope that the interest that has been shown — I understand that interest has been shown — in the site will now materialise, given the announcement yesterday by OFMDFM. I know that he is pushing hard for jobs to come to that region, and I hope that he, and, indeed, all the MLAs for the region, will work with OFMDFM to make it as attractive a site as we possibly can.

**Mr Dallat:** I thank the Minister for her very positive answer, and I concur totally with her. Will she agree with me that, if a special economic task force had perhaps been set up and a master plan created for the site, we might well be in a better position to exploit what she rightly claims is one of the most magnificent sites anywhere in that part of Northern Ireland?

**Mrs Foster:** I think that there are various ways of how we deal with regional disparities, and I am sure that he is supportive of the fact that the Executive have set up a subcommittee to deal with regional disparities in Northern Ireland, not least in my own area and not least in his area. There are issues that go way beyond a particular site, and the Member's colleague Mr Ramsey made the point just last week that there are issues around infrastructure deficits.

There are infrastructure deficits across Northern Ireland, and we have to deal with them. There is a real need to have — I hope that I am getting the digit right — the A6 dealt with. There is a need to have the A5 dealt with, and, indeed, all the other road infrastructure projects across Northern Ireland. I hope that we can work together on that regional disparities subcommittee to try to deal with much more than just a particular site. We need to look at the whole region.

### **Rates: Non-domestic Revaluations**

T9. **Mrs McKeivitt** asked the Minister of Finance and Personnel how many appeals have been made in relation to the revaluation of non-domestic properties. (AQT 2749/11-15)

**Mrs Foster:** I do not have a specific figure, but I do know that over 1,000 appeals have been submitted to date. I think that that number will continue to grow as other people decide to ask for a revaluation. If we consider the number of revaluations that have taken place, that is not unusual, not forgetting, of course, that this is the first revaluation of non-domestic properties for 12 years. We therefore cannot compare the number of last year's appeals with this year's, as someone in the Chamber has done, because we have not had a revaluation for 12 years. It is important that we look back at the previous revaluation to see how many appeals there were at that time.

**Mrs McKeivitt:** Can the Minister indicate how many of the appeals have been successful?

**Mrs Foster:** We are still at an early stage, and, as I indicated, there are others still coming in. There are some appeals that are coming in in, if you like, a sectoral way. Appeals from petrol stations and forecourts are coming in together. They are making an appeal based on the overall methodology used for petrol stations. We then have small and medium-sized businesses that simply do not accept that their rents have gone up in such a way. I have not seen many coming in because of a reduction yet, so appeals will simply be from those that have seen their rents go up.

**2.45 pm**

**Mr Speaker:** I call Mr Oliver McMullan. I will not have time for a supplementary.

### **Tax Credits**

T10. **Mr McMullan** asked the Minister of Finance and Personnel whether she agrees that there is no evidence of any link between the removal of tax credits for working people and a rise in wages. (AQT 2750/11-15)

**Mrs Foster:** I presume that he is referring to what is being proposed in relation to working people in the Tory party manifesto. We as a party, and I personally, have grave concerns in relation to that. The whole point of welfare reform in general is to get people into work and for them to have all the benefits that flow from being in work. To attack those benefits that help people to get out to work will be a detrimental step in the United Kingdom. I hope that that will be looked at again, even at this late stage.

### **Health, Social Services and Public Safety**

**Mr Speaker:** I inform Members that question 6 has been withdrawn.

#### **Health Service: Treatment Demands**

1. **Mr McNarry** asked the Minister of Health, Social Services and Public Safety to outline the measures used to predict future demand for health service treatments. (AQO 8547/11-15)

**Mr Hamilton:** There are a number of mechanisms by which future demand for health and social care services is predicted. A demographic model is used to predict the likely growth in demand for services over time, as well as the costs associated with this. This model is based on current population estimates, national population projections and current demand for health and social care services. The model considers a range of service areas including acute care, elderly care, primary health and community care, and general medical services.

In addition to this demography model, regular analysis of the demand for a number of specific services is undertaken to identify any gaps in the capacity available to meet this demand and deliver required performance standards. In assessing future demand, the predicted prevalence of diseases such as heart disease, diabetes and cancer is considered, drawing on the findings of national audits and regional and national publications. The development of new technologies has an impact on future demand,

and mechanisms are in place to ensure that UK and international developments, emerging research, new technologies and specialist drugs are considered when planning services.

**Mr McNarry:** As we break for the recess with no questions and, therefore, no answers until September, I thank the Minister for his detail there. He talked of demands. Will he outline the Department's policies for future GP services and the availability of new life-saving drugs?

**Mr Hamilton:** There are two very different questions there. I will do my best to address as much of both of them as I can in the time that is available to me, which I notice from the clock has only just started.

Having spoken with local GPs in our own constituency, I am well aware of the demands on their services. There has been a significant increase in the number of people presenting at GP practices over the last number of years. I accept and acknowledge that there have been difficulties pursuant to that in terms of our GPs and the work that they do. To that end, my predecessor announced a £15 million investment in GP services this year, including some resources targeted at trying to recruit more GPs. A significant portion of that investment was to allow our GPs to modernise and expand their practices. Our GPs, through their various organisations and trade unions, correspond with me on a regular basis. I hope that they will take up the funding that is there to expand and modernise their practices.

The Member also asked about drugs and new drugs. He will be well aware of the financial pressures of around £35 million to £40 million facing my Department. I heard the Finance Minister talk in her final answer about welfare reform and the fact that we are losing £9.5 million a month in penalties to pay for welfare reform. That is not helping me or any other Executive Minister with our budgets. There are obviously processes in place to approve drugs through the National Institute for Health and Care Excellence. A guidance circular was issued in 2013 that requires each new drug to go through technology appraisals and for the board, who are the commissioners of new drugs, to take account of resource issues when they are commissioning those drugs. That also includes —

**Mr Speaker:** I remind the Minister of the two-minute rule.

**Mr Hamilton:** — not just the costs but the costs and benefits of taking something forward.

**Mr Dunne:** Given the increase of meningitis W throughout the United Kingdom, what is the Minister doing to manage the risk of the spread of meningitis in Northern Ireland?

**Mr Hamilton:** The Member raises a very good issue. I talked in my original answer about studying the prevalence of conditions and diseases like heart disease and cancer and using that information to project future need. Sometimes, however, other conditions and diseases can suddenly and very rapidly become problems. Meningitis W is one such disease, and, right across the UK, there has been a sudden, rapid and very worrying increase in the number of cases.

I am sure that Members will be aware of the recent announcement that the meningitis B and meningitis W vaccination programmes will proceed across England and Wales in September this year. There were two reasons why, up to this point, I have not been able to make a similar announcement: I did not have the funds available to do so; and I had not, at that stage, agreed a process to deliver vaccines using the GP network and trusts.

I am happy to announce to the House that, just yesterday, I released funding from my budget to pay for the meningitis B and meningitis W vaccination programmes. I did so in spite of the difficult financial circumstances that I face in my budget, and at some risk, but I am sure that the whole House and community will unite around me and say that it is the right thing to do. That means that the meningitis B and meningitis W vaccinations will go ahead in Northern Ireland from September this year. I am sure that everyone will welcome that good news.

**Mr McKinney:** I thank the Minister. Considering that the main plank of the 2011 Transforming Your Care (TYC) plan was an ageing population with greater need, what formal assessment has been made of that need, and what plans have developed as a result?

**Mr Hamilton:** The Member is right to identify the fact that an older population is putting significant pressure on our budget. I am always very careful, when talking about an ageing population, to say that that is a good thing. It is a great thing that we are living much longer and are able, because of technological and medical advances, to deal with many conditions a lot better than was the case in the past.

Sometimes, when we talk about an ageing population, there is a perception that it is a bit of

a burden on the health service, but most people are living a healthier and happier life. It is not a problem, but there has been a related rise in chronic conditions, and that puts significant pressure on our resources.

The prediction, if you go very far ahead, is that over half of our population will be aged 65-plus by 2061. Even in the short term, between now and 2017, it is estimated that there will be an additional £50 million of recurrent pressures — over £200 million — on our budget. The ageing population and its impact on our budgets is assessed on an ongoing basis. That is precisely why Transforming Your Care, which the Member has a very deep interest in — certainly if the number of questions that he asks me about it is anything to go by — is in place. I accept that it has not been implemented to the extent or at the pace that we would all want, but it was always a longer-term strategy: it was always something that we were working towards over a five-year period. It was always going to be very much dependent on resources being available to us. Obviously, in the intervening period since the launch of that TYC vision, the availability of resources has become an issue. That has had an impact, but it does not lessen the need to continue to pursue TYC and other reforms and transformations of our health and social care system.

**Mr Speaker:** I ask the Minister, so that we can try to get in as many questions as possible, to stick to his two-minute allocation.

## **Northfield House, Donaghadee: Residents**

2. **Mr Easton** asked the Minister of Health, Social Services and Public Safety whether any permanent residents will be forced to leave their home at Northfield House residential care home, Donaghadee. (AQO 8548/11-15)

**Mr Hamilton:** I assure the Member that no permanent residents at Northfield House will be forced to leave their home against their wishes.

I fully appreciate that this may be a worrying time for residents of statutory residential care homes, and that is why I recently wrote to all residents in the affected homes to provide them with an assurance that they would be able to remain in their home for as long as their needs can be safely met there. I stress that no final decisions have yet been made on Northfield or, indeed, on any of the other homes being considered as part of the ongoing regional review of statutory care home provision.

The South Eastern Trust's proposals for Northfield House are subject to public consultation, and no decision will be taken pending the outcome of the consultation process. When the South Eastern Trust's proposals are published for consultation later this summer, I encourage everyone with an interest to make their views known through that consultation process.

**Mr Easton:** I thank the Minister for that answer. If Northfield House closes, what will be the effect on staff?

**Mr Hamilton:** It is worth pointing it out that, whilst it is earmarked for closure and the trust said that it wants it closed, there is a consultation, and we will listen to the responses. The consultation responses will obviously be listened to, and, as I said, I encourage anyone with an interest to make their voice heard through that consultation process. There is no imminent closure because of the promise I gave that no existing resident would be moved against their wishes as long as their needs can be safely met in their current home.

It is relevant to raise staffing, because, whilst we are, I think rightly, focused most on residents in statutory care homes that are earmarked for closure, there is obviously an impact on staff as well. We should also bear in mind the impact that this situation will have on them. My understanding is that 26 staff are working in Northfield to take care of three permanent residents. While staffing issues are primarily a matter for the relevant trust, each trust will have redeployment and workforce planning measures in place to ensure that staff will not lose their jobs and will be used elsewhere as needed.

**Mr Rogers:** I thank the Minister for his answers thus far. Minister, can you give the same commitment to permanent residents in Slieve Roe nursing home in Kilkeel? On a more general point, can you tell us a wee bit more about the specific role of statutory residential care within the old people's model?

**Mr Hamilton:** I am sorry; I did not quite hear the end of that, but I can give the same assurance to permanent residents in Slieve Roe. It is a blanket guarantee, a promise across the board to all residents. That is why I took the decision not only to uphold the commitment made by predecessors but to write to each of the 80 or so residents who are affected by possible closures to make it clear to them all that none would be moved against their

wishes as long as their needs could be safely met in their current care home. That stands, and I hope that it will in the future, no matter who is in this role.

On the general issue, we have to recognise — this relates somewhat to the question asked by the Member's colleague to his right — that the whole area of residential care homes has changed dramatically over the last number of years. I do not mean just in the closure of statutory residential care homes, which is a reflection of a reduction in overall demand for places, whether in the statutory or independent sector. That is because of conscious decisions that people take as they get older to live in their own home environment for as long as they can and as long as their needs can be catered for there. That is something that we should want to see, and most of us would want to take that decision. The system is certainly trying to encourage it, particularly through the implementation of the vision laid out in Transforming Your Care, which is to look at the home as a hub for people and to look after people's needs in the home environment as best we can.

**Mr Cree:** Minister, the people of north Down do not have too much trust in consultations, following recent exercises and, indeed, guarantees. Surely the ban on new admissions is bound to affect the sustainability of that home. Is that a deliberate policy, Minister, and can you guarantee us that your approval is needed before any closure is initiated?

**Mr Hamilton:** I do not think that I can go any further than making a guarantee in writing to each resident, including the three permanent residents in Northfield House in Donaghadee, to make it clear that none of them will be moved against their will as long as their needs can be safely catered for in Northfield House. Obviously, the needs of individuals will change over time. Some may want to move elsewhere, or their care needs will alter and they might be better looked after in a different environment. However, as long as they want to remain where they are and it is safe for them to do so, that is where they will be. That is the guarantee and the promise that I can give. That follows on from what my predecessors put in place, and that is what is there. No one will be forced to leave their home, and no pressure will be placed on anybody to leave their home. I am very clear on that and want to make sure that that is absolutely the case.

The ban on new admissions has probably flowed more from common sense. Given the decisions that were pending on those care

homes, it would not have been the wisest thing to have new admissions, only to then take a decision to close a home and have potential difficulties arising from that. A common-sense decision was taken. Nineteen homes were reviewed. The majority of them will either change their use or will remain in place with admissions opening up. That will mean that, in many cases and in many places across Northern Ireland, the doors will be open very soon and people will be admitted to those homes again.

**3.00 pm**

### **Paediatric Centre of Excellence: Daisy Hill**

**3. Mr Murphy** asked the Minister of Health, Social Services and Public Safety to outline the time frame for the delivery of the paediatric centre of excellence at Daisy Hill Hospital, Newry. (AQO 8549/11-15)

**Mr Hamilton:** It is anticipated that the paediatric centre of excellence at Daisy Hill will be completed by August 2017.

**Mr Murphy:** I thank the Minister for his response; it is very encouraging. As he will know, it is a long-standing commitment from the trust and one that is vital to securing the sustainability of Daisy Hill Hospital. Is he in a position to say whether a paediatric trauma service will be part of the paediatric centre of excellence? That in itself would be a significant asset in a proper centre of excellence.

**Mr Hamilton:** I thank the Member for his question and welcome him back to talking inside a democratic institution for a change. He is right: this is an important development. It assists with the sustainability of Daisy Hill Hospital and ensures that paediatric services in the Southern Trust area are linked up. What is proposed for the centre of excellence at Daisy Hill will link in very clearly with what is happening in Craigavon Area Hospital as well. My understanding is that there will be inpatient services, ambulatory care and outpatient services at the Daisy Hill Hospital and that, unlike the Craigavon Area Hospital, it will have a dedicated paediatric theatre.

I do not have the information about whether a paediatric trauma centre will form part of the centre of excellence, and I will come back to the Member and identify whether that is the case. It is certainly a good news story for Daisy Hill Hospital and its long-term sustainability. More

importantly, it is a good story for the Southern Trust area and paediatric services in that trust.

**Mr D Bradley:** Go raibh milé maith agat, a Cheann Comhairle. Gabhaim buíochas leis an Aire as a fhreagraí. I thank the Minister for his answer and very much welcome what he had to say about the paediatric centre of excellence.

We had a centre of excellence for stroke services in Daisy Hill Hospital, and that has been moved, against the will of the people of Newry and the greater Newry area. Will the Minister undertake to review that decision with a fresh and open mind?

**Mr Hamilton:** I am aware of the removal of some stroke services from Daisy Hill Hospital. This is one of the most difficult issues that I deal with in this job — not this issue particularly, but this type of issue. Trusts and the board take decisions to move services in the interests of better standards of care for our patients and with patient safety at the forefront of their mind, and that is something that we should all agree on. Sometimes, that brings about decisions whereby services are shifted and reconfigured. There are obviously many long-standing emotional attachments to services being delivered in a particular area, as well as the convenience of having those services delivered in a locality. At all times, those decisions should and will be taken on the basis of raising the standard of care.

I appreciate the concerns that the Member and many of his constituents in the Newry and Armagh area have about moving stroke services away from Daisy Hill. However, my understanding is that the proposal will bring about greater flexibility in the way that the Southern Trust delivers its stroke services and will mean that there will be improved levels of stroke care in line with national recommendations, so raising standards. There will be a dedicated medical nursing and allied health professional team within a specialist acute stroke unit; direct access, which is important as well in taking pressure off emergency departments, to a specialist ward on first admission; and better long-term outcomes. That is the objective of the changes that have taken place. I think we would all agree that, on paper, they are good outcomes, but I appreciate that there is that emotional attachment to having a service in a local area. I understand, though, that the proposed new model will allow patients from the Newry and Mourne area to receive ongoing rehabilitation at Daisy Hill from day 16 under the care of the local staff there with stroke expertise and from a specialist stroke rehabilitation team. There is

still a service being retained in Daisy Hill, but it is for that rehabilitation phase rather than the early stage.

**Mr Speaker:** Two minutes, Minister. I call Mr Alex Easton, with the usual health warning about constituency references.

**Mr Easton:** Will the Minister outline the range of major capital projects that he is taking forward?

**Mr Hamilton:** The capital budget for the Department for the current financial year is £213 million. We estimate that that is around £30 million short of what we absolutely need in-year — I am sure that we would ideally like to have a lot more than that — and therefore necessitates some difficult decisions around the phasing and implementation of various capital projects. Even though it is short of that £30 million, that does not mean that we are not able to proceed with some significant capital projects that will benefit service delivery across Northern Ireland. They include continuing with the development of a regional children's hospital at the Royal Victoria Hospital; a new critical care building; new maternity facilities at the Royal as well; new primary care centres in Ballymena and Banbridge and the continued progression of the new primary care centres in Newry and Lisburn; phase B at the Ulster Hospital radiotherapy unit; the redevelopment of tower block 5 at Altnagelvin; and Omagh local hospital. There are lots of capital projects that continue to progress in the 2014-15 financial year, in spite of the fact that we are short of what we would ideally like, but then that is the story in every Department. What we are doing with that £213 million is making the best use of it to ensure that the highest standard of facilities is provided for people right across Northern Ireland.

## Community and Voluntary Organisations: Funding

4. **Mr F McCann** asked the Minister of Health, Social Services and Public Safety to outline the rationale for withdrawing funding from ADD-NI, the Northern Ireland Attention Deficit and Hyperactivity Disorder charity. (AQO 8550/11-15)

13. **Mrs D Kelly** asked the Minister of Health, Social Services and Public Safety for an update on departmental funding for community and voluntary organisations in 2015-16. (AQO 8559/11-15)

**Mr Hamilton:** Mr Speaker, with your permission, I will respond to questions 4 and 13 together, as they deal with core funding provided to voluntary and community organisations.

The 67 organisations that my Department provides core funding support to will receive the same level of grant in 2015-16 as they received last year. Applications have been issued to all organisations, and I have asked officials to deal with the first payment promptly, once the application is received and all relevant checks have taken place. The voluntary and community sector plays an integral role in delivering care that meets the changing needs of the population here, and it is important that it is supported appropriately. That is why my Department will consult on proposals in the autumn for a new grant scheme to be launched in 2016-17. The new scheme will focus on health and social care innovation, and it will be open to all voluntary and community organisations to apply.

**Mr F McCann:** I thank the Minister for his answer. I welcome the decision to continue the funding. I know that a considerable number of organisations will breathe a sigh of relief. Will he tell us what will be put in place to continue discussions and consultation with local groups to get the benefit out of the extension of funding?

**Mr Hamilton:** I thank the Member for his comments and his question. He is right: it is a decision that, since the announcement last week, has been warmly welcomed right across the community and voluntary sector, not least by some of the 67 organisations that benefit from what has been described as core funding and will continue to benefit from it — fully in this financial year but in diminishing chunks in the following two financial years. I am keen to work with the community and voluntary sector to develop the new fund that I outlined in the initial response, which we will consult on in the autumn.

I think it is incredibly important that, as we develop a new replacement scheme, which will be open to all community and voluntary organisations, we take particular cognisance of the fact that there were 67 organisations receiving this funding; by no means the full extent of community and voluntary organisations in Northern Ireland. In fact, there were many who did not receive funding. It is incredibly important that we work with the entirety of the sector to develop a replacement scheme, which, as I have outlined, will be

focused on innovation. There is a tremendous amount of innovation within the third sector in Northern Ireland, not just in health but right across the board. I want to encourage that. I really want to work with that sector to develop a grant scheme, which will be progressively put in place over the next number of financial years, that they can work with, we get benefit from and, more importantly, society as a whole gets a better outcome from.

**Mr Weir:** Will the Minister outline what he hopes the new funding scheme will be able to achieve?

**Mr Hamilton:** I thank the Member for his question. As I have indicated already, the focus of any new scheme will be innovation. It is encouraging that that element of the proposal has been well received by community and voluntary sector organisations so far. As I have said, I am keen to sit down, co-design and co-produce what that scheme might look like during the consultation period, which will run in the autumn. The focus will be very much on innovation and trying to capitalise on and encourage further the innovation that already takes place across the community and voluntary sector in Northern Ireland.

One of the reasons and motivations for setting up a fund like this has been that, from my experience in previous jobs and this one, if you want to encourage innovation and focus on things like early intervention, prevention and encourage collaboration across the system, you need dedicated funds. Everybody agrees with wanting to encourage innovation right across the public sector in Northern Ireland. Trying to find the resources from existing budgets to do that can be incredibly complex and difficult, particularly in times like now when we are under severe financial pressure. Ring-fencing and having objective-specific funds that are focused on innovation will obviously produce more innovative ideas and ensure that that important element of how we continue to deliver services does not fall to the bottom of the pile.

**Mr Ramsey:** The Minister's response is most welcome. I think that he would acknowledge the significant contribution that the community and voluntary sector makes across Northern Ireland in working with people with disabilities, those with chronic ill health problems and those who act as carers in those organisations. Will he outline to the House any discussions that he has had with NICVA on behalf of the community and voluntary sector to get its buy-in for the new programme that he intends to bring forward?

**Mr Hamilton:** I met NICVA around 10 days ago. At that very useful meeting — certainly, from my perspective, it was very useful — we discussed the issues that surround the existing scheme and why I did not feel that it could continue in place and why I felt that we needed change. I think that that point was accepted by NICVA on behalf of its member organisations. I think that it has been accepted for some time. It certainly has been flagged up and indicated by previous Ministers that the core funding scheme for £4.7 million that was going to these 67 organisations would be wound down and done away with or moved to some other platform. I have taken the decision in the last week to move to this new health and social care innovation fund model. Again, I think that has been well received by NICVA and, indeed, other individual organisations, some of which will be members of NICVA and some of which will not. I look forward to working with them and anybody in that sector to develop the new scheme and ensure that it is in place for the start of the next financial year.

**Mrs Dobson:** Minister, I wrote to you at the start of this month requesting an urgent meeting to discuss the plight of the Northern Ireland Attention Deficit and Hyperactivity Disorder charity. Four weeks later, however, I have not even received an acknowledgement. First, I ask you for an explanation. Secondly, can you give me a commitment that you will find the 30 minutes that are necessary to meet me and the charity to hear about the exceptional work that they do throughout Northern Ireland?

**Mr Hamilton:** I feel as though I am almost being scolded by the Member. She was not alone in writing to me of course about ADD-NI or indeed many other organisations that were affected by, at that stage, no decision in respect of core funding. Many Members asked me to meet them. I made it clear that I was meeting NICVA on behalf of the voluntary and community sector. I had that meeting, and a decision was taken that ensures that ADD-NI and, indeed, the other 66 organisations that receive core funding will receive 100% of what they would have expected in-year. I am sure that ADD-NI and others that received that money, and that will receive that money pending successful applications this year, will very much welcome that.

**Mr Speaker:** That brings us to the end of the period for listed questions. We move on to topical questions.

**3.15 pm**

## **Meals on Wheels: Western Trust**

**T1. Ms Sugden** asked the Minister of Health, Social Services and Public Safety, given the changes to the Western Trust's community meals on wheels service, to outline the outcome of the equality screening that was used to test the potential impact of those changes, specifically on older people who live in rural areas. (AQT 2751/11-15)

**Mr Hamilton:** I do not know the specifics of the outcomes. I know that the Western Health and Social Care Trust is in the process of taking forward new contracting arrangements for its community meals service and has held consultation sessions with clients who receive the service and with service providers. Feedback from those sessions will help to inform the new contracting arrangements.

**Ms Sugden:** I welcome the Minister's earlier positive comments about the community and voluntary sector, so why are we replacing the current provider of the meals on wheels, which is a community and voluntary sector group, with, potentially, a contractor to cut costs?

**Mr Hamilton:** I am tempted to say that you almost answered the question. That is ultimately a decision for the trusts, in the circumstances in which they find themselves. The Western Trust in particular has been under significant financial pressure over the last number of years and continues to be so in this financial year.

The trust has the best-placed people to decide what is in the best interests of people in their area who need community meals. They have to take that decision, factoring in a range of issues, including ensuring the quality of the service. In the current circumstances, they will also clearly have to have an eye to the cost of current contracts and what the cost of a replacement contract might be.

I do not want to get into the process that is going on or the whys and wherefores in judging the merits of a previous contract with something that might replace it. Suffice to say that I would want to ensure in any trust area — Western, Belfast, South Eastern or wherever — that the highest standard is achieved and is always done with an eye to ensuring value for money.

## **Bangor Community Hospital: Closure**

T2. **Mr Agnew** asked the Minister of Health, Social Services and Public Safety to state how the recent South Eastern Trust consultation on the future of intermediate care can be considered valid, especially given that it included the preferred option of the permanent closure of 20 beds in Bangor Community Hospital, to which 3,000 people objected, and that that preferred option was based on 14 beds at Northfield House, which have now been earmarked for closure. (AQT 2752/11-15)

**Mr Hamilton:** I am mindful of the Member's point. When the preferred option for Northfield was identified by the trust, I was obviously aware that the option for the closure of the GP referral beds in Bangor Hospital was dependent on having, I think, 14 intermediate care beds in Northfield House. That was the subject of a question for oral answer last month from Mr Cree. Like the previous question, these are matters for the trust to decide, and decisions have yet to be taken. If the final decision is that the trust is to close the referral beds, that will come to me for a final say-so, and I will look at all the evidence that is presented to me.

The point that I made to Mr Cree three or four weeks ago was that, whilst I could see superficially why a connection might be made — it was a connection that I made in my own mind — the profile of the people in the GP referral beds is very different from those in the intermediate care beds in Northfield House. Whilst in many respects it may look like the same issue, we are talking about very different types of people and patients.

**Mr Agnew:** I come back to my original point because, in the consultation paper, the trust talked about 125 intermediate beds and then 105 beds, with the beds in Bangor Hospital being permanently closed. Why was the trust treating those beds as like for like in its consultation paper?

**Mr Hamilton:** I am not sure; I am not familiar with the precise detail of the consultation paper or whether the beds were considered on a like-for-like basis or in totality. The trust has communicated its belief that it can deal with the closure of Northfield House and the loss of the 14 intermediate care beds there by arranging more care for people in their homes, as consistent with the vision set out in Transforming Your Care. However, as I said, this has not yet arrived on my desk. I can assure the Member, and, more importantly,

people in the north Down and Ards area who are affected, that I will look at the evidence thoroughly before any final decision is taken. I am sorry; I should have said Ards and north Down to be strictly correct and to be able to get home safely in the evening. See how it just naturally tripped off my tongue? *[Laughter.]* I will assure people in the Ards and north Down area that I will look at the evidence thoroughly before any final decision is taken.

## **Southern Health and Social Care Trust: Financial Pressures**

T3. **Mr Gardiner** asked the Minister of Health, Social Services and Public Safety for an update on the financial pressures facing the Southern Health and Social Care Trust. (AQT 2753/11-15)

**Mr Hamilton:** I can provide the Member with a precise figure of the pressures across my Department, including all the trusts, the boards' pressures and my Department's core pressures, including the Fire and Rescue Service; the pressures on our budget are somewhere in and around £35 million to £40 million. I am sure that the Member agrees that that figure is not insubstantial. I await with bated breath the outcome of the June monitoring round, as I have submitted bids totalling £89 million. I hope to receive positive action on all those bids. If that does not happen, we will have to take decisions on the basis of whatever the outcome is, because, at this stage of the financial year, we need to give some certainty to trusts and others.

**Mr Gardiner:** I thank the Minister for the information thus far. Does he believe that the Southern Trust will be able to deliver its share of the overall £113 million planned trust cuts without seeing a decline in the safety and quality of care offered to patients?

**Mr Hamilton:** Ambitious savings targets of around £160 million are in place this year. That adds to the two thirds of a billion pounds that has already been saved over this Assembly term through efficiency savings. I accept that those targets are, and continue to be, challenging for all in the health and social care system, but a significant amount of money has been saved and has been redeployed into front-line services.

The Member is right to identify concerns that might exist about where those savings are made. I want to see front-line services protected as much as possible. I want to see savings made in administration and

procurement — areas not on the front line. It is incredibly important that trusts focus their attention on those areas rather than on front-line services. I appreciate and accept that it is an incredibly challenging time for all trusts. I have no reason at this point to believe that the Southern Trust will struggle to meet its pressures. It is worth making the point that I expect all our trusts to be at worse than financial break-even point at the end of the year.

### **Chief Medical Officer's Comment**

T4. **Mr McMullan** asked the Minister of Health, Social Services and Public Safety for his view on the Chief Medical Officer's comments about the need for a review of our health system. (AQT 2754/11-15)

**Mr Hamilton:** I agree with the comments made by the Chief Medical Officer in his annual report, which was published a few weeks ago. They flow from comments made by many people who have talked about the reconfiguration, reform and transformation of our services. I made similar comments in a speech in the Northern Ireland Cancer Centre in Belfast City Hospital where I outlined not just my vision for a world-class health and social care system in Northern Ireland but the need, allied to that, to continue to reform, transform and reconfigure services.

As the Member will be aware, the Cancer Centre is a very good example of where, when services are regionalised, we can have the highest standard of care, not just in this part of the world but right across the world. There is some fantastic work going on there and some world-leading research is taking place in the Cancer Centre. That is the sort of world-class vision that I have for the health and social care service. I think that we can have that right across a number of disciplines and specialisms.

That will require, however, a degree of courage and political consensus that, unfortunately, has not always been evident in the past when grappling with the issue of reform.

**Mr McMullan:** I thank the Minister for his answer. Does he agree that reform will require some changes to the commissioning system?

**Mr Hamilton:** I do. Very early on in my tenure, I attended the second annual regional workshop for integrated care partnerships (ICPs) in Northern Ireland. One of the points made to me was that our current commissioning system is a barrier to innovation

in the system. I think that we all accept that we need to be increasingly innovative in our delivery of public services, not least in Health and Social Care. I am concerned when I hear people in integrated care partnerships, who are at primary care level and thus at the coalface, describe commissioning as a barrier, so we need to take action to remove that barrier.

The Member may be familiar with the review of the commissioning process in Northern Ireland that was launched by my predecessor. It will be informed by a case study carried out by the OECD, which is doing a public-governance review of the whole of the Northern Ireland public sector. Its work is focusing in particular on the commissioning system, which it will examine, assess and benchmark against best practice in other OECD member countries. I entirely agree that a properly functioning commissioning system is at the heart of a reformed, transformed and more innovative health and social care system.

### **Independent Living Fund: Recipients**

T5. **Mr McQuillan** asked the Minister of Health, Social Services and Public Safety what actions have been taken to assist the recipients of the independent living fund. (AQT 2755/11-15)

**Mr Hamilton:** The Member raises a very timely issue. There was some media coverage over the weekend of the decision by the previous coalition Government to do away with the independent living fund in England. The objective of independent living fund payments is, of course, to keep people with severe disabilities and conditions in their own home with a degree of support that is paid for. We in Northern Ireland have taken the decision to continue with the independent living fund and are working in partnership with our colleagues in the Scottish Government, who have taken a similar decision. They are going to take forward the administration of the independent living fund in Scotland and Northern Ireland, and we continue to work to ensure that all the apparatus is in place so that everyone who currently receives independent living fund payments continues to do so.

**Mr McQuillan:** I thank the Minister for his answer. Can he give his assessment of the contribution that integrated care partnerships are making to improving healthcare?

**Mr Hamilton:** I mentioned integrated care partnerships in response to Mr McMullan's question, after having attended the regional

workshop recently in Lisburn. That was my first interaction with integrated care partnerships. I knew that they were an integral part of the vision laid out in Transforming Your Care, and it was useful for me very early on in my tenure to get out and speak to members of various integrated care partnerships and hear a little bit from them about how ICPs have been working over their first few years. The message was a positive one, and I could see very clearly the opportunities presented to the broad health and social care system in Northern Ireland by having ICPs in place, in which people from primary care and from various charities and stakeholder organisations are working together. They are working together on some very important issues, such as the frailty of elderly people, diabetes care and the production of new care pathways. There is a lot of really innovative work going on across integrated care partnerships. It is crucial to ensure from here on in that whatever lessons are learned in one of the 18 care partnerships are shared, across not just all the integrated care partnerships but the health and social care system.

**Mr Speaker:** I call Ms Caitríona Ruane. I do not think that there will be time for a supplementary question.

### **Health and Social Care (Control of Data Processing) Bill: Concerns**

T6. **Ms Ruane** asked the Minister of Health, Social Services and Public Safety how he will deal with concerns about the data processing Bill and whether he will ensure that it includes clear definitions of "public interest" and "social well-being". (AQT 2756/11-15)

**Mr Hamilton:** I am sorry that the Member missed the Bill's Second Stage yesterday. It was a very useful debate on the various concerns that had been expressed by the Committee during its consideration of the Bill so far. I am mindful of concerns, particularly around public interest. I am also mindful of concerns that some data that is not anonymised is already being issued without consent but through a common law process for that information to be shared externally to the system. It concerned me greatly to learn that.

### **3.30 pm**

It is important that we put in place a clear statutory framework that permits, in certain circumstances and with clear safeguards, the sharing of data for medical and social care purposes for the benefit of people in Northern

Ireland. I will seek to address, through the process in the House and in Committee Stage, the issue around public interest, and I will try to address the concerns that the Committee has to ensure that this important legislation can get onto the statute books.

**Mr Speaker:** Time for questions is up. We will return to the debate. The House should take its ease while we change the top Table.

**Mr Beggs:** On a point of order, Mr Speaker. I wish to apologise for my absence during topical questions earlier. I was called out by Assembly staff on an urgent Committee issue.

**Mr Speaker:** Thank you very much for coming to the House to do it personally.

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

## Executive Committee Business

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

*Debate resumed on motion:*

*That the Budget (No. 2) Bill 2015 [NIA 53/11-16] do now pass. — [Mrs Foster (The Minister of Finance and Personnel).]*

**Mr Principal Deputy Speaker:** I call Mr Dominic Bradley to resume his contribution.

**Mr D Bradley:** Finally, Mr Deputy Speaker — *[Laughter.]* I wish to conclude by saying that it will be important that the lessons from the 2015-16 Budget process are learned. That will mean the Executive building in sufficient time to allow Departments to work up detailed spending plans in order for them to be fully scrutinised by the Assembly Committees through timely and meaningful engagement at the earliest possible opportunity.

**Mr Girvan:** I, too, stand as a member of the Committee for Finance and Personnel. I believe that a certain amount of work was undertaken in the Committee. I appreciate that the Committee granted accelerated passage to the Bill, and, in doing so, we felt that we had had the opportunity for adequate scrutiny in relation to the matter. Departments were not necessarily that open about where they were making their spend. I am talking about one Department in particular — the Department of Education — where there seemed to be something of a smoke-and-mirrors approach to revealing information on where the spend was and where savings were being made or not being made.

I feel like we are going through *déjà vu*. We are going back over the same day again, or Groundhog Day, as the man says. The difficulty is that there seems to be a certain amount of sticking one's head in the sand in relation to the Budget and how we move it forward. We know that we will have a hole in our budget of £604 million because of the non-implementation of the Stormont House Agreement and missing out on the savings that could be delivered, not just this year but in subsequent years, from the voluntary exit programme that has been put forward for civil servants. As was outlined in earlier questions,

the numbers who have declared an interest in availing themselves of that will be and could be denied the opportunity to do so should we not move ahead with the welfare reform approach and the savings that would be delivered from the Stormont House Agreement. As it stands, we are dealing with not just the cuts to the block grant from Westminster but in-year cuts, because of the SDLP and Sinn Féin, resulting from moneys that we have to hand back as a consequence of penalties.

Those who want to live with their head in the sand and believe that a white horse will ride over the horizon and deliver a pot of money to resolve all of those issues are not necessarily living in the real world. All I can say is that the indication that I get, from listening to the media and those who have been in communication with the people who hold the purse strings, is that there will not be any additional moneys to deal with welfare reform. That seems to be where everyone is putting their focus, stating that the £2 million a week that we are costing our economy in public spend, and which could be used in other areas, will be handed back. Some people say that we are receiving that in kind, through benefits received on a welfare basis. There is great difficulty in trying to ensure that people realise that those who are in great need are also those who are waiting for hospital appointments or operations, some of which are, unfortunately, for life-threatening conditions.

We hear about major cuts. I want to take exception to some areas. We hear of one Department, the Department for Regional Development, which has a 0.6% reduction in one area of its budget but fails to deliver the grass cutting that is associated with that area. A similar approach could be taken by DFP, which could state, "The most impact will be from no longer paying salaries, so we will close down the department that processes salaries. We will not get rid of anybody. We will have people sitting in the office doing something slightly different, which does not mean that we are getting rid of any staff or reducing our outlay." Yes, DRD will cut its fuel bill, but the people will still be sitting around, not being used. It does not make any common sense.

Unfortunately, common sense seems to be lacking in many areas. I come from the private sector, and I am still involved in it. Unfortunately, in the private sector, you make decisions daily on where you can and must make savings, and, in those areas, there are key and vital functions that you still strive to deliver. You try to do that to the best of your ability with a reduced budget. To be honest,

some people just say that they will take money from the easiest area, which will have the most impact on the public, and make that the area where everyone sees the hit.

I support the Budget on its way forward, but I believe and take on board the Minister's comments that, should we not get the full implementation of the Stormont House Agreement, we are passing a Budget that, ultimately, we will not be able to balance at the end of the year. It is vital that we move forward and ensure that we make savings as early as possible in the financial year because the longer we leave it, the more stringent the cuts will have to be in the latter part of the financial year, so I support the Bill as presented.

**Ms Boyle:** Go raibh maith agat, a Phríomh-LeasCheann Comhairle. I welcome the opportunity to speak on behalf of the party.

As we know, welfare cuts have already hit harder here than in any region of Britain. People here have already felt the impact of the cuts, and we have all spoken in the House before about what austerity really means and what it looks like for the people whom we represent. Already, those on sickness benefits, and disability claimants, are losing out. There continues to be a loss of income for many working families on a low income, resulting in a large loss to our local economy, with retailers in our towns and on our high streets losing out.

All communities have been affected by the Tory austerity measures, with the local government districts of Derry, Strabane and Belfast being hit particularly hard. Indeed, my own area, Strabane, has been ranked as one of the most deprived areas in the North and has in the past been known as an unemployment black spot. However, slowly but steadily, the people of the town have moved on, with many families and individuals challenging that stigma and moving into the workforce. That has to be good.

However, like other areas across the North, there are many people who are working and dependent on working tax credits. With more cuts on the way, there will be winners and losers, but I fear that there will be more losers than winners. There remains little hope for the working poor, with the Tories planning further austerity cuts. We will continue to be worse off here, whilst prosperity levels rise in parts of Britain. Westminster governance does not deliver for the people of Strabane, and it certainly does not deliver for the people of the North. Westminster rules mean income cuts for the low paid and income tax cuts for millionaires.

I have said this before to the House: we in Sinn Féin believe that, collectively, we should demand more economic power from Westminster to build a prosperous North and a prosperous island — a fair society where hard work is rewarded and vulnerable people are protected. I believe that the vast majority of people in the House also want that. The argument from Westminster that we are too small and too poor to take control of our own economic power is an insult. It is an insult to us here in the House, and it is an insult to the people across the North. Economic confidence is the key to economic power.

The Budget crisis can be averted. For that to happen, there needs to be a change in Westminster policy. That is crucial. We do not want a future for our children, our grandchildren or future generations that comes from ever-increasing social inequality. A workable Budget should be about the power to invest in our people and powers to create more and better jobs. We need to be mindful that the Budget is being supported by my party, with conditions, to allow the necessary welfare protections to be put in place. We have seen the devastating consequences of the Tory cuts in Britain. They are to be further imposed here. If you do not turn up and tick the box, you may end up living in a box. Is that the way that we should treat the most vulnerable and the working poor? I should think not.

**Mr Cree:** I am pleased to be able to speak on the Final Stage of the Budget (No. 2) Bill. There still remains a black hole of £600 million, and the hope is that discussions on welfare reform will somehow return that money from the Stormont House Agreement. It is illogical to have a situation where a Budget Bill will depend on factors that are not directly related. But we are where we are.

I have already related many issues that my party has with the Bill. So much of the process is not intended to show transparency and accountability but aids the smoke-and-mirrors image of the whole Budget process. Time frames are distorted, and no direct read-across is possible. In addition, several Departments are notorious for not spending their allocated budget, and they use various methods to divert or carry forward underspends. OFMDFM is a classic case, with a poor record of delivery. Several strategies have been listed as important work, and despite the passing of years, many going back to 2007, we still await their publication. The social investment fund is a prime example, with less than a quarter of the money applied to the need that was identified a long time ago.

The new financial process developed by the Committee for Finance and Personnel and approved by the House remains on some dusty shelf in the Executive. One can only speculate that, despite Sinn Féin's blocking of its implementation by its Education Minister, it may well be that others are content to leave the smoke-and-mirrors process as it is. It has to change.

### 3.45 pm

We find ourselves in a very tight fiscal framework, facing a fairly bleak prospect of further cuts in the immediate future. It is essential that priorities are clearly identified and that all wasteful expenditure is eliminated. We await a further comprehensive spending review, and we must plan strategically to ensure that our growth is protected. The Budget does not look very far ahead and, understandably, attempts to deal with the rest of this year.

The current mandate for the Assembly ends in a few months, but I believe that solid cross-party planning for the future should begin now so that we may move ahead. We do not wish to repeat this current shambles, where money is wasted in the payment of fines and the Assembly is held in ridicule for failure to operate as a cohesive unit. Hopefully, we have learned from this fiasco. Being an optimist, I sincerely hope that that will be the case.

**Dr Farry:** At the outset, may I say that the Alliance Party will be supporting the Final Stage of the Budget this afternoon, or this evening. In doing so, we are clear that it does not, in itself, resolve any of the financial or political issues that are facing us, but, at the very least, although in some respects it may be a somewhat faint prospect, it keeps hope alive. By contrast, those voting against the resolution — if anyone is contemplating doing so — will be, through their actions, voting for the imposition of cuts, in-year, in the middle of the summer, to the extent of at least £2 billion on top of everything else that we have had to bear over the past number of months.

The choice that we are faced with today is not between proceeding with this Budget and some other credible, plausible alternative. It is a choice between proceeding with this Budget, albeit one that is flawed and which still contains a number of issues that we have to resolve, and, on the other hand, a complete and utter financial catastrophe.

We should take some note of what is happening elsewhere in Europe this week. I

think there is a certain poignancy in the fact that we are having our discussions this week, at the same time as Greece is literally falling apart financially, with major repercussions for the future of its economy and society and knock-on implications elsewhere in the European Union. Take a very deep breath, sit back and reflect upon the choices, or lack of choices, that we are making here in Northern Ireland and the implications that may well flow from those if there is not to be a real consequence to our society at a political level, in terms of the institutions; at an economic level, in terms of what we are trying to do to transform our economy; and, indeed, at a societal level.

I have heard a lot of talk about leadership, over the past number of days. In particular, we hear the parties that are most notably blocking progress on the Stormont House Agreement talk about the need for fresh leadership and the need for people to stand up and be counted. The actions of those parties, as well as the Green Party, over the past number of weeks have been directly responsible for plunging Northern Ireland into the current uncertainty, which may lead to a financial catastrophe. That is not to forget that there are wider structural problems in our economy and that wider political mistakes have been made over the past number of years, but, as we stand today, those are the choices that are in front of us, and it is within that framework that, today, we have to make decisions on the way forward.

In that respect, we wait to hear exactly how some other parties are going to vote. I understand that Sinn Féin has said that it will be supporting the Budget. I welcome that in so far as it goes. However, there is a lot more work to be done. I was concerned somewhat that, at Second Reading, the Ulster Unionist Party and the SDLP chose to abstain on the Budget and not to live up to their responsibilities, not least as members of the Executive, with all of the implications of what could have happened if others had not put the Budget through on the day in question. We wait to hear from either party exactly what they are planning to do today, though I heard from the SDLP that — it was Mr Attwood who said the last time round — it was going to let the Second Stage proceed, as it turned out through abstention, but it was planning to vote against the Budget at Final Stage. I did not understand the logic of abstaining, but I find the logic of voting against it at Final Stage, having already abstained, to be utterly bizarre. We will see in due course what is to follow.

I will take a moment to explain the logic of why Alliance feels that voting in favour of the Budget

is the responsible thing to do at this stage, and that is not to diminish the fact that, in our analysis, there are flaws in the process to date. However, it is important that we draw a distinction between, on the one hand, what is budget policy for Northern Ireland and what is, on the other hand, the voting of Supply and then giving the legal authority to Departments to spend the Supply that has been voted on previously by the Assembly. We had our differences in the Executive over the Budget that was set for the incoming year, and that is a matter of public record. Indeed, my colleagues in the party voted against that when it came to the Floor of the Assembly. That was a discussion on budget policy, and, at that stage, we could make the credible point that an alternative Budget could have been formulated by the Executive in the event that that Budget resolution had not been democratically passed by the Assembly. However, once we passed that point and the Budget resolution was adopted by the Assembly, it then falls on everyone else to follow through, to respect the vote that was taken and to put in place the Supply resolution in relation to the first Budget Bill, and then to follow through, as we are doing in June of this year, with the Supply resolution and, today, the Final Stage of the Budget (No. 2) Bill.

That is how we end up in the situation today, accepting that we have to ensure that money is flowing through Departments while, at the same time, we preserve our deep concerns over the lack of strategic thinking around a number of aspects of the Budget, including an unwillingness to consider some fair forms of revenue raising and the fact that we are not adequately addressing the costs of a divided society, and we saw today a very clear vindication of what we have been saying about the inefficiency, not least in terms of the education system from a multitude of schools. There are clearly major inefficiencies within our economy and within our public finances that have to be addressed, but those are discussions for another day. Decisions have been taken, through the structures, on budget policy, and we now have to follow that through.

In a similar vein, we hear a lot of other red herrings. I am not dismissing the importance of the issues in calling them red herrings, but they are not directly relevant to the responsibilities that we have as an Assembly today. I accept that people have concerns about the approach that has been taken at a UK-wide level on public spending and what is, in effect, an austerity programme from the UK Government. Of course, they have a duty to balance their books on public spending, but there is a

legitimate debate over how fast and at what rate that should occur, and people can have their own different viewpoints on that issue.

We are also right to make points about the concerns over future welfare reforms. Again, those will have a disproportionate impact on our society in Northern Ireland, and it is right, through the appropriate forums, that our public representatives, including MPs in Westminster but also the Assembly itself, make their views on those issues known very clearly. Even if we go down what, for now, is a fairly fanciful journey and talk about the notion that the solution to all of this is that Northern Ireland, somehow, takes on full fiscal devolution and that, by implication, we somehow become financially self-sufficient, which is, to my mind, completely unrealistic in the short to medium term and, even potentially, in the long term, but we will see how the long term goes, and even if you are prepared to accept that that is a viable alternative pathway, sitting where we are today, it will still take legislation to go through Westminster to devolve those powers to the Assembly for us to do our own balancing of the books in line with our own responsibilities. None of that takes away from the reality that we receive a block grant from Westminster; it may well be a flawed block grant, but that is the way we receive our resources. We have a duty to live within the budget that is allocated to us. We can raise more revenue on the margins if we wish to do so, but, by and large, that is the way that we balance our books in Northern Ireland.

The fundamental question that people in Northern Ireland want answered today is whether people are prepared to stand up, face up to their responsibilities and balance the books. We must have certainty about what our budgets will be for the forthcoming year, so that people can get on with the delivery of services, albeit, perhaps, curtailed services in the light of a very tight public spending situation. That is better than the continued drift that we see and the uncertainty that has a real impact on the ground.

It is important to spell it out that we do not have the luxury of hanging around for endless rounds of talks. I get particularly frustrated with the SDLP saying, "All we require is that people sit around the table and talk this through". We have been doing that for months, if not years. We had Stormont House, and we had Stormont Castle, which was defaulted on by a number of parties. We have been down that line, so we need to press on and get the issues resolved.

The impact of the financial uncertainty means that Departments may face in-year cuts of a certain nature. We do not yet know. That will have to be passed on, and it creates more pain in itself. Even the uncertainty creates problems. Some Departments are being responsible and trying to hold back on spending commitments because they do not know how they will balance the books during the year; others are pressing on regardless. There is a certain unfairness in the system at the very least. The longer we leave the resolution of the issues, the more difficult it will be for individual Departments and for the block as a whole to have a balanced situation before the end of the year.

Let me also clarify something. Last time I spoke on the Bill, at Second Stage, there was some confusion when I made a point about the implications of the approach taken by a number of parties to the principle of consent which, as people appreciate, is a fundamental cornerstone of the Good Friday Agreement. I fully accept that people will want to query, question and criticise quite vociferously the policies that emanate from UK Governments. I am more than happy to engage in that myself, but where the principle of consent comes into play is when you question the legitimacy of the UK Government in taking decisions on behalf of Northern Ireland. If you cross the line from criticism of policies to saying that the UK Government have no right to dictate policies for the UK as a whole, in that context, you are breaching your commitments under the Good Friday Agreement to respect the principle of consent. You are perfectly entitled to argue for a different configuration or to argue for a move towards a united Ireland. Indeed, I am more than happy to listen to those arguments, and, over time, the balance of those arguments may change. However, in line with what the majority of people in Northern Ireland want today, Northern Ireland remains part of the UK and that means that we are subject to the decisions of the UK-wide Government. They have authority over a number of issues, while we have authority over a different set of issues. The UK Government have authority over issues regarding taxation and public spending at a high level. That is where our money comes from, so we have a duty to engage with that. We can argue along with our Scottish and Welsh counterparts in due course over how we can get a better settlement for Northern Ireland, but, while we are engaged in that process, we have to be sure that we live within our means.

In closing, let me be very clear about what that means. What it means, for now, is that we pass this Budget Bill and we very quickly move to

resolving whatever is holding back the implementation of the Stormont Castle and Stormont House agreements in relation to welfare. I am more than happy that we try to be creative in that regard, because maybe there are areas where we can see what other things can be done to help people who will suffer the welfare cuts in Northern Ireland. That may well be resourcing the strategy on economic inactivity, for example, which is helping people who are on welfare but doing it through a locally based approach that has the democratic approval of the Executive and the support of political parties across the board. Through those types of schemes, we are helping people who are on welfare.

I have to say to Ms Boyle, who talks about what is happening in her constituency in Strabane with the problem of unemployment, that the approach taken to date by the two nationalist parties and the Greens in terms of Budget uncertainty and Budget chaos is directly impacting on our ability to help people who are unemployed. At the moment, I am scaling back what I do in my Department in relation to youth employment schemes because it is, fundamentally, discretionary spend. I do not know whether, if I continue with that spending, my Department will be able to live within the control total at the end of the year because I have other formal, statutory commitments to meet. Already, that is one further example of where Budget cuts and Budget uncertainty are directly hitting the vulnerable.

It frustrates me no end when people talk about "What we want to do for the vulnerable" and how it is all about welfare. It is not all about welfare; it is about ensuring that we deliver properly funded public services on which vulnerable people depend disproportionately. We see classic examples in cutbacks in public health, and we know how public health issues create intergenerational problems through lack of opportunity. We are cutting back early years, and, indeed, there was a petition about that in the past couple of days. It is the most crucial intervention in the education system and will transform intergenerational poverty and lack of educational opportunities. This is utterly counterproductive.

#### 4.00 pm

I am in a situation in which I am limited in what I do with training and employment programmes. I am scratching around to find funds to allow European social fund projects to proceed. There are cutbacks to our colleges and universities. It is all about giving people life opportunities. We are keeping people in

poverty through the focus on welfare payments, and, at the same time, we are taking away, rung by rung, the ladder that helps people to escape from poverty. I do not think that there is a political party in here that genuinely wants to see people having a lifetime on welfare, but, unless we get our priorities straight and have a balanced approach between, on the one hand, a proper, effective welfare system, including one with local modalities and flexibilities, and, on the other hand, putting sufficient resources into our public services, we will end up in a situation in which all that we do is fund people to stay on welfare. That is not in people's individual interests, and it is not in the interests of our economy and our society. It is in that context that we have to pass the Budget.

We have to conclude our discussions on welfare and get another Bill back in the Assembly — otherwise the power will be taken out of our hands — and we have to deliver the Stormont House Agreement. So much of the Budget pressure that we face is based on what has happened through the non-implementation of the Stormont House Agreement. That is not at the expense of wider discussions that we have to engage in about the potential for more fiscal devolution on the margins, what we do on more cooperation on a North/South basis, what we do about arguing over public spending at a UK-wide level with Scotland, Wales and the north of England, what we do about arguing about welfare reform, what we do locally about trying to tackle the cost of a divided society and what we do locally about trying to tackle our problems of lack of economic activity. All those discussions have to take place, but we will be in a far better position to do that if we pass a Budget, implement the Stormont House Agreement and get over this hurdle on welfare.

**Mr Ó Muilleoir:** Go raibh maith agat, a Phríomh-LeasCheann Comhairle. I support the Budget as presented, although, after listening to Minister Farry, I am tempted to join the opposition Lobbies, given his begrudging and grumbling approach. I want to pick up on perhaps the most potent point of all, which is our relationship with Westminster, which controls and dispenses the block grant. That is the core of where we are in the Chamber. What unites us is that we all want a fair and prosperous economy, but what divides us is our approach to London.

Mr Beggs, who has his head down at the minute — he is like me, because he takes notes when I am speaking, and I take notes when he is speaking — is perhaps the greatest proponent of the idea that we cannot say to the London Government that there is a way to cut

the deficit other than by cutting public services and welfare primarily. However, there is another way, and other countries do this: you can raise taxation. There can be a mix. It is the obsession of the Tory ideologues about austerity and cutbacks that is at fault, and we have to bring that up with them to stand apart from that. I do not believe that anyone here wants to show blind obedience to the British Government approach, which is good for London but not good for us.

The second area where we need to find some common ground is the belief that austerity is good for the economy and that it will grow the economy. I have my 26-page IMF discussion note. It is interesting that only the IMF could have 26 pages and call it a note, but the content and thrust of the note is that needless austerity is not good for society and that Western Governments should stop the obsession with needless austerity. If our friends in London — Mr Osborne and his colleague — insist on pursuing an austerity agenda, it will continue to prevent us from moving into a robust recovery. It will mean that we have to continue this stuttering recovery. It will mean that we will not have the money to invest, for example, in marketing our tourist assets. It will mean that we will not have the money to invest in our start-ups and early-stage companies. We will not have the money to market abroad to bring new jobs here. We will not have the money if the Tories continue with their austerity agenda. We will not have the money to fund university places.

So, on both those big approaches of unionism, I beg to differ. There is another way of cutting the deficit, if that is your wish. Debt:GDP ratios are at their lowest in 300 years, and interest rates are at an all-time low; however, if it is your wish to cut the deficit, there is another way to do it. If you really believe that austerity will revive and ramp up this economy, you are deluded.

**Dr Farry:** I thank the Member for giving way. There may be something in what he has said, but surely that is what the recent general election was fought on at a UK-wide level. The people of the UK, though not Northern Ireland necessarily, voted for the Conservative Party, which had a manifesto to do x, y and z. We object to all of that, but how is that going to be changed over the next four or five years?

**Mr Ó Muilleoir:** I thank Mr Farry for his point of information. Before I stood up, I thought, "He's definitely going to fall out with me when I move on to my third point", which is to really

challenge the London Government. No one here voted for the Tories. In my constituency of South Belfast, people voted in large numbers for the Alliance Party and for many other parties, but very few voted for the Tories.

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

**Mr Ó Muilleoir:** Let me move on to the next point, because I am sure that there will be plenty of points of information to give after it.

The Tories say that it is their way or the highway. Do I accept that? No, I do not. It is our duty to oppose that and to say to the London Government that we do not accept their approach.

Let me move on to the arts, because last week Minister Foster and I covered those two great canons of the arts. I covered poetry with TS Eliot's 'The Waste Land', and she came back with Charles Dickens. I was compared to Wilkins Micawber, who, of all the evil characters in Dickens's novels, is one of the brighter stars in that constellation, so I was not particularly perturbed by that comparison.

Let us move on to a more sombre point and a more poignant piece of art. At this time of year, we all think of that great work of theatre, 'Observe the Sons of Ulster Marching Towards the Somme'. Tomorrow is 1 July, and at 9.30 am, along with the Lord Mayor of Belfast, I will be at the Cenotaph in Belfast, reflecting on the horror and loss at the Somme 99 years ago. I suppose that the classic maxim to come from the slaughter of the Somme is the idea of lions led by donkeys. That the loss of men of the Ulster Division and soldiers from across this island, really for nothing, over many months of combat. History lays the blame for that on the shoulders of the donkeys who were the English generals, and that is why we have carried with us to this day, when we think of the horror of warfare, the concept of lions led by donkeys.

We should not over-egg that comparison because, thank God, our economic crisis is nothing compared to the horror of the First World War, but today there are English leaders who insist that the only way forward is austerity. They are not English generals, but they are English Ministers. They are, and this is where Minister Farry might get upset, Tory donkeys, and the lions that we serve —

**Mrs D Kelly:** I am grateful to the Member for giving way. Does he accept that the "donkeys", as he referred to them, at Westminster are more concerned with the well-being of their

colleagues in the City of London than with their constituents, whom they were elected to serve?

**Mr Ó Muilleoir:** I thank the Member for her point. I agree absolutely. It comes across again and again that the policies of the British Government are wonderful for London, but here they just heap more pain on the poor.

So, to conclude —

**Mr Dickson:** Will the Member give way.?

**Mr Ó Muilleoir:** I am sure that there will be other Members and other opportunities to intervene.

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

**Mr Ó Muilleoir:** OK.

**Mr Cree:** I thank the Member for giving way. I would love to discuss further with him the 36th (Ulster) Division, the 16th (Irish) Division or indeed the 10th (Irish) Division. It is unfair to compare the people who were in command there with the people in Westminster. That is an unfair comparison, so I will leave that thought with you.

The Member referred to the International Monetary Fund document. Obviously he has read all of it, so he will have read the bit that I referred to earlier, which talks about debt being a burden on the economy that reduces both its investment potential and its growth prospects. That is the other side of the coin. Before I sit down, I ask Mr Ó Muilleoir what tax increases he would advocate at this time.

**Mr Ó Muilleoir:** I thank the Member for his intervention as well. It is great to see such a lively Chamber all of a sudden.

I want to finish off not by going back to the ping-pong of debate but by paying tribute to the people we serve. I think that, from Tattyreagh to Taughmonagh, the people we serve are lions. They deserve the best of what we can offer. Our aim is to make sure that they can get the services that they are entitled to. Our aim is to build a fair and prosperous economy, so the lions we serve, whether from the Shankill or the Falls, deserve better than blind obedience to the Tory donkeys or English Ministers. That, I think, will form the core of our approach to our colleagues in the time ahead. They may not forgive me for calling them donkeys one minute and colleagues the next, but our approach to our colleagues in Westminster in the time

ahead is going to tell the tale of how well we do for the lions whom we serve.

**Mrs D Kelly:** I am sure that it will not come as any surprise that the SDLP remains consistent in its approach to the Budget and in its concerns about it, which we expressed back in February. Unlike some, we did not believe that it was the "best deal possible", as our deputy First Minister stated at the time. The concerns that we have are exacerbated by the impending statement by the Chancellor on 8 July. Many Members have referred in their contribution to the Stormont House Agreement, yet the Budget that was agreed in the context of the Stormont House Agreement has been reneged on significantly already by the Tory Government, with some £38 million in in-year cuts. I appreciate that the Finance Minister may say that they are delaying the cuts until next year, but that is only symptomatic of how further cuts are being kicked down the road. We are left in a situation in which we are being asked to accept a Budget that will fundamentally change in early July.

If some of the whispers emerging from Westminster are to be believed, the Tory Government's target on 8 July will primarily be the working poor. Family tax credit and working tax credit are where I am informed the cuts will fall. I say that based on recent reports, including one from only yesterday in which the Office for National Statistics (ONS) found that the average household income of working families here is almost £6,000 less per family compared with regions across GB. That is something that should worry all of us. We have not seen any proposals coming from the Minister for Employment and Learning or others on zero-hours contracts and the implications that they have, particularly for many young people and many working women.

**Dr Farry:** I thank the Member for giving way. For her information, there is a paper currently before the Executive that would introduce a stronger version of regulation of zero-hours contracts than is available in any other part of these islands. For different reasons, a certain political party has not seen fit to authorise that paper to progress to the next level.

**Mrs D Kelly:** I thank the Member for his intervention and that information. He will appreciate, of course, that I am not privy to whichever papers are being held up in the logjam that is OFMDFM. I guess that it sits on the same shelf as the anti-poverty strategy, a fulsome childcare strategy, the gender equality strategy and the racial equality strategy. I think

that we in this party, along with many people in the community and across the non-governmental organisations would have greater confidence in the ability of the Executive if they were to deliver a Budget that actually prioritises the needs of our people above party interest. We are going to have a debate later today on a matter where we have seen party interest coming well before proper probity in the behaviour of some Members.

#### 4.15 pm

I regret to say that we in the SDLP will not be able to support this Budget at this stage. It is, of course, a Budget that is without a Programme for Government. As many Members have said, in times of austerity, you start to look at how you can work better together and more collaboratively. We are not seeing that. Some Members have also talked about the cost of division. Only in the last couple of months, the Chief Constable said in answer to me that the cost of policing a divided society is some one third of the overall police budget, which, as you are aware, Mr Principal Deputy Speaker, equates to up to £200 million.

If we want to talk about how we need a Programme for Government and a Budget that is sustainable, we need to deal with some of the fundamental flaws in how this Executive and this society seek to move forward in building a better future for all of us. Today, we have seen an Auditor General report on how some of the systems in education are putting increased pressure on the priorities of government because of the cost of a lack of sustainability of some schools and how there are some difficult decisions to be taken. When Members and Ministers talk about some parties not being up to making some of the difficult decisions, they should reflect on some of their own leadership and decisions. They have a responsibility to move all of society forward.

I know that this is to be a very long day, and I do not want to prolong it unnecessarily. Many Members have commented on the Budget. However, I think that there are few Assemblies, devolved Administrations or Governments that would speak about a Budget in the absence of a Programme for Government or any sense of purpose or collaborative working and Executive decision-making. In this Executive, we are even seeing one Minister taking another Minister to court. Surely what we need to get back to is a sensible working relationship where people respect each other's mandates and make the good of all the community the main priority. The behaviour of the British Government in making welfare a Budget issue

is reprehensible. They should reflect on their position and how, in their behaviour and approach to Northern Ireland, they have been one of the most partisan Governments that there has been in a very long time.

**Mr Murphy:** Go raibh maith agat, a Phríomh-LeasCheann Comhairle. I accept that this has been a very difficult and challenging Budget, right from its inception back in January. As has been said, its broad principles were debated and it was voted on in March. As Members will know, what we are essentially doing is voting to pay out the second half of a Budget that has already been agreed.

The recognition that the Budget itself was quite difficult and challenging for all of us has been reflected in the contributions throughout the debates both then, which I observed, and on the Budget (No. 2) Bill, which I have participated in. By and large, those contributions have been quite measured, regardless of what position people have come from on it. That was also reflected in the fact that, when a division was called, only a small handful of MLAs went through the Lobby to vote against the Bill. I am not sure what the outcome will be today, but, certainly, to date, it has been met with the active opposition of only two or three MLAs. That reflects an understanding that this is a very difficult situation and is not just the normal cut and thrust of political Budget debates that we have had over many years in this institution. It is also a recognition that we are facing very significant challenges and that we need to create some space to try to address those, to resolve our differences on the outworkings of the Stormont House Agreement, and then to collectively face the challenges that are coming at us.

Nobody, whatever their political party or viewpoint on how we meet those challenges, remains unconcerned about what is coming down the road at us. That crosses all parties, regardless of their position. Of course, we have different views, as my colleague from South Belfast outlined, on how the challenges should be met, and, sometimes, you despair of people's approach to that. The situation in Greece was mentioned. We do not face the same economic difficulties as the Government and people of Greece face, but there is one common aspect: they have a democratic mandate to follow the course of action that they are following. We have a democratic mandate in this institution to try to provide public services, to protect front-line services and to help to develop, sustain and recover our economy. The policies coming from Westminster are in direct contravention of the

democratic mandate that we have been given by the people whom we represent here. That presents us with a very significant challenge. The response to that is not to raise some objections and then, basically, get on with what you are told to do; it is to together — first in this institution and then, collectively, with other institutions that face similar challenges — see what can be done to try to offset what is coming at us.

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

**Mr Murphy:** Yes. I understand that the Member was frustrated when trying to get in earlier.

**Mr Dickson:** Perhaps "frustrated" is the right word, because there is a constant call for more talking and engagement, but we have had the election — it is over. We now have a Government in place, and they have set their policy and face in a particular direction. The Scots and the Welsh are in a slightly different situation when it comes to welfare reform because they do not have their hands on the levers in the way that we do, but, in essence, there is very little difference, except that we have the space to make some change. We made that change, and we all agreed to it in the Stormont House Agreement, yet people seem to want to unravel that agreement and walk away from it.

Very good arguments are being made in the House today about how we need to face up to austerity and deal with the political philosophy of the Tory party. I do not think that many in the Chamber, although there must be some, agree with that philosophy. Many in the Chamber profoundly disagree with it, but the way to disagree is to accept the outcome of a democratic election. Northern Ireland, whether you like it or not, is part of the United Kingdom. You had, along with the rest of us, the same opportunity to fight for, win and lose seats in that election. As a party, you were sufficiently fortunate to gain seats. Why do you not use them? Why do you not go and sit in their Chamber, eyeball the Chancellor and tell him what you are telling us today? That, in a mature democracy, is what parties should do to deal with the issues, rather than continually whining about what you want to do but never actually achieving it.

**Mr Principal Deputy Speaker:** I remind the House that all interventions ought to be short rather than the delivery of a speech.

**Mr Murphy:** I do not blame the Member for the length of his intervention; I blame the Member who spoke previously for not allowing him in. *[Laughter.]* Obviously, he had quite a lot to get off his chest.

On one hand, the Member says, "Accept the democratic outcome of the election", although none of us here was mandated to accept that type of policy, "shrug your shoulders and get on with it." On the other hand, he says, "Go over to Westminster just so that you can show your face and shrug your shoulders in person". That is not the way in which we approach matters. Anything that has been gained for the benefit of the people whom we have collectively represented here since the Good Friday Agreement has been negotiated directly with British Governments; it has not been achieved on the Floor in Westminster. By the way, on respecting mandates, the mandate that our members who were elected earlier this year received was not to take their seats; the mandate that people gave them was not to take their seats.

I also have some doubts about his opposition to the Tory policies. I have sat through various meetings in Stormont House, as many Members have, and listened ad nauseam to lectures from the Secretary of State. I often wondered whether they were penetrating with anyone. When I heard Minister Farry speaking earlier, I realised that I had finally found someone with whom Theresa Villiers's ideology had gelled. That seems to be the way in which he is approaching matters.

They are very serious challenges. We can disagree on how we will meet them, but meet them we have to, one way or another. There is the £38 million of in-year cuts, which were not part of the Stormont House Agreement, Stormont Castle Agreement or any other agreements. How they are met is obviously a matter for further discussion. They are not part of this Budget Bill; that has been accepted. There is the further £25 billion of cuts, some of which will be outlined in the 8 July statement. There is the attack on tax credits that has been referred to by a number of people; I think that Mrs Kelly referred to it. Minister Farry referred to the latter as a means to get people from benefits to work.

I listened to the Finance Minister outline her view in Question Time on the attack on working tax credits. It reflected very much what the First Minister said to the Secretary of State last week in Stormont House. He challenged her on this mantra that cuts to welfare entitlements are about "getting people back to work". He made

the point clearly, which I think the Finance Minister and many others reflected, that to cut tax credits is to drive people back out of work and into the benefits system. There is no logic to any of that, should one even try to consider the position of the Tory Government. Even this morning, it was announced that 150 MPs are trying to pressurise their own Government into cutting the top-end tax rate, I presume with some sense that they will have a successful outcome. You can see clearly the direction in which people are travelling. That presents a very serious challenge. People talk about getting real and realpolitik. That is the realpolitik that is coming down the track at us. We can hoist the white flag and say, "There you go, that is democracy", or we can ask what the point was in having an institution here with a democratic mandate to fight for and represent the people who voted us in.

**Mr Poots:** I thank the Member for giving way. I hear all that you are saying. However, the reality is that, in effect, we are not taking one single additional penny from the Westminster Government. What we are actually doing is dipping in to the Health, Education, DSD, DRD and every other Departments' budgets and putting it into a subsidised welfare system that is not available anywhere else in the United Kingdom.

**Mr Murphy:** That is what the parties agreed to at the Stormont House talks. They agreed to create our own bespoke system to try to offset the welfare cuts. In recognition of the completely heartless approach that the Westminster Government were taking, we, the five parties, agreed to take that approach. We want to honour that agreement and to get back to the detail of it. As I said, it is not about turning around the approach that the Westminster Government are taking; it is about trying to find a means whereby we can offset it.

In many ways, people can criticise, justifiably on certain occasions, the performance of the Executive, but the Executive have effectively cushioned people from the worst impacts. They have cushioned people from water and prescription charges and have maintained free transport for the elderly. They have put in place a system to cushion people from the welfare cuts, and their refusal to implement the cuts that have come to date has managed to cushion people from all that. As this Government's further direction of travel becomes more apparent — bear in mind, they were elected only in May and have a mandate that they intend to impose on us — we are facing very serious challenges further down the line.

Whatever our disagreements about some of these matters, we recognise that austerity and the approach that the British Government have taken have damaged and are damaging the vulnerable. We agreed to set aside our own resources to try to deal with that. They are damaging the working poor. They are restricting our ability to provide front-line services, and they will undermine any prospect of economic recovery for the people in this part of Ireland. So, I think that there are serious challenges for us. I think that the Budget (No. 2) Bill that will be passed today gives us some space to try to get to grips with all that, but we face very serious challenges to this institution. Nobody should be under any illusion that that is not the case, because I think that we are moving into a situation where we will not have sustainable or workable budgets, which is what the Executive require going forward. That is the case that I think we need to put collectively to the British Government.

**4.30 pm**

**Mr Attwood:** First, I want to apologise; I missed a lot of the Minister's reply on the last occasion as I had to attend to a small family matter. I know that she made some reference to a TV programme — I think that it was 'Little Britain'. I am not too familiar with that programme, and that perhaps reveals the television-watching habits of the Minister. She referred to the SDLP as being like some of the comments that were made by one of the characters in that programme. I want to make it absolutely clear that, whatever parallels she may wish to draw between the SDLP and 'Little Britain', I, for one, do not cross-dress, I do not tell many jokes and I am certainly not as overweight as the character to whom she referred. Dr McDonnell and Mr Ramsey may want to address those issues in their own time, but I want to put it on the record that that is where I stand on all those matters.

I want to respond to some of the comments that were made by Dr Farry. I will not delay very long in that regard. However, I want to say this: Dr Farry said that it was "utterly bizarre" of the SDLP to not oppose the Budget last week and to vote against it this week. I remind Dr Farry that, across the lifetime of Budgets and Supply resolutions in the House, the SDLP has not blocked Supply resolutions, because they release money to fund our public services and our public employees. However, since 2011, we have consistently voted down Budgets. That is not utterly bizarre; that is very consistent.

What is bizarre is that, as with the SDLP, the Alliance Party backs Supply resolutions, but, when it comes to Budgets, it flip-flops: opposing Budgets at one time in the last year and now flip-flopping to support a Budget this evening.

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

**Mr Attwood:** I will in a second. That is what is utterly bizarre in our view.

In my judgement, that point has been rammed home. Dr Farry sat next to his party leader at a meeting of the four parties and the two Governments last Thursday morning, and there was an exchange between the Secretary of State and David Ford. David Ford asked the Secretary of State, because he had not got an answer, whether £30 million of moneys arising from the Stormont House Agreement, which are allocated for each year of five years for dealing with the past, could be carried over into the next financial year if they were not spent in this financial year. I was there, and all the other parties were there. Mr Murphy was there —

**Mr Allister:** I was not.

**Mr Attwood:** Mr Allister was not there. The Secretary of State bluntly told Mr Ford that the money would have to be returned to the Treasury and could not be rolled over.

At the risk of breaking the confidence of that meeting, Mr Ford then advised the Secretary of State that he, to use his words, was "grossly insulted". When she said that she did not intend to insult anybody, Mr Ford replied that all the people who have been working for the last six months to put flesh on the skeleton of the aspects of Stormont House that his office was dealing with would be insulted.

Dr Farry came to the Chamber and said that it was utterly bizarre for the SDLP to do what it is doing, when his party was told, as all of us were only a matter of days ago, that moneys that were meant to be committed in Stormont House and which all of us believed were ring-fenced for the Stormont House Agreement, revert back to the Treasury if we do not spend them in-year on dealing with the past. That is what is utterly bizarre. It is utterly bizarre that anybody can claim that we are inconsistent on the issue of the Budget when the British Government is, piece by piece, beginning to challenge the fundamentals of the Stormont House Agreement when it comes to budget, including the fundamentals, even in-year, for dealing with the past.

Can you imagine a situation in which, after all the monumental efforts by victims and survivors to deal with that issue in a comprehensive way, the Secretary of State has the audacity to say to them that the money that was allocated for their interests and needs and to bring about truth and accountability will be returned to the Treasury if it is not spent?

Dr Farry does not seem to be insulted, upset and angry, if not on his own behalf then on behalf of victims and survivors when it comes to that issue.

**Dr Farry:** Will the Member give way?

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

**Mr Attwood:** I will give way in a second. I am going to give way to everybody. I have no issue about doing it.

It seems to me that, to go back to the nursery rhyme, if there are 10 Ministers in the bed and one is asked to roll over, the first that rolls over is Stephen Farry.

**Dr Farry:** That is an interesting way of introducing the intervention. I am grateful to the Member for giving way. Before moving on to the issue of dealing with the past, if we are talking about what happens behind closed doors, issues of consistency and principled stances on budgets, the Minister of the SDLP, in January — not in November, as people tried to correct the record to say, when I made this point back in Second Stage — came to me and David Ford and asked us what our party was doing on the Budget when the Executive, at the very first stage, was about to take a decision on the final Budget facing us, saying that they were thinking of abstaining. When they found out that my party was going to vote against, the SDLP voted against. That is what happened behind closed doors. There is the point in terms of consistency.

The second point to make is that Mr Attwood is getting very exercised about the British Government doing a U-turn around the funds in Stormont House. My party leader is angry, and I am angry. I think that a lot of people have every right to be angry. The fact that they are defaulting on that is important; however, it is not germane to the discussion today as to whether we balance our books.

The other point that is worth making is that, while the UK Government are defaulting, part of the reason why we are hamstrung in getting on with implementing the measure to deal with the

past is that we are not in a position to implement Stormont House in full, because that is itself caught up in the impasse on welfare, which results from his party, and, indeed, Sinn Féin, welshing on the deal that was struck in December at Stormont Castle.

**Mr Attwood:** I thank the Minister for attempting to rebut the arguments that I just made. If there is an issue about dealing with the past — this is a point that the SDLP made at the meeting last week — it is actually even more fundamental than the issue of money and the fact that there is an impasse around issues of money and budget that might be informing and affecting other aspects of the Stormont House Agreement. The fundamental challenge to Stormont House on the past is how those with information and knowledge have conducted themselves since Stormont House was signed, because there has been a series of revelations and programmes that deal with the activities of terror groups and state agencies, and the narrative of those is quite clearly an attempt by people in command and control to suppress truth and accountability. What confidence does that give to victims and survivors?

Even with the thresholds of Stormont House — which the SDLP believes were lacking in a number of regards — since Stormont House, in order to test the intentions and good faith of those with knowledge, the answers that have come back for those with knowledge in state agencies and in other illegal organisations have done nothing to convince victims and survivors that the ambition of Stormont House, moderate though it was when it came to justice, truth and accountability, is going to be fulfilled. That is the fundamental issue, in our view, when it comes to Stormont House, over and above how all the other issues are becoming more challenging because of the wider welfare issues.

I also say to the Alliance Party before moving on — I will say it subject to correction in Hansard — something that Mr Murphy picked up. It was the comments of the Member from East Antrim. He made an argument — this is how I wrote it down, so it may be inaccurate — that the way in which to disagree with the London Government and their policies is to accept the democratic outcome of the election. Work that one out: the way in which to disagree with them is to agree with them. That really is, to borrow Mr Farry's phrase, utterly bizarre.

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

**Mr Attwood:** I will.

**Mr Dickson:** There is nothing totally bizarre about the statement at all. It is quite simply that we have to start from the premise that we accept the democratic outcome of the election. That is the reality. Once we have recognised that reality, we are in a position to negotiate with those people. Therefore, we know their position and we know the arguments that we need to make and deploy to rebut their arguments. At the end of the day, that is a democratic decision. It is the will of the people, and they have the right and the mandate to deliver what it is they wish to deliver. We have to negotiate and manoeuvre within that. It is simple.

**Mr Attwood:** In order to try to be a bit more productive, it might be better for me to try to shape, as the SDLP sees it, how we will actually deal with the issue that the Member has just mentioned, namely how best to negotiate with London on all these matters. In that regard, I have a number of questions to ask the Minister. She may or may not be able to answer them now, but it might be productive if we can begin to answer them.

First, in the debate last week, the Minister said the following about the £50 billion HS2 project:

*"Even if it does go ahead, we will engage with Her Majesty's Treasury because, of course, there may well be Barnett consequentials in relation to HS2." — [Official Report, Vol 106, No 3, p30, col 1].*

I thought that was a curious phrase because, following the announcement about HS2, there seems to have been a bit of an elephant in the room when it comes to budgets, namely whether there are Barnett consequentials or not. If there are, given the scale of HS2 and £50 billion, pro rata, that would probably mean a Barnett consequential for here of over £1 billion if my sums are correct.

**Mrs Foster:** HS2 has not started.

**Mr Attwood:** I understand that. I will come to that point. Has it started or will it ever start? My question is this: given that the Minister has put it out there on the public record that we will engage with HMT, obviously to see whether there are Barnett consequentials on HS2, is anything coming or privately understood, even at a party-to-Government level, never mind a Government-to-Government level, in respect of HS2, because the use of the Minister's words, "may well be Barnett consequentials" seem to

me to be potentially pregnant with something or other. We will see whether the Minister can give an answer on that particular matter.

In any case, if there is any money coming and anything that any party or Minister thinks might be able to get us over this hump, let us put down some words of caution because, last week, the British Government were forced by the Information Commissioner in London to publish a 2012 report on the Major Projects Authority (MPA) assessment of HS2. After this document was suppressed by the British Government, which they had to publish last week, they were going round saying, "Look at HS2. Look at this £50 billion project. Look at the free beer tomorrow." This is what the Major Projects Authority said:

*"The Department believes however that the costs of this project are so large, and over such a long period, that it will not be able to afford it alongside all its other likely spending commitments."*

The MPA report that was published on Thursday continues to grade HS2 as amber/red, a reading that means that successful delivery of the project is in doubt, with major risks or issues apparent. If something is coming in respect of HS2 and there is some private understanding — maybe there is not — let us be cautious about it.

Let us be doubly cautious, because the report that the Secretary of State for Transport was forced to publish last Thursday was published on the quiet on the day that the Minister had to go to the House of Commons and say that they did not have the money to do a lot of other projects, including rail projects between Manchester and Leeds. The British Government have promised money to do work on the rail network in the Midlands and made a commitment to do HS2, yet, as we see from last Thursday in respect of the money for the rail project in Leeds and Manchester and HS2, there are huge question marks. In the Minister's response, maybe she could put more shape, if there is any more shape, on the words that she entered into the record last Thursday.

**4.45 pm**

The second point that I want to make to the Minister — Mr Farry is away now, but Mr Murphy will remember this — is that, curiously, at the beginning of the meeting last week, the Secretary of State raised a number of matters that she thought that we needed to discuss. Those were the commission on flags, parades

reform, inquests and paragraph 10. That is all she said: paragraph 10 of the Stormont House Agreement. What does paragraph 10 of the Stormont House Agreement refer to? Under the heading "Medium and longer term reform", paragraph 10 states:

*"These plans will include delivery plans and implementation timetables that allow at least some measures to be delivered in 2015-16 and others as soon as possible thereafter."*

Of all the issues that are out there at the moment, why did the Secretary of State choose to raise paragraph 10? That is a question worth asking. What was she getting at with:

*"measures to be delivered [this year] and others as soon as possible thereafter"?*

This will be very relevant to the Minister, because she is the Minister who is now responsible for Finance but was previously responsible for Enterprise, Trade and Investment, and is and was a key person in respect of corporation tax. The last part of the annex to the Stormont House Agreement, which deals with financial issues on behalf of the British Government, is about corporation tax. The Minister referred to that last week when she said that it may or may not be managed in 2017. In the paragraph on corporation tax in the annex, the British Government put in not once, twice or three times but four times — sorry, five times — "long-term sustainability", "to deliver sustainable finances" and so on. That is five times in the space of half a paragraph — the Minister might be reading it at the moment — in less than a page that the British Government refer to corporation tax being devolved in the context of long-term sustainability, delivering sustainable finances and so on.

As Mark Durkan revealed, through questioning the Financial Secretary to the Treasury, Mr Gauke, at a Committee meeting about corporation tax in February, the British Government are holding to sustainable public finances when it comes to the devolution of corporation tax. They have put it up in big lights that devolution will come if there are sustainable public finances.

In the view of the SDLP, when it is hard to interpret all these things, that is why the Secretary of State referred last week to paragraph 10 of the Stormont House Agreement rather than the financial annex, which deals with long- and medium-term reform in-year and over the coming years. In our view, that is the agenda of the British Government:

when it comes to corporation tax and public finances in the North, they have ambitions for what they think is delivering sustainable finance and long-term sustainability. That is why the cautious and vigilant approach has to be to see what happens on 8 July.

On the far side of 8 July, if rebalancing the economy as the British Government understand it and if sustainable public finances are their ambition, as they say repeatedly, does that mean, not 20,000 exiting voluntarily, but 20,000 more above that and, if you cannot fund it, then you have to do it involuntarily? If it is the case that the British Government on 8 July are going to tell us what the in-year welfare cuts will be — and that seems to be the shape of things to come — because the Secretary of State at the meeting last Thursday, whilst she made it clear that there may not be further in-year cuts to the Budget, although she was not certain about that, was less reassuring, indeed very unreassuring, when it comes to in-year cuts and welfare, the very issues that Mrs Kelly was referring to in respect to those on working tax credit.

Given the narrative, given the words, given the reference to paragraph 10, and given the five references to sustainable public finances in the last paragraph of the financial annex to Stormont House — words held dear by the British Government — is it not necessary, whilst I understand why people, and I will come back to that briefly later, want to deal with the issue of welfare, for all the parties, which are going to have the weight of the Budget cuts in the first two years of this Parliament, all in aid of sustainable public finances, to see the true lie of the land after 8 July?

It is not just the issue of how many more redundancies there might be, voluntary or involuntary, but water charging and all those other ambitions of the British Government, which they have deployed across Britain, especially in England, and which they seek to deploy here, because that is what they mean by sustainable public finances. That is why the SDLP is being consistent in voting down this Budget, and there was a little hint from one of the parties at the meeting with the Secretary of State and the Irish Minister of Foreign Affairs that maybe the penny is beginning to drop and that the scale and speed of the 8 July measured against their understanding of sustainable public finances is something that we should very much caution ourselves against.

I ask the Minister to respond, because she is on the inside track, having been, more than anyone else, the point person when it comes to

corporation tax. Both in her previous role and in this role, the Minister has been the person who knows, if anyone does, the mind of the British Government and what they mean when they say that they will not devolve unless public finances are sustainable. What does she think that means? Is that acceptable? What is the character and content of all that come 8 July?

I asked her the following question the last day, I think. I do not know if I got an answer; I could not see it in Hansard. The relevant paragraph of Stormont House says that there will be a final balanced Budget by the end of January. How do you reconcile that with £38 million of in-year cuts? I can see an answer, but why, if it is a final balanced Budget, would £38 million sit comfortably next to that? Secondly, is she not herself concerned that, beyond the £38 million, the residue of £30 million of unspent moneys for dealing with the past will go back to Treasury this year? Is that the integrity of the Stormont House Agreement? We do not think that it is, but I am prepared to hear the argument of the Minister. More important than any of that are the figures published yesterday by the Office for National Statistics, which Mrs Kelly referred to, and if they do not tell us that the scale and speed of austerity that London is proposing or is likely to propose on 8 July will ravage our people here, I do not know what will.

The Office for National Statistics confirmed yesterday that the average income per household in the North is £25,540, which is the least in all regions of the UK. The average is £32,000, with London at £39,000. Those are the published figures from the British Government. We have the least income, and the Office for National Statistics also confirmed that we have the worst relative low-income threshold for children anywhere in Britain and Northern Ireland.

We have the worst healthy life expectancy for males of any part of Britain and Northern Ireland. We have the worst life expectancy for females of any part of Britain and Northern Ireland. We have the worst figures for numbers of the population aged 16 to 64 with no qualifications and the worst figures for numbers of the population aged 16 to 64 with a qualification at NVQ level 4 and above. We have the worst income, we have the worst health, we have the worst figures when it comes to people with no qualifications and we have the worst figures when it comes to people with qualifications.

**Mr McCallister:** I am grateful to the Member for giving way. I have a few points to make. I hear his talk about the figures in health. I constantly

talked about early intervention throughout our welfare and Budget debates. He will know that I think that we were wrong to go down the track of giving away £564 when we should have been looking at earlier interventions to address the very issues that he has talked about.

In the earlier part of his speech, the Member talked about the SDLP consistently voting against the Budget. Does he think that that position is consistent with being in government? Given the points that he has made, does he now support the Stormont House Agreement, or is it in tatters? Why is he is talking about the integrity of the agreement as if it is some precious document, when it is clearly in ruins? The Executive sending a Minister to stand up to and negotiate with the UK Government seems absolutely bizarre when they cannot even negotiate with themselves. I ask him to address some of those points?

Early intervention is the key. We are now eight years after devolution. Sinn Féin has had the education portfolio for about 10 of the past 15 years, yet we still have those figures that the Member has just read out. That is where the failure lies.

**Mr Principal Deputy Speaker:** Once again, that was rather a long intervention. I call on Members not to abuse the privilege when a Member gives way and ask that they all keep interventions short and to the point.

**Mr Attwood:** Very quickly, our position on the Stormont House Agreement is that we said that we would acknowledge the good and build on and rectify the bad. That remains the case on all aspects of the agreement. That was the position that we adopted on the day and hour that it was signed, and it remains the position. You could argue that there is a tension between being in government and some of the narrative that I have put forward, but that is the character of political life, and you have to work it all through.

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

There is one point to make, more than any other. Given the scale and speed of what London is likely to do on 8 July, given that that may be of a character even greater than anyone could have reasonably thought would be the case at Stormont House or at any time since and up to the election, given what the Office for National Statistics outlined yesterday about income levels in the North and given its figures on the profile of our people across a whole range of categories, does that not warn

us, eight days from 8 July, not to put all our eggs in the Chancellor at Westminster's basket? The consequence of that is that a lot of the eggs will be broken, and we will not have any leverage on all and any of that.

There are two final points to make. Earlier, I raised with the Minister at Question Time the case that the High Court adjudicated on this morning. It was taken by the Committee on the Administration of Justice (CAJ) and was a judicial review (JR) on an anti-poverty strategy. It is still early. I do not think the written judgement is available; it might not be available for sometime. Therefore, we have to wait to see all that Mr Justice Treacy said in his judgement.

### 5.00 pm

What we know is that the CAJ won its legal challenge and the judicial review was granted, which Justice Treacy confirmed, despite a legal obligation that arises from the St Andrews Agreement and the legislation that gave effect to it. It is not some warm, meaningless phrase, or some aspirational declaration from a government or party. It is hard Westminster law, agreed in a hard negotiation in St Andrews which brought the institutions back from suspension. Justice Treacy said that there had been a failure to adopt a strategy:

*"to tackle poverty, social exclusion and patterns of deprivation based on objective need."*

No such strategy has been adopted, and therefore the Northern Ireland Government has breached its legal obligation.

Subject to correction, from what I understand, the defence offered by the Government was that the Programme for Government is an anti-poverty strategy. I do not think that argument prevailed, but it says a lot about the character of the Government, and probably about the character of OFMDFM. It also says a lot about the character of the rest of us that a non-governmental human rights organisation was what brought that to a head, by going into court and exposing the truth of a failure to live up to a legal obligation. The question that arises from that, subject to what the judgement actually says, is how that then works itself through in relation to budget and welfare now. There is a legal obligation to have an anti-poverty strategy, and government policy has to be measured against that strategy, but there is no strategy. What are the consequences and complications, if any, of all of that?

I will just say that all of us, which does not exclude me or the SDLP, are basically working in a false paradigm. It has become a matter of "Do welfare now", "Don't do welfare until 8 July", "The Budget does not mean much when it comes to in-year", or whatever. What we need is a paradigm shift in the conversation that we have, and then a paradigm shift that we can unite around that will get people to listen better than they do at the moment. That is in a context where I do not rely on the intentions or good faith of the British Government. They casually say to all the parties, "You knew what was coming, so you cannot protest." Nobody in the Chamber can say, with hand on heart, that what is coming on 8 July was what any of us conceived of even six months ago, never mind six weeks ago before the election. The scale, brutality and range of that, and the impact on the profile of our people, will be so devastating that we need a paradigm shift that recognises all of that and moves us on some way or another.

In doing so, I want to say very clearly that, although Minister Storey is away now, I spoke to him the other day, and we still want to resolve the immediate issue of welfare. In my view, it can be resolved. It will need some lateral thinking, and it will need us to move beyond the boxes in which we have chosen to place ourselves, but we can resolve the welfare/Stormont House issue per se. However, it has to be resolved in the context of all of us recognising what 8 July will mean and how we will all need to respond to that.

**Mr Allister:** Here we are at the Final Stage of the Budget (No. 2) Bill. When one casts one's mind back to the debate on the "Budget (No. 1) Bill", it was in a spirit of great euphoria. There had been a deal. There had been a breakthrough. I think, in the words of the deputy First Minister, there was a new start.

Some new start, when we come to today and the rancour, the fallout and the reality of the miserable failure of this budgetary process. Those who were contributing to the euphoria about the new start then welshed on the great breakthrough deal that they had made, leaving that agreement in tatters. This Budget, effectively, is a Budget in tatters because it is not at all balanced.

Supply and Budget have lain at the heart of democratic governmental arrangements for centuries. Governments spend the public's money on the premise of approval of Supply by an elected Parliament or Assembly on the pretext of a balanced Budget. That is the essence of budgetary facilities and

arrangements, but not of this Budget, which, by everyone's admission, is not and probably cannot be balanced. To that extent, it is a fraud and a deceit. It is, in itself, testament to the failure of these institutions, because this is a failure and a crisis that was made right here. It was not made in Westminster or anywhere else; it was made right here in Stormont.

**Mr Agnew:** I thank the Member for giving way. Does he agree that the level of disagreement that we have seen in the debate, given that only Executive parties have spoken so far, shows how dysfunctional the Executive have become?

**Mr Allister:** Indeed, it speaks for itself. It also speaks for itself that those same Executive parties have meetings with the Secretary of State, and such is the level of distrust that affects those meetings that representatives who were there come and talk freely and openly and contradict each other about what happened and what did not happen. It all speaks, I am sure, to a great cogency in government — I do not think so. It speaks to a Government who are themselves in tatters, as well they deserve to be. It is a system that was never going to deliver good, durable government. It is a system that depended on the pretence that all who were in it were, in fact, in it to give good government. Some who are in it are there to make sure that we do not have good government and to make sure that Northern Ireland does not succeed and that failure is writ large in Northern Ireland. It is no surprise to me that we have this miserable, compelling level of failure from these institutions.

I now turn to the essence of unreality that imbues so much of what Sinn Féin in particular has been saying in the Budget debates. Having embraced the Stormont House Agreement, they then discovered or were told that that was not the way that they wanted to go and distanced themselves from it. They now seek to move on to the territory of making themselves the anti-austerity champions. Part of that narrative is to tell us that the cruel institution called the British Government have already imposed £1.5 billion in cuts on this poor, struggling Executive and that, since 2011, that has been the hand dealt to them by Westminster — a staggering £1.5 billion in cuts. The obvious question is this: who implemented those cuts? The £1.5 billion of cuts were implemented by Minister McGuinness, Minister McCann, Minister O'Dowd, Minister Ní Chuilín and Minister O'Neill. Every one of them implemented the very cuts and austerity that they now pretend to be the arch opponents of. Their stand on austerity is a fraud and a sham, because for three or four years now they have been the

deliverers and implementers of austerity. Now they come to the House and say, "On the great principle of being the anti-austerity party, we will not touch this. We abhor the fact that the Chancellor might actually do his job as Chancellor on 8 July. We will not live under any austerity". What do you think you have been doing for the last four or five years? You have been not just living under it but implementing it. So away with this cant and hypocrisy that attends so much of the current expedient stance of Sinn Féin on the issue.

It is a sham, and, of course, it is a sham built on some crazy economics. There has been reference to people, ostrich-like, burying their head in the sand. It is no coincidence that the ostrich has one of the smallest brains in the animal world. There is no coincidence whatever in that analogy. What does Sinn Féin want? We got a little insight into what they want from a statement today by a Sinn Féin MEP on the Greek situation. He said that the Government should demand collective debt relief. The Sinn Féin philosophy is spend, spend, spend money you do not have, spend other people's money and then, when the debts are run up so high, the next demand is collective debt relief. It is a philosophy of "Write it off", as they wanted to write off personal credit cards. Now they think that international organisations can write off the credit cards of nation states. Their philosophy as far as the Northern Ireland Budget is concerned is "Never worry about the money; we'll just spend it". When it looks as if the money has run out, they will simply say, "Write off the debt. Collective debt relief is what we demand". That is the epitome of economic folly and unreality. It is that which has blighted; it is that which has brought the House into the disrepute of arriving at a Budget that is not balanced, probably will not be balanced and can probably lead only to the worsening situation of spending money that is not even there. Because the money is not there, of course, that same party will happily vote for it. It is happy to spend what is not there. It is happy to bankrupt us. Of course, that suits fine the philosophy that they embrace. It is because I am opposed to that philosophy and the folly of facilitating it that I will vote against the Budget tonight.

**5.15 pm**

**Mr Agnew:** I do not intend to repeat my speech from a week ago, but the principles will be the same. It may be a case of reiterating rather than repeating everything. I made the point a week ago that Northern Ireland has the lowest average household income of any region of the UK. Just this week, the Office for National

Statistics confirmed that, in the most recent calculations, that continues to be the case. That is despite the Executive and the Finance Minister, when she was ETI Minister, continually trumpeting the fact that we are outperforming all other regions of the UK when it comes to foreign direct investment. It has been assumed throughout the life of the Executive — I suppose that is one of the problems when you have a five-party Executive — that FDI, the great saviour of our economy, would solve poverty and all the other issues facing our society. Those of us who have consistently opposed the planned reduction in corporation tax, underpinned as it is by the search for ever more FDI to save our economy and to save our people, have long argued — we have the evidence now that shows it — that often the jobs that are spoken of are low-paid and, in some cases, may even displace better-paid local jobs. If that is not the reason why we have not only the lowest household incomes of any region of the UK but, in fact, an increasing gap in income between this region and other regions of the UK and if it is not that part of the Executive's economic strategy that is failing, I call for those who endorsed it, promoted it and rolled in behind it to explain what the failure is. It is clear that, despite the commitment in the 2007 Programme for Government to reduce the gap between household incomes in Northern Ireland and Great Britain, that gap has widened under the last two Executives, and Northern Ireland households continue to perform poorly in relation to their GB counterparts.

He is no longer in the Chamber, but Mr Farry, as he did last week, sought to blame the Green Party for the mess of the Budget. I always find it "bizarre", which seemed to be the term used by Mr Farry and Mr Attwood in their exchanges, when the Government blame the Opposition — the people who implement the policies blame those who challenge them for the failure of their own policies. I find it hard to take lectures from the Alliance Party on these issues. The allusion was to my party's position on welfare reform, but, when we go back to the Second Stage debate on welfare reform, we see that Alliance supported it. That was welfare reform unfettered; that was the Tory cuts implemented in full in Northern Ireland before the Stormont House Agreement and before a top-up budget. Alliance signed up then. Indeed, during the Budget debate last week, Judith Cochrane tried to argue that, in fact, people would be better off if we simply implemented welfare reform quoting, as she said, DSD statistics, which, I suspect, were carbon copies of DWP statistics. I continue to argue that you cannot cut £115 million a year from welfare and expect the recipients of welfare to still be better off. It does

not take a mathematician to realise that you cannot take money away from people and say that they have more money at the same time.

I am often asked what the difference is between the Green Party and the Alliance Party, and this issue has highlighted it better than any other issue could. In his conference speech, David Ford said — I paraphrase him — that we cannot afford the cost of protecting those on welfare. He estimated the cost to be around £200 million, although that is in dispute. Straight after that, he said that we must be able to afford the reduction in corporation tax. That, for me, highlights the priorities of the Alliance Party and how it contrasts with the Green Party.

It is not the case that we cannot afford to protect those on welfare; it is that the Alliance Party would choose not to afford it, which is why they supported welfare reform at Second Stage, before any top-up had ever been agreed, and why they said that they could not afford what they say is £200 million but what DSD would say is £115 million to top up the benefit system. However, they must afford — we must afford — £300 million per year to give a corporate tax break.

**Mr Weir:** I thank the Member for giving way. Given the fact that, for instance, for corporation tax, and let us leave that debate aside for the moment, those are projections for future years and that, presumably, the Member would put this additional money in this year — because we are talking about the Budget as we project forward, not actually the impact at a future year of corporation tax — which Departments would the Member cut, which schools would he close and which hospitals would he close to make way for the additional money that he would say is needed, on top of what has been agreed in the Stormont House Agreement?

**Mr Agnew:** I thank the Member for his intervention. This is a point that I was going to come to later in my speech. One of the reasons why we are opposed to this Budget is that it is based 100% on cuts. The Green Party has not been shy to say that it would seek revenue-raising measures. We have been honest. I know that the Member would go out to our constituents and say that we should save the beds at Bangor Community Hospital, and we have said, "Well, that costs." There should be revenue-raising measures. I made the point about the cap on rates — I know that the Minister made light of it, and it is only part of that revenue raising. I have said, and I have been very up front, that my constituents in Kilcooley should not subsidise the rates of my

constituents in Cultra. I will be honest with the electorate and say that, if we are to keep our hospital open —

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

**Mr Agnew:** I will in a second. If we are to keep our hospital open and to keep those beds, if we are to keep our public services and if we are not to cut the numbers of teachers in our schools, those who can afford to pay more should pay more.

**Mr Weir:** I thank the Member for giving way. He has raised the issue of the rates cap. Even if we were to follow the Member's advice on that, it would raise perhaps £7.5 million; yet the Member is talking about an extra £150 million, in addition to the £600 million that will not be available if we do not implement the Stormont House Agreement. On my reckoning, and roughly speaking, the Member has filled 1% of the gap. Where will he raise the revenue to fill the other 99%? He has mentioned one particular policy. Where else does he see revenue raising coming in? I think he needs to be quite specific on that.

**Mr Agnew:** I thank the Member for his intervention. I and my party did not negotiate, sign up to or agree to the Stormont House Agreement. We did not agree to link welfare to redundancies in the Civil Service or to the victims issues that Mr Attwood referred to. You are almost saying this: if you assume that we have the Stormont House Agreement, which you did not sign up to, then what would you do? The point is that we would not be in this position because we would not have gone in.

Of course, one of the great drivers of the Stormont House Agreement — for doing what I see as the bidding of the Conservative Government — was to get the power to reduce corporation tax, which, of course, my party does not seek to do. We do not seek to say, "Thank you very much for the cuts; can we have some more please?". That is exactly what the drive for the corporation tax reduction is: "Yes, thank you for the cuts; we are struggling to implement them, but can we have some more, in the region of £300 million per year?". We would not have taken that approach, so I do not have to justify how we would make up for the problems of the Stormont House Agreement.

Coming back to the criticism from Mr Farry, he suggests that, somehow, this is the Green Party's fault. He has written recently in our local paper about this on the problems with the Budget. It is almost turning it on its head. His

party, which has two Ministers in the Government, seeks to blame those outside the Government. I am sure that this is a point that Mr Allister and indeed Mr McCallister would make: it is a fundamental right of any opposition to criticise the Government's Budget, to vote against it and to highlight how, if in Government, his or her party would do things differently. That is exactly what I am doing, and I think that is what I am expected to do.

The Alliance Party may, as Mr Attwood said, roll over first, but that is not the position of the Green Party. The Green Party did not support welfare reform before there were any top-ups. Indeed, we do not say, as Mr Dickson did, that we just have to accept the democratic mandate of the Conservatives, so we will just implement everything that they say through the Stormont House Agreement and everything else that they pass down. My party would not take that approach. Indeed, on other issues, they keep talking about the cost of division, which is great. They have been in Government since 2010. What have they done about the cost of division since they have been in Government? The Together: Building a United Community (T:BUC) strategy is a joke, and it has not even been implemented, so a poor strategy has not been implemented. I will not take lectures about my party, as we have done from the opposition Bench. I take it as a compliment that Mr Farry thinks that I can destroy the whole Budget on my own. He obviously thinks that I am very powerful, but I certainly do not take his chiding, and I do not share the ideology of his party, which says that we must afford corporate tax cuts at the expense of the poor, the sick and the disabled.

This Budget perpetuates a failing economic policy that, since 2007, has seen an increase in the gap of incomes of Northern Ireland residents in relation to their counterparts in Great Britain. It is based on 100% cuts, and it is regressive in that it seeks to take from the poor and to give to the better off. The principles that underpin the Budget, the record of the Executive and the previous Executive are principles and a record that the Green Party cannot support.

**Mr B McCrea:** I have some good news. Wimbledon is on, the sun is out and absolutely nobody is listening to our debate. So, I can take that pressure off people.

**Mrs D Kelly:** So, sit down.

**Mr B McCrea:** Mrs Kelly said, "So, sit down." In the last debate, I tried to say that I would be short, sharp and make some salient points —

**Mr Ó Muilleoir:** Will the Member give way?

**Mr B McCrea:** Yes.

**Mr Ó Muilleoir:** If we commit to listen, will you make it shorter?

**Mr B McCrea:** The last time, Máirtín Ó Muilleoir tweeted, "Well, you delivered on 50%", so let us see if I can do better this time. First, we are being asked to pass a Budget for which we do not have the funds. There is no money. Secondly, we have a voluntary exit scheme, the savings for which are already factored into our departmental costings. If we do not get to make the voluntary exits, we will not be able to balance our Budget. We will lose money and it will come round about October. Thirdly, on 8 July, the Chancellor may or may not make more draconian cuts. We are not in favour of in-year cuts. That is an issue. Fourthly, some people say, "When we hear what he has to say, we will throw the head up, have six weeks and then we will go to elections and, around September, we will have elections." Elections will not solve anything because we cannot solve the issue. What is the point of having elections if we just go round and round again?

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

The final point that I want to make is that you can argue that Northern Ireland is a special case. You can say that we are geographically distant or that we have the lowest income per head or that we have special issues. You can do all that, but you can do it only if you go with a united front. The lesson from today is that, if people want to understand the difference between having a mandate and having money, they should look to Greece.

**Mr McCallister:** I have a couple of points. The first question is for the Minister. In her winding-up speech on this issue at the previous debate, she quoted from Dickens. It was more just an inquiry to see whether something has turned up this week. If nothing has turned up, we are still where we were last week.

I did get one compliment about my speech at Second Stage. Although my speech was longer than Alex Attwood's, someone said to me that it just felt shorter than his. That was the one compliment I got for my speech. I will be brief. I got most of it off my chest last

Wednesday, so I feel that I need to regurgitate only 80% of it.

**5.30 pm**

A few recurring themes in our welfare debate and Budget debate are interwoven. One is the idea that we should have more negotiations or somehow find another way. Either the Executive deliver on what they agreed at Stormont House, or they cannot deliver on anything.

Mr McCrea talked about elections not changing anything. They will not change anything in this House, but the only elections that would change things would be Dáil elections, because Sinn Féin might finally get off the hook and start to move on some of these issues.

I want to take issue with some of Mr Attwood's points — namely, the consistent idea that you can stay locked and trapped in the Government and oppose everything from within. You cannot be both in government and in opposition: you have to be in one or the other. You have to have some semblance of agreement. As Mr Allister rightly pointed out, we do not have any cohesiveness, and there is not a modicum of discretion when you are in discussions with each other. For Ministers, it is a case of who can get off their chest first who said what, who agreed with the Secretary of State and who did what. That is no way to run an Administration.

It is telling that the Secretary of State has to be there to try to guide the Executive. Either the Executive function like a Government, or they do not deserve to exist. There is nothing more fundamental to that than a Budget process. The Budget should have been signed up to by all the parties instead of being pushed by the DUP, which dared its colleagues to vote it down. The SDLP was happy to oblige, despite being happy to remain in government. You cannot have a system that continues to do that.

Let us buy ourselves a wee bit more road, kick the can down, and maybe we will make it through to October. Maybe it will be January, maybe it will be February and maybe, goodness knows, we might make it to March. By then, the Dáil election will be out of the way — phew — and we will be ready for our own election. That is no way to do things.

The problem is that some of the parties here have to look at what they are fighting and who they think they having that fight with. They are primarily having it with the newly elected Government of the United Kingdom. Last week, the Minister said:

*"if only there were a way to gauge public opinion". — [Official Report, Vol 106, No 3, p24, col 1].*

Like an election or something. You mean like the one that we had in May? The Conservatives won. Under the system that we use, they are the elected Government of the United Kingdom of Great Britain and Northern Ireland. They are in charge of tackling a massive public spending gap, an even larger public-sector debt and the national debt.

**Mr Agnew:** I thank the Member for giving way, and I take his point. However, some of the parties we face in the Assembly have larger mandates than he and I do, and we still challenge them.

**Mr McCallister:** I am grateful to Mr Agnew for his point. As I said before, I have no issue with you challenging them. However, as I pointed out last week, Nicola Sturgeon is not collapsing the Scottish Parliament and Carwyn Jones is not bringing down the Welsh Government, but we are in crisis. I have no difficulty with the three of us — Mr Agnew, Mr Allister and me — voting against the Budget, as I expect us to do this evening, but we are not in government. I do not enjoy the trappings of office, such as the Škoda, and I do not carry the responsibility of being in government. I am a humble Back-Bencher trying to throw out some ideas. Of course, challenge the Government; have as many rows with the UK Government as you want, but you will still have to live within your means. The sooner all members of the Executive and all parties in the Executive realise that, the better off we will be. We can keep kicking the can down the road. When, initially, the petition of concern threatened the Welfare Reform Bill, there was no mention of 8 July being a problem to us because we did not know that. The argument was that welfare reform was wrong, having spent some 11 weeks up to 23 December and agreed something and disagreed to it on 24 December, when it fell apart. People were reserving their position on it. I forget quite what the phrase was that Mr Attwood used when I asked him, but it was that they agreed to the good bits and disagreed with the bad bits. Either they agreed to it all or they did not. I do not know which it is, and that is the Minister's fundamental problem. Her entire Budget is based on getting the £700 million for the voluntary exit scheme, £200 million of it for this year, and the other support for infrastructure projects, which is £100 million built into this year. There is also the flexibility on asset sales

so that that money can be used to repay the £100 million emergency loan and the £114 million on welfare.

I come back to the great defence that people have put up of our welfare system. I do not know whether it is just me or whether other people find it a little inconsistent in that the SDLP, Sinn Féin and Mr Agnew are fighting so hard to save the welfare system, yet Mr Attwood, quite rightly, highlights that we have the worst levels of poverty, the highest levels of economic inactivity, the biggest health inequalities and some of the highest levels of educational underachievement in the United Kingdom. Why are we defending a system that has delivered nothing but failure? Surely, if this Executive, or any elected Executive, wanted to do anything, the absolute key would be reforming and delivering better public services, better education, better outcomes and earlier intervention for our people. We would reduce health inequalities and lower dramatically the differences in life expectancy in parts of the Member's constituency and between the constituencies of West Belfast and South Belfast.

That is what this Executive and a Government that actually cared about the citizens whom they represent and govern would be doing, not defending the status quo and saying that we need more money. We had record levels of public spending in the early part of this century, yet where were all the indications going on our poverty levels? Were we widening or reducing the gap? According to Mr Agnew, the gap in Northern Ireland is wider than other parts of the UK, yet, somehow, we are in the process of destroying our government and these institutions to defend a system that has not delivered the remotest success.

I come back to the point that I made last week: if you have a better way of doing welfare reform and a better way of raising revenue, bring your proposals here and bring them to the Executive table. Present them at next year's election and say how you would plug the gap in our finances and if you think that public spending should increase. The idea that the only policy tool in the cabinet is that the Brits should send us more money has to be got over. We should have an Administration here that can actually lead and govern, and, if you do not want to reform and if you do not want to govern, get out of the Government and make way for somebody who wants to get on with the necessary reform and be part of the necessary government to lead and improve the lives of our citizens and deliver a proper balanced Budget.

**Mrs Foster (The Minister of Finance and Personnel):** I thank Members for their contributions today. It is important that the impacts of the Budget (No. 2) Bill be debated fully, although the debate obviously went far beyond the scope of the Bill. I am grateful to everybody who participated. I also want to thank the Committee one final time for its role in securing accelerated passage for the Bill. That will enable the legislation, if it passes today, to receive Royal Assent before the end of July, which, of course, is imperative to allow funding to continue to flow to essential public services.

Let me get into some of the detail of what was raised today. Mr Bradley, speaking on behalf of the Committee, again raised issues around the voluntary exit scheme. In particular, he was quite exercised about the fact that he has not got a number against each of the Departments, only an overall figure. I have raised the issue since the Member asked me about it last week, and he has raised it with me again this week. I have received from each Department an estimate of its savings. The figures have not yet gone to the head of the Civil Service, who is in charge of the group looking at voluntary exit schemes. They have not been endorsed by either the oversight group or the Executive, so they should be treated with considerable caution. However, he asked the question, and, if I am known for anything, it is for giving straight answers to straight questions. In 2015-16, the savings are £26.1 million in the Northern Ireland Civil Service overall; £21 million in DE; £14.3 million in DEL; £1.3 million in DCAL; £4.8 million in DSD; £4.4 million in DRD; £8.6 million in the Department of Health; £3.8 million in DOJ; £5.4 million in DARD; £0.4 million in OFMDFM; £0.4 million in DETI; £0.6 million in the Audit Office; and £0.4 million in the Assembly Commission. That adds up to £91.5 million of savings overall during 2015-16.

Those are the assumptions. As I said, they have not been endorsed by either the Executive or the head of the Civil Service. I provide them with that caveat. They are really to give Members a sense of the savings figures that are included in this Budget (No. 2) Bill. Of course, if the savings are not delivered, each of the Departments that I have mentioned will have to live within its means and take into account the savings that it has factored in.

I, like my predecessor, am supportive of the review of the financial process. Mr Bradley will know that it is an issue that is with the Executive. Some Executive parties do not want to proceed with the financial review. Others among us do. I do not need to spell out which parties are opposed to taking the financial

review forward. I have to say that it is very difficult to understand why anyone would not want to take the financial review forward and to be open and transparent about what is happening in particular Departments, but I will leave it for others to defend their position. For my part, I am quite happy to endorse changes to the financial process.

Mr Bradley also talked about the challenges that lie ahead and the need to look at cross-cutting financial issues. I absolutely agree with that. As he will know, the OECD is delving into different issues that affect the Executive. The draft report will come in September, when we will be able to look at some of the cross-cutting issues in depth. There is a requirement for regular scrutiny. I entirely agree with him about the role of the Committee. The Committee has a hugely important role to play, not just to scrutinise for scrutinising's sake but to engage with and inform the public and to be their voice in the Assembly. I hope that the Committee will continue to do that and that we will be able to deal with that issue in the future.

#### 5.45 pm

We anticipate that the national Government will publish their spending review in the autumn for the period 2016-17 and beyond. Whilst there is no certainty on the outcome of that spending review, I expect that it will follow the overall UK forecasts as set out by the Office for Budget Responsibility (OBR). That means that resource DEL will continue to be constrained, with capital DEL growing in line with inflation. Ultimately, however, local budgets will be influenced by local decisions, including decisions on welfare reform and everything else in the Stormont House Agreement. Of course, our Budget process for next year cannot proceed until we have our spending review outcome. One of the issues that I discussed with my Welsh counterpart was how we were going to approach the spending review and whether there were things that we could do together in relation to it.

Paul Girvan welcomed the debate and said that, on behalf of the DUP, he would be supporting the Budget. He said very strongly that we should make no mistake about the fact that, if we did not implement welfare reform, our Budget situation would become untenable. I have made that point ad nauseam, some would say, over the past couple of weeks. He made the point as well that we benefit, of course, from being part of the United Kingdom and that, whilst we need to repair the UK deficit, it is manageable. In fact, the OBR projects a UK Budget surplus by the end of this decade. I will

come back to Mr Ó Muilleoir's point in relation to the IMF documentation, but certainly the way in which we have been able to deal with the deficit at a national level means that we have space and that we will see a surplus coming by the end of the decade. That is from the independent OBR.

Michaela Boyle talked about the 8 July announcement, as did others. I note that the Chancellor and the Secretary of State for Work and Pensions have reaffirmed the Government's commitment to dealing with the UK welfare system. They have made it very clear that the reason that they are doing that is that the UK accounts for 7% of all welfare spending throughout the world but has only 1% of its population. Therefore, they believe that welfare needs to be dealt with. At a UK level, we produce 4% of GDP across the world, so you can see the scale of the issue that is before the new Administration at Westminster and why they believe that there is a need to deal with it. Of course, we differ in relation to how we deal with the large welfare bill, but that is why they believe that they need to deal with the issue. It is clear that the block allocation for us cannot take the additional cost in terms of where we are in relation to welfare reform. Therefore, we need to have welfare reform implemented so that we have the wherewithal and the sustainable Budget — I will come to Mr Attwood's point in a moment — to move forward and to have public services delivered in Northern Ireland.

Ms Boyle also made reference to wider fiscal powers. I am well aware that Sinn Féin's position is that it wants to see full fiscal devolution whilst not dealing with the fact that we have a £9.6 billion deficit in relation to what we receive from Westminster. I know that it does not agree with those figures, but, even from its figures — it says that there is £3 billion of a deficit — how are we going to deal with that under full fiscal devolution? I say very strongly that we need to put our house in order before we start to look at any further fiscal devolution or seek any new powers. We should do what is best for Northern Ireland and deal with the welfare reform difficulties in front of us at the moment.

Dr Farry indicated that the Alliance Party would be supporting the Budget not because it has a great love for this particular Budget — it has made that very clear throughout this Budget debate — but because it is the responsible thing to do as regards the delivery of public service. He made reference to the fact that there have been many calls for leadership over this past period of time, but he believes — I

concur with him — that the actions of Sinn Féin, the SDLP and the Green are plunging Northern Ireland into a very difficult place. Mr Agnew can say that he believes that he is only one person speaking against the Executive, but he still has to take responsibility for what he is voting for. He is voting against the Budget, and, if there is no Budget, there are no public services — it is as simple as that. You cannot just say, "I am voting against this because I can, and it'll go through anyway". That is not a responsible thing to do. What is responsible is to stand up and say why you are voting against the Budget and what your alternatives are. I have not heard any of that from Mr Agnew in his contribution.

Dr Farry said that the principle of consent had been misinterpreted last week. He said that some parties were questioning the legitimacy of the United Kingdom Government and breaching the almost sacrosanct Belfast Agreement. He said that we needed to have properly funded public services and a properly funded public health scheme for early years and for all of the different parts of the Administration. To do that, we needed a Budget in place rather than, as he put it, keeping people in poverty and taking away the rungs from the ladders that allow them to get out of poverty. He and I worked on an economic inactivity strategy, which was, I think, a good strategy that had good potential to move forward. I note that Mr Ramsey has joined us, and he lobbied hard for that economic inactivity strategy. I deeply regret that, because of the situation that we find ourselves in, we will really struggle to find funding to deliver it. That is one of the difficulties in which we find ourselves, and it is very regrettable.

Mr Ó Muilleoir talked about the famous IMF discussion note, about which there has been much discussion. He gave the narrow interpretation that it dealt only with the issue of needless austerity being bad for the economy. It does talk about austerity and the need to deal with issues in an appropriate way, but it also talks about the fact that debt is bad for growth. It talks about the different ways to deal with the deficit and national debt. What I want to say to him is that, whilst it is an important document, it is a discussion note and does not represent IMF views or policies. It is put out there to start a discussion about national policies. As I said during Question Time today, Christine Lagarde, the managing director of the IMF, said that she had underestimated the strength of growth in the United Kingdom economy. Critically, she also said:

*"At the IMF we have learned that there is no single best way to reduce the fiscal deficit".*

If we are to quote from IMF discussion notes, it is important that we give a full picture of what the note has to say and not just quote selectively.

**Mr Ó Muilleoir:** I thank the Minister for giving way. I am sure that this note and other matters come up in your discussions with the Treasury. I take it that Treasury's position is that its approach is 100% correct. I do not expect the Minister to adopt my position, which is wholly against the London Government's approach, but surely you are not saying that when you sit down to talk to the Treasury, you both say the same thing.

**Mrs Foster:** No, not at all. I do not know whether the Member was in the House during my Question Time today, but I said that I felt that, although it is important to deal with the deficit, we need also to have cognisance of the different regional parts of the United Kingdom. Whilst the speed and way in which the deficit is being dealt with may be good for London and the south-east, it certainly has impacts on other regions of the United Kingdom. That is where we need to point out the differences, and that formed part of the discussion that I had with my Welsh counterpart — how we could make a strong argument for Wales, Northern Ireland and, undoubtedly, Scotland, as well, it has to be said, for regions of England.

I think we recognise that there are parts of the north-east and the north-west that certainly need dealt with as well.

I was a bit surprised that Mr Ó Muilleoir liked his Wilkins Micawber comments. I am not sure what his wife would have to say about that. I think it is wrong to talk about the Somme, which, of course, was very serious. Indeed, when we look back at the sacrifice that happened 99 years ago tomorrow, we can see that it is wrong to talk about lions being led by donkeys and to make a reference to national Ministers in that respect. I am not sure whether it is even parliamentary language to call Ministers in Westminster "donkeys", but certainly it is not something that I want to be associated with. I think that all of us want to try to deal with the issues before us, and while some might have different views and want to make commentary, I do not think that it is right to refer to Her Majesty's Government as "donkeys", which is what Mr Ó Muilleoir was trying to do.

This is something that the SDLP has latched on to about the budgetary process, but Mrs Kelly said that the Westminster Government have broken the Stormont House Agreement by having in-year cuts. She said that, because of that, they have broken their word and that that is dreadful and all the rest. Of course, we have in-year monitoring and in-year cuts. Indeed, we sometimes benefit from in-year budgetary issues. That happens every single year, and there is no difference in this year. We benefit on some occasions, as I say, and we benefited to the tune of £11 million on the last occasion that there were changes. On this occasion, we have a Budget cut of £33 million in resource DEL and £5 million in capital. Of course, it is concerning that that should come to us and that we need to make representations. However, to suggest that that is unusual in the budgetary process is simply not correct.

On the question of us not having a —

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

**Mrs Foster:** I will give way on this occasion.

**Mr Attwood:** I understand the point that you made. It is a valid point. However, does the assertion that you just made not sit uncomfortably with the explicit words in the Stormont House Agreement? It refers to a "final balanced budget". That is your Budget, and we are opposing it, but it refers to a "final balanced budget". It does not say, "final balanced budget less £38 million".

**Mrs Foster:** That goes to the heart of it. If you are saying that that is what you understood it to be, I think that you are mistaken. You have to put it in the context of what happens every other year. We are not taking it out of the normal budgetary process and saying, "That is sacrosanct; you cannot touch it".

We are in a devolved Administration and, therefore, have to be dealt with through Barnett consequential when issues happen at Westminster. Indeed, on many occasions, we have benefited. I hope that the Member is not saying that if there is a benefit to come to Northern Ireland I should say, "No, I am not taking that money, because we have a final balanced Budget and, therefore, I cannot take any more money from the Treasury."

Mrs Kelly also said that one of the reasons why we should not vote for the Budget today is that there is no Programme for Government. Of course, that is not right. There is a Programme for Government. The Executive, including her

Minister, have agreed to roll forward the 2011-15 Programme for Government to embrace this year. That will happen; it will roll forward, with new targets being delivered against it. Of course, next year a new Programme for Government will be delivered that is based on what we receive under the spending review for 2016-19. I have dealt with the in-year reductions that were mentioned by Mr Ó Muilleoir, Mr Murphy and, I think, Mr Attwood.

Conor Murphy referred to Greece. Whatever about the awful situation that they find themselves in now, the Government in Greece have a democratic mandate and, therefore, should be respected for what is going on in that part of the world. Similarly, the United Kingdom Government, who are our national Government, also have a democratic mandate through our national Parliament. That has to be respected. When we talk about respecting each other's mandates, it is important that we respect everybody's mandates, not just our own and not just people we want to support.

It is important that we recognise that this is a devolved Administration, which sits under the national Parliament of the United Kingdom, and, therefore, we have to deal with the consequences of that.

## 6.00 pm

Mr Dickson raised the issue with Mr Murphy about sitting in Westminster, and the answer that he got was that there was no point in going to "shrug your shoulders in person". That is a very poor view of parliamentary democracy, I have to say. Why get elected to a place if you are not going to go and your simple view of the place is that you go along to "shrug your shoulders in person"? I hope that others do not agree with that view of parliamentary democracy. You go, make your point and argue your case on the Floor of the House, just as everybody does in this place today.

I have dealt with in-year cuts. Mr Murphy said that the Stormont House Agreement brought about our own welfare system to deal with the worst ravages of the Tory Administration. That is right. We did have that system in place, but, of course, once the Welfare Reform Bill was voted down, we lost the opportunity to bring those mitigating actions into reality for the citizens of Northern Ireland, and I entirely regret that.

There was a lot of mixing up of what is to come and what is in this Budget here and now. That has been the mark of the debate. Mr Attwood and others always want to talk about what is

coming down the line instead of dealing with the reality of what we have in front of us today. I think that is wrong. We should deal with and be responsible about the public services that are to be delivered in Northern Ireland in the year 2015-16.

Mr Murphy made reference to the fact that the whole area that we found ourselves in was a serious challenge to the institutions. If we want to move forward, then we need to resolve the issues. Of course, if we want to move forward, we have to have a workable Budget, and the only way to have a workable budget is to have welfare reform implemented in Northern Ireland.

Mr Attwood did not recognise my description of the SDLP as the Vicky Pollard of Northern Ireland politics. I was not referring to him as the Vicky Pollard of Northern Ireland politics. I think a little bit more of him than that, and I hope that he will accept that. I do stand over my description, as they are all over the place. I advise him to go to Sky or other cable channels and watch some of the episodes for his own enjoyment, entertainment and information. He will know exactly what I am talking about when he watches it.

He went on to make a number of points in relation to the Budget. He talked about the fact that money was taken away in-year. I hope that I have addressed that. He talked about private meetings, which I am not going to get into, first, because I was not there, and, secondly, because I do not think it is appropriate to talk about those meetings in this open forum. A lot of what Mr Attwood had to tell us was a complete distraction from the real issue. The real issue is around the implementation of welfare reform. He did not want to talk about that particular elephant in the room, but that is what we have to deal with in moving forward.

I am not quite sure what his argument was in relation to HS2. Maybe he wants to clarify that. I am making a very strong argument that we should receive Barnett consequentials in relation to HS2. If there was some ambiguity in my language on the last occasion, I apologise. I am, with colleagues in Wales and Scotland, making a very strong argument in relation to Barnett consequentials on HS2.

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

**Mrs Foster:** Yes, I will.

**Mr Attwood:** The point was that, based on what London announced last week in respect of rail infrastructure in the Midlands and the report

that they were forced to release last Thursday in respect of HS2 and its viability, I was putting up a marker that a question mark is beginning to arise — and it is a pretty big question mark — around HS2. That aside, you said last week that there may well be Barnett consequentials. My question is this: is there an understanding already, or growing, that there will be Barnett consequentials if HS2 goes forward in whatever shape it may go forward?

**Mrs Foster:** Just to be very clear, there is no private understanding about HS2 Barnett consequentials. It did come up in my meeting with Jane Hutt. It will come up again in my meeting with John Swinney, because it is not just about HS2. I have to say, looking at some of the comments made by some of the English MPs, that I doubt if it will go ahead. However, there are other infrastructure projects happening. We need to keep an eye on what is happening so that we can argue the case for Barnett consequentials here.

There was a lot of conspiracy talk about what "sustainability" means in terms of the Budget and whether it means x or y. The Member was trying to reimagine the Stormont House Agreement. He does not actually need to do that. I refer him to the Secretary of State's comments made in Washington on 16 March. I will quote them because they are important to reflect back on. She said:

*"I'm afraid there's no room for ambiguity. Implementation of the welfare reform package is a key part of the Stormont House Agreement. ... Ultimately, all the other elements of the Stormont House Agreement would fall if the welfare aspects are not implemented, including the structures on the past, the financial package and corporation tax devolution. The consequences could be dire and should that prove inconclusive, even see the collapse of devolution altogether."*

That is what the Secretary of State had to say on that. I want to be completely clear as well on this issue: if there is no welfare reform, there is no voluntary exit scheme; no money for the past; no sustainable Budget; no Stormont House Agreement; no paragraph 10; no corporation tax; no Assembly; and no Executive. That is how serious this issue is. If we do not implement welfare reform, all the other things that we talk about here today are by the way. We need to get real, put this behind us and implement welfare reform.

Mr Attwood went on to talk about the low-wage economy. I absolutely recognise the statistics

that came out today. Again, I refer him to dealing with that through the economic inactivity strategy and the fact that we will not be able to take that on in the fashion that we would have done or indeed that my successor in the Department of Enterprise, Trade and Investment would do. I regret that because it is important that we move ahead on those very important issues.

Mr Attwood had a go at the Northern Ireland Executive, despite the fact that he sat in the Executive for a time; despite the fact that his party colleague sits in the Northern Ireland Executive now. There is almost this detached view that his party is not really in the Executive at all. But they are in the Executive, and they need to recognise that, step up to the plate and play responsible government like everybody else. He wanted a paradigm shift. I have to say that if you talk about a paradigm shift and use all these great words, and then vote against the Budget, you would have a paradigm shift by not having a Budget in Northern Ireland. It is the most ridiculous situation that I have ever heard in all my life, and I can assure you, Mr Deputy Speaker, that I have heard some ridiculous things in this House over this past period of time.

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

**Mrs Foster:** Yes.

**Mr Attwood:** I will just put two quick points to the Minister. If we were in a position where the Budget and welfare were agreed for 2015-16, that still would not answer the question on what the British Government mean by sustainability and what they meant in Stormont House when they said — this is in the document — that sustainable finances have to be agreed with the British Government. Given where we now are with a Conservative majority Government and what appears to be happening on 8 July, does it not cause you concern that it will be on their terms in a way that is damaging to our people?

**Mrs Foster:** Unlike the Member, I do not see conspiracies round every corner. Yes, there is a need to be vigilant, and we will be. For me, sustainability means that you have a balanced Budget. The only way to get a balanced Budget in this context is the implementation in full of the Stormont House Agreement. That is what I have been talking about, as I have said, ad nauseam throughout this Budget debate.

**Mr McCallister:** I am grateful to the Minister for giving way. My point relates to Mr Attwood's point about blaming the Conservative

Government for bad faith for bringing a Budget on 8 July. When the SDLP first walked away from the Stormont House Agreement, which I suggest was some time round Christmas Eve, the day after it was agreed; voted against the first Budget in January or February time; voted against welfare reform all the way through; signed the petition of concern against welfare reform and finally killed it off, who backed out of the Stormont House Agreement first: the SDLP or the UK Government?

**Mrs Foster:** I am not getting into the game of who blinked first, but there certainly have been very mixed messages coming from the SDLP, which is why I called them the Vicky Pollard of Northern Ireland politics. They say at meetings that they support the Stormont House Agreement, but they do not. The reality is that they do not support the Stormont House Agreement, so there is no point in saying, "Oh, x has broken the Stormont House Agreement", when they have not supported the Stormont House Agreement for some considerable time. I wish they were honest with people and came forward and said that they do not support the Stormont House Agreement because this farce of pretending to support it is a nonsense.

Mr Agnew said —

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

**Mrs Foster:** I do want to make some progress.

**Mr Attwood:** I can assure the Minister that this is the final time and is to confirm, if only for the final time, what our position is on Stormont House. It is that we said we would build upon the weak and rectify it, and we would implement the good. How much clearer can you be? We are not going to give to the London Government a blank cheque when it comes to the politics and the Budget of Northern Ireland.

**Mrs Foster:** Well, this is the new phrase that has come out of today. I am glad something new is coming out of today because there has been precious little. The SDLP's position in relation to the Stormont House Agreement is that they will implement the good and build on the bad. That is the new phrase for today, and undoubtedly we will hear a lot of that over the coming weeks. I am putting down a marker to journalists everywhere that that is the new phrase from the SDLP.

Mr Agnew said that he was not going to repeat what he said previously; he was going to reiterate it, which is, of course, a synonym for repeating it, and that is exactly what he did. He

criticised the role of Invest Northern Ireland. He criticised my record as Enterprise, Trade and Investment Minister. He said that we had displaced jobs. It shows how little he knows of the process of foreign direct investment when one of the key elements of an assessment is in relation to displacement: you assess whether there is going to be any displacement. The nonsense that we have displaced local jobs is just rubbish.

Of course, he again failed to mention the global recession. He said that we needed to redistribute wealth, and gave us the Chairman Mao remarks again. He gave us his great leap forward in relation to rates again. He did not talk about growing the private sector or supporting private businesses to grow, and again showed that he had absolutely no aspiration for the economy here in Northern Ireland. That does not surprise me because, to be fair —

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

**Mrs Foster:** No, I am not taking an intervention. He has never suggested that he is in favour of small businesses or supporting businesses in Northern Ireland. He did not agree to the Stormont House Agreement, therefore there was no need to come forward with solutions. He can just sit on the Back Bench and say no, and he is in very good company in doing so.

He can vote against the Budget and not worry about what that means for Northern Ireland because he is a one-man band, so he does not really have to worry. That is fair enough. If that is the way he wants to be remembered in Northern Ireland politics, he can vote against whatever he likes because it does not really matter; it is going to go through anyway. That is not really something that I would be proud of as a representative of a local constituency.

Mr McCrea was uncharacteristically brief, and we were all very grateful for that. His quote was that, if you look at Greece, having a mandate was different than having money. He made that point about the Greek situation.

John McCallister made a number of points in relation to where we find ourselves but his key point, from my perspective, was that we either do Stormont House or we do not. He said that it was a very clear decision that we had to make and that there was a need to get on with it.

I hope that I managed to respond to most if not all Members who raised an issue. The Budget Bill is essential to provide Departments with legislative cover to deliver public services here.

We cannot forget that, regardless of the budgetary uncertainties facing the Executive and the Assembly. As I outlined in my opening speech, the decisions that we take as an Administration will have wide-ranging and long-term consequences for the future of Northern Ireland.

I hope that all Members — all Members — will keep that in mind and do what is right for the people we are sent here to serve. On that note, I commend the Budget (No. 2) Bill to the House.

**Mr Deputy Speaker (Mr Beggs):** Before we proceed to the Question, I remind Members that, as this is a Budget Bill, cross-community support is required.

*Question put.*

*The Assembly divided:*

*Ayes 60; Noes 19.*

## **AYES**

### **NATIONALIST:**

*Ms Boyle, Ms Fearon, Mr Flanagan, Mr Hazzard, Mr Lynch, Mr McAleer, Mr F McCann, Ms J McCann, Mr McCartney, Ms McCorley, Mr McElduff, Ms McGahan, Mr M McGuinness, Ms Maeve McLaughlin, Mr McMullan, Mr Maskey, Mr Milne, Mr Murphy, Ms Ní Chuilín, Mr Ó hOisín, Mr Ó Muilleoir, Mr O'Dowd, Mrs O'Neill, Ms Ruane.*

### **UNIONIST:**

*Mr Anderson, Ms P Bradley, Mr Buchanan, Mrs Cameron, Mr Campbell, Mr Clarke, Mr Craig, Mr Douglas, Mr Dunne, Mr Easton, Mrs Foster, Mr Girvan, Mr Givan, Mrs Hale, Mr Hamilton, Mr Humphrey, Mr Irwin, Mr McCausland, Mr I McCrea, Mr D McIlveen, Mr McQuillan, Mr Moutray, Mr Poots, Mr Ross, Mr Spratt, Mr Storey, Mr Weir, Mr Wells, Mr Wilson.*

### **OTHER:**

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

*Tellers for the Ayes: Mr Girvan and Mr McQuillan.*

## **NOES**

### **NATIONALIST:**

*Mr Attwood, Mr D Bradley, Ms Hanna, Mrs D Kelly, Mr McGlone, Mrs McKeivitt, Mr McKinney, Mr A Maginness, Mr Ramsey, Mr Rogers.*

### **UNIONIST:**

*Mr Allister, Mr Cochrane-Watson, Mr Cree, Mrs Dobson, Mr McCallister, Mrs Overend, Mr Somerville, Mr Swann.*

### **OTHER:**

*Mr Agnew.*

*Tellers for the Noes: Mr D Bradley and Mr Rogers.*

*Total Votes 79 Total Ayes 60 [75.9%]*

*Nationalist Votes 34 Nationalist Ayes 24 [70.6%]*

*Unionist Votes 37 Unionist Ayes 29 [78.4%]*

*Other Votes 8 Other Ayes 7 [87.5%]*

*Question accordingly agreed to.*

*Resolved (with cross-community support):*

*That the Budget (No. 2) Bill [NIA 53/11-16] do now pass.*

6.30 pm

## Justice Bill: Final Stage

**Mr Ford (The Minister of Justice):** I beg to move

*That the Justice Bill [NIA Bill 37/11-15] do now pass.*

I have great pleasure, after some extremely long stages, in moving the Final Stage of the Bill, which has had a long journey from its original inception. Some of the policy content, for pressing reasons, was incorporated into the Legal Aid and Coroners' Courts Bill, which became an Act on 17 November 2014, and some has found its way into the Justice (No. 2) Bill, which I introduced earlier on.

For too long in this jurisdiction, justice legislation was criticised for adopting a piecemeal approach to the law. While there will always be a need to react to emerging trends and developments, since the devolution of justice I have made it my aim to approach much-needed legislative reform in a structured and focused manner. I hope that that is evidenced by the Bill that is before us now. It is a Bill that highlights the breadth and complexity of issues in the justice field that the Assembly now deals with as a matter of routine.

I should of course start by recording my thanks, as is traditionally the case. However, it is not just because it is tradition. I genuinely want to put on record my thanks to the Committee for Justice and, in particular, to the Chair, Alastair Ross, his predecessor, Paul Givan, and the Deputy Chair, Raymond McCartney, for their stewardship of the Committee's detailed scrutiny of the Bill and for its detailed and comprehensive report at the conclusion of Committee Stage. Of course, I thank the Committee's officials for the work that they do to keep matters running smoothly. I also want to thank the many officials in the DOJ, not many of whom have sat in the Box during the Bill's stages. They developed the content of the Bill from policy proposals into fully thought-out legislative provisions. I also thank those who have played an important part in ensuring that this significant piece of legislation progressed through the various stages of Assembly scrutiny, not all of whom annoyed me at different times.

I should also express particular thanks to the Office of Legislative Counsel for its exceptional work in crafting such a large and detailed piece of legislation at the outset and for its ongoing

efforts in responding to a number of extremely challenging drafting demands in the approach to Consideration Stage and Further Consideration Stage. It is no exaggeration to say that we are only at this stage as a direct result of its expertise and willingness to go the extra mile to assist me as sponsor and my officials.

The Bill, at Final Stage, is a strategic and highly significant piece of legislation. I do not intend to outline in detail all the Bill's content, but it is appropriate to remind the House of the main themes of reform that we have been addressing. At its heart, the Bill improves services and support for victims and witnesses, with a victims' charter that will set out their entitlements and a witness charter that will set out the standards of service that witnesses can expect. We are introducing a legal entitlement to provide a victim statement to the court about the impact that a crime has had on a victim or their family.

My determination is to place victims and vulnerable witnesses at the heart of the justice system, which is an aim that was, I understood, shared by the Committee for Justice. That is why I am a little disappointed that the Assembly stepped back from my original proposals to abolish preliminary investigations and the use of oral evidence at preliminary inquiries. Following speeches made by the two members of "Traditional Legal Voice" in the Assembly, the House voted at Consideration Stage to retain such hearings where, in the opinion of the court, they are required in the interests of justice. I believe that we had an opportunity to go further to protect the interests of the most vulnerable victims and witnesses, but I am grateful to the House for approving my additional amendments at Further Consideration Stage that work within the will of the House while taking positive steps to ensure that the needs of witnesses will be taken into account in deciding if oral evidence is really necessary.

A frequent criticism of the justice system, particularly from victims, is that cases take too long. The Bill delivers a number of provisions that will speed up criminal case progression, including measures to encourage people who are guilty of a criminal offence to admit their guilt at an earlier stage and statutory case management arrangements to enhance court control over case progression. There is a power to allow the Public Prosecution Service (PPS) to issue summonses without first having to obtain the signature of a lay magistrate and a new prosecutorial fine that will allow the PPS to offer penalties of up to £200, and compensation

of up to £5,000 in the case of criminal damage, as an alternative to a case progressing to court.

Public protection and safeguarding arrangements are significantly improved by the Bill through the introduction of violent offences prevention orders or VOPOs. I must confess that the acronym does not appeal to those of us old enough to remember the Volkspolizei of the German Democratic Republic.

As a result of positive and proactive engagement with Dolores Kelly and her party colleagues, domestic violence prevention notices and orders are also created. Similarly, proactive engagement with Paul Frew and Lord Morrow results in child protection disclosures, allowing the consideration of disclosure of conviction information in relation to any offender who falls within our public protection arrangements.

Changes are made to the existing offence of child grooming to reduce the threshold for the commission of an offence; a new offence of sexual communication with a child is created; and the offence of causing or allowing the death of a child or vulnerable adult is extended to include "suffering serious physical harm".

Other reforms in the Bill seek to improve the effectiveness and the efficiency of the justice system. A single territorial jurisdiction is created for Magistrates' Courts and County Courts, and the opportunity for the use of live video links in courts is increased. Arrangements for the disclosure of criminal record checks are improved, making it more efficient and transparent. The changes include making criminal record checks portable and allowing online updating, which has been long awaited by Access NI and its clients. There are additional protections relating to the information that can be disclosed and the ages of those subject to criminal record checks. An appeal mechanism has been created for the filtering scheme to allow old and minor convictions to be removed from some criminal records in certain circumstances.

Significant amongst the range of other reforms, the Bill places the best interest principle in the aims of the youth justice system.

I regret that the media focus in the run-up to Consideration Stage and Further Consideration Stage was not on the substance of the sound policy content of the Bill but on issues relating to controversial measures being proposed for amendment by some Members.

The measures that I have highlighted give an outline of the Bill rather than a comprehensive breakdown. They give a sense of the many improvements to the justice system that I have introduced in the Bill and which the House has supported.

I said at Second Stage that I believed that the Bill was part of a blueprint for a better justice system for Northern Ireland. I am satisfied that its provisions, at introduction and as a result of subsequent amendments, will help to deliver a justice system that protects its citizens, treats victims with kindness and fairness, and makes the best use of scarce public resources. It is worth noting that 95% of the Bill's content as originally drafted has made it through, unmolested, to Final Stage.

I believe that the Bill is an important component in our ongoing programme of work to deliver a justice system that we can all be proud of. On that basis, I commend the Justice Bill to the House.

**Mr Ross (The Chairperson of the Committee for Justice):** On behalf of the Committee, I welcome the Final Stage of a Bill that was described at Further Consideration Stage as exciting. It has had its fair share of amendments and petitions of concern. There is little doubt that it has undergone extensive and detailed scrutiny and debate, at Committee Stage and during the lengthy debates at Consideration Stage and Further Consideration Stage. As the Minister said, that has resulted in a large number of changes.

As I have stated previously, the Committee supported the main aims of the Bill: to speed up the justice system and improve the efficiency and effectiveness of key aspects of it. The Committee particularly welcomed the provisions and amendments that seek to improve services and facilities for victims and witnesses, many of which originated directly from the findings and recommendations of the Committee's inquiry into the criminal justice services available to victims and witnesses of crime, which it completed in 2012. The principles of the final Bill remain the same and have been enhanced by a number of amendments made during its passage through the Assembly.

I turn now to the provisions regarding preliminary investigations and mixed committals. I am personally disappointed that amendments were accepted so that there is provision for preliminary investigations in some circumstances and in what have been described as the "interests of justice". When the Committee considered the original

proposals by the Department to abolish preliminary investigations and mixed committals, members noted that, whilst the proposals aimed to streamline the procedure for moving business from the Magistrates' Court to the Crown Court, the primary driver was to reduce the impact on vulnerable victims and witnesses. The amendment made at Further Consideration Stage aims to reduce the likelihood of victims and witnesses experiencing the difficulty of having to give evidence twice. However, that situation could have been avoided altogether had the original proposals been supported, as agreed at Committee Stage.

Nevertheless, that is the power of the Assembly — to amend legislation — and I suppose that is proof of that power in action.

The amendments to provide for child protection disclosures and domestic violence protection orders are very welcome and will, undoubtedly, enhance the public protection arrangements already in place. I congratulate Mr Paul Frew and Mrs Dolores Kelly on instigating those. I think that it is also important to say that we welcome that the Minister and the Department decided to work along with both those individuals to ensure that the provisions that were proposed were got right and, in the case of Mrs Kelly, that they worked together to remove those amendments so that they were not moved on the day to make sure that we got the legislation right and provided the protection that Mrs Kelly sought for vulnerable women. It is a positive example of collaboration between Back-Bench Members and the Minister, and it should be commended.

The amendments made to provide for a new offence of communicating with a child for sexual purposes, to change the existing offence of meeting a child following sexual grooming, to reduce the evidence threshold and to enable the joint conviction of members of a household who cause or allow a child or vulnerable adult to suffer serious physical harm are also very welcome and will provide additional protections.

On what used to be clause 86, the Minister will, no doubt, be pleased that I do not intend to rehearse the Committee's position on Henry VIII clauses, suffice it to say that the Committee was pleased that the Assembly backed its view that powers provided in Bills to make ancillary provision by way of subordinate legislation should be for an exact purpose, rather than widely drawn.

The amendment made to Part 1 at Further Consideration Stage is much narrower in scope and effect but will enable the Minister, in our

view, to make minor amendments to the Bill on the introduction of a single jurisdiction for the County Courts and Magistrates' Courts if necessary. That is the approach that the Committee suggested the Department should have adopted in the first place. I have no doubt that other Committees will wish to examine the position that the Justice Committee adopted and ensure that the Executive branch of Government have their powers curtailed when Committees feel it is necessary.

The Bill will improve the treatment of and services available to victims and witnesses of crime, facilitate improvements to the efficiency and effectiveness of the criminal justice system and enhance measures aimed at protecting children and vulnerable adults. It is, therefore, very welcome. There is, however, much more that can and, indeed, needs to be done on how the criminal justice system operates. I and the Committee have been spending a lot of time and focus in recent months considering and discussing with key stakeholders, including the Lord Chief Justice, legal professions and voluntary organisations, new and innovative ways of working that could be introduced in Northern Ireland, including the greater use of digitisation, online dispute resolution for certain types of low-level cases and new approaches to interventions and diversions, particularly for young people.

As the Minister is aware, the Committee held three justice innovation seminars and undertook a recent visit to London to meet the Civil Justice Council, the Centre for Justice Innovation and Sir Brian Leveson, who has completed a review of efficiency in criminal proceedings in England and Wales. Next week, I and the Deputy Chairman will travel to The Hague to look at online dispute resolution as an example of where technology can be used to improve the justice system. Indeed, I note that a senior official in the Department of Justice has asked whether he can tag along, which is very welcome indeed.

With the current Budget position as it is, there is an opportunity and the stimulus to identify and adopt more innovative working practices, which will provide for a more dynamic, efficient and effective criminal justice system. I and the Committee intend to make recommendations to be taken forward as part of the next Programme for Government and future justice Bills.

I will conclude my comments on behalf of the Committee by again thanking the members of the Committee for their commitment and diligence in carrying out the scrutiny of the Bill, as well as the departmental officials who

assisted the Committee in answering questions. I also thank the Committee officials who ensured that members were well informed of the issues that we had to discuss and for their assistance at various stages of the Bill. I also place on record again the appreciation of the Committee to the organisations that contributed to the legislative process by taking the time and effort to submit written and oral evidence at Committee Stage.

I will speak very briefly in a personal capacity. I sought and am very pleased to have received the support of the Assembly for my amendment, which provides for a scheme to enable prisoners released early under the conditioned early release scheme to undertake community service whilst on early release.

I hope that, in future, justice Bills will see greater use of alternatives to prison for suitable offenders and a greater use of restorative sentences when appropriate.

**Mr McCarthy:** Go raibh maith agat, a LeasCheann Comhairle. Like the Chair, I welcome that this is now the Final Stage of the Bill.

It is a good example of how a Department presents a Bill and it is taken through the process in the Assembly. Someone once said that, when a Minister lays a Bill in front of the Assembly, it belongs to the Assembly, and the Assembly has the ability and power to enhance it or amend it appropriately. This Bill is a good example of that process at work.

#### 6.45 pm

The Chair provided a commentary on the Bill and how it was taken through Committee Stage. I thank him for his stewardship of the Bill, and I thank Paul Givan, who was the Chair when the Bill first came to the Committee. I endorse the Chair's words about the Committee staff and all the organisations and individuals who provided evidence. The departmental officials, on a number of occasions outside the Committee, met privately with the parties and me and the Chair to explain aspects when we sought clarity on some of the amendments that were proposed.

In the previous debate, I made this point because sometimes — the Minister has alluded to this — the headline for the Bill was reduced to one or two items, important as they were. There are many aspects to the Bill. The Committee report is in three volumes, coming to over 1,000 pages, so it was subjected to good

scrutiny. That sometimes goes unattested in public or media commentary, but that is, perhaps, just the nature of the beast.

When you look back on the changing or making of law, you find that all aspects — each and every one — are important. However, I think that the Committee did very valuable work in the 'Inquiry into Victims and Witnesses of Crime'. The Minister mentioned in his address that the inquiry allowed us a perspective. Some of the items that we will shortly all vote for and that will be enacted were part of that journey through the inquiry, during which we were well informed by people who have seen the justice system from the other side, so to speak. They informed us well on improvements that could be made to make the processes better for anyone who came into contact with the system.

The Bill, which was called "Faster, fairer justice" — it was called by a number of names — has to be effective and to underwrite the principle of ensuring access to justice. I think it does that. During its passage, the idea of the interests of justice predominated. We found a good balance for that in early guilty pleas and the role of the solicitor, and in PEs, PIs and mixed committals we created the proper balance. The Chair referred to how other people contributed to the debate around public protection. All in all, we have a very rounded Bill.

The Chair has outlined some of the work that the Committee is now undertaking on innovation, and I have absolutely no doubt that, at the end of that process, much like the 'Inquiry into Victims and Witnesses of Crime', we will see the Committee help to shape some of the ideas. I am sure that the Minister will introduce more Bills to the Assembly and Committee. Certainly, we want to be part of the process of informing and ensuring that, whatever legislation goes through the Assembly from the justice end, we will be there to advise and support the Minister along the way. Those are my concluding remarks.

**Mr A Maginness:** I support the Bill and thank the Minister for bringing it through. The Bill was very worthwhile and a very valuable exercise. I know that the Minister had certain ambitions that were not fulfilled; nonetheless, his interaction with the Committee was very constructive, and credit should go to him for showing flexibility when it was necessary. The Bill and the debates on it provided opportunities for all of us on the Justice Committee to contribute and for other Members of the Assembly who are not on the Justice Committee to put forward provisions and aspects of justice that found favour with the

Assembly. That was important. In particular, Mrs Kelly's contribution in relation to domestic violence was worthy. The Chair of the Committee, Mr Alastair Ross, has acknowledged that, and the Minister has also acknowledged that.

Very often in the Assembly and more frequently outside the Assembly, Committees are ignored, particularly by the media, but the role of the Justice Committee and, indeed, other Committees in the Assembly is very important. I believe that the role of the Committees has been very constructive. I pay tribute to the Chair of the Committee, Alastair Ross, and to the Deputy Chair, Raymond McCartney, for giving leadership to the Committee and dealing with issues in a professional manner and in a non-partisan manner, in the main. We cannot leave all our politics behind us when we enter the Committee Room, but there was a collective effort on this Bill in particular, and it was exhibited on the Floor of the Assembly. The Committee, quite rightly, should take credit for the good work that it has done, and the media should note that Committees of the House do good and constructive work.

The example that the Chair raised — I know that the Minister was unhappy about it — about the Henry VIII clause was an important assertion by the Assembly of its right as an Assembly to challenge a Minister and to challenge Executive power. That is why we are here. We are here to scrutinise but also to challenge. It was important work that we did, and the outcome, which was, effectively, a compromise, was a good one and lays down a template for other Bills and other Departments. It is important that we bank that and note that.

I note what the Minister has said about the "Traditional Legal Voice" in the Assembly, but I think that there is room for an independent professional voice coming through to help guide the work of the Assembly. I hope that it is wise counsel, but it is up to the Assembly to either accept or reject that view of legal matters. The work that was carried out in relation to preliminary investigations was important and was helpful in retaining something that, I believe, is of value, if not to the extent that it was before, and therefore allowing progress to be made in efficiency and speeding up the justice system and in protecting witnesses and victims in the justice system. That has been an important theme throughout the work of the Committee, and it is important to remember that.

A number of innovations have been put forward through the provisions of the Bill, and they are

to be welcomed. It is another step forward in trying to renew our legal system. We are making progress there, but there is more progress to be made. I have no doubt that further Bills will come to the House that will assist in modernising our system of justice, and I fully support that. On behalf of my party, I express our support for the Bill as it has been amended, and I thank everybody who contributed to the work in the House and in Committee, in particular the officials from the Department of Justice and the staff of the Justice Committee.

**Mr Swann:** There have been many tributes paid to the work of the Committee and the officials. As someone who neither served on the Committee nor sat through any of the evidence sessions, but paid interest as the Bill came through its very stages, I want to be completely partisan and thank and pay tribute to Tom Elliott, the Ulster Unionist member of the Justice Committee who saw this Bill from its initiation through to the day before the Final Stage, when he had to go to another place. I hope that it is a better place, but only he can let us know that.

The Bill before us today has at its core three aims: to improve services for victims, speed up the justice system, and improve the efficiency and effectiveness of the key aspects of the justice system. In large part, the Bill succeeds. It is lengthy and detailed, but there are aspects of it that are particularly welcome, and I propose to touch on a few of them.

We welcome the commitment to introduce violent offender prevention orders in Northern Ireland. This will allow the court to place relevant conditions on the behaviour of a violent offender. We also support Part 4 of the Bill, which contains provisions that will improve the experience of victims and witnesses in the criminal justice system, clearly setting out the services that are to be provided and the services that victims and witnesses can expect to receive. There is a large number of clauses on that, and I have no doubt that the general public will support any measures that help victims and witnesses as they navigate their way through our justice system. I am confident that the victim and witness charters will assist by setting out the services that are available, who provides those services and the key stages in the process at which victims and witnesses can expect to receive information on their case.

I believe that the public will also support clause 82, which provides the Justice Department with the power to introduce a community service scheme, having first consulted with the

Probation Board for Northern Ireland. There will also be widespread support for clause 97, which introduces domestic violence protection orders. Those provide the police and courts with powers to issue protection notices and orders aimed at ensuring the immediate protection of victims or potential victims of domestic violence.

Like Mr Maginness, we wish to pay tribute to Dolores Kelly and her SDLP colleagues. I commend both her and her party for their persistence on those issues. For too long, domestic violence was not taken seriously enough by the authorities but, fortunately, times have changed, and these provisions are a clear demonstration that this Assembly is not shrinking from its responsibilities to protect the vulnerable.

In conclusion, I refer to two amendments that were unsuccessful, namely the attempt to impose a minimum seven-year sentence on those who commit serious assaults against the over-65s and the amendment to the regulations in regard to shooting and firearms. The Minister knows that I have a long-standing interest in the legislation for young shooters, especially in the sporting field, so I hope that those issues can be revisited and resolved in the interests of the Department, the Committee and all the stakeholders. We support the Final Stage of the Bill.

**Mr Dickson:** I very warmly welcome the opportunity to speak on the Bill at its Final Stage. As others have said, the Bill went through very detailed scrutiny in the Committee. It really was Committee work at its best; of that there is absolutely no doubt. We have had two Chairpersons and the expertise of members around the table. We did not always agree — that is what this is all about — but we respectfully listened to each other's views and took all of them in, which was vital to the processing of the Bill. We have had a number of very lively and interesting debates in the Chamber as the Bill moved forward, including on issues that the Bill was perhaps never intended to deal with.

It would be remiss of me to not thank the Committee staff, Department of Justice staff and others, including those who came to us from outside, for all the work that they put into helping us shape the Bill, which is at its Final Stage this evening. I also wholeheartedly commend the Minister on the level of cooperation that he and his officials have given over the last few weeks, which has allowed for the refinement of some amendments and the

welcome abandonment of others that might not have been appropriate.

The ultimate aim is to ensure that we produce good law with the consent of the Assembly. Certain elements were not part of the Department's original proposals, and, on other issues, the Minister has shown considerable courtesy in the face of challenging opposition, particularly in dealing with emotional and sometimes contentious issues. Any commentary on the Bill should highlight how Members worked together, particularly the contributions of Mr Frew and Mrs Kelly in making changes.

### 7.00 pm

The Bill makes a number of very positive reforms to our justice system, which helps to take us forward to a 21st-century justice regime that, importantly, is fit to serve the interests of society and those who have to use the justice system. Following the passage of the Bill, a number of major reforms will come into the justice system, including our single court jurisdiction for County Courts and Magistrates' Courts. New prosecutorial fines will also be introduced for low-level offences, meaning that not every case needs to be heard in a Magistrates' Court, thus taking pressure out of the system.

Reform of the criminal records system, which the Minister referred to in his opening remarks, means that Access NI changes and checks will be much easier in the future. People with minor convictions will be able to appeal their inclusion on Access NI certificates, and there will be an automatic appeal for those who are convicted under the age of 18. That is very welcome and progressive. There is, indeed, progressive reform to ensure that people with convictions that are irrelevant to their job are not unfairly excluded from the labour market, which will aid their further and fuller integration into society.

In many ways, these are common-sense reforms that reduce costs and streamline our court system. As I have said on the amendments that have been made on child protection disclosure, although this was already available in some cases, the amendment formalises the process. I commend the Minister and Mr Frew in particular for working closely together to ensure that the amendment is aligned with the procedures of the Department.

Vitaly, the Bill will go a long way to make the justice system work better for victims and witnesses. The Committee did a great deal of work on that area. A new victim statement will be introduced that will allow for the impact of

crime on victims and their families to be impressed on a court, giving peace of mind that the experience has not been forgotten in the often challenging legal processes of a court case. Victim information sharing will also help to provide victims with the information and support that they need in progressing through the legal system. It is regrettable, however, that the Assembly decided to retain preliminary investigations, even if it is in more exceptional circumstances. This system has the potential to remain costly to our legal system but can have a profoundly traumatising effect on vulnerable witnesses and victims who are asked, effectively, to give their evidence on more than one case at a time during a trial. Other common-law jurisdictions such as England and Wales and the Republic of Ireland have abolished such procedures successfully, and I hope that, one day, the Assembly will choose to take that step for Northern Ireland.

It is also worthwhile mentioning my regret for the need for petitions of concern more than once during the previous stages. However, for the Alliance Party and me, this was to prevent what would have become bad and dysfunctional law. For mandatory sentences, and contrary to what some Members seem to think, an independent judiciary is hugely central to any democracy. Our judiciary should not be subservient to any other branch, be it executive or legislative. A nation is almost certainly a sham democracy when the judiciary is too timid to challenge other branches of government. I am grateful, therefore, that this amendment, among others proposed, was not incorporated into the Bill. However, this means that, going forward, we have a considerable set of highly positive reforms for our justice system. In the future, it will be more efficient, rationalised and responsive to the needs of citizens and, vitally, to the victims of crime.

The stages of this Bill have demonstrated the immense merit of the Department and the Assembly cooperating, as I have said before. I place on record my thanks to the Minister, his departmental officials and Committee officials for keeping the Committee informed and working thoroughly through the most difficult aspects of the Bill in a conciliatory and hugely constructive manner. I give my wholehearted support, and that of the Alliance Party, to the Bill at its Final Stage. We look forward to the Justice (No.2) Bill, which was introduced earlier today, supporting the Minister in continuing his work to build a judicial system and a justice system that are fit for the twenty-first century.

**Mr Ford:** I start by thanking all those who contributed to the debate for the

overwhelmingly positive tone in which comments have been passed, in particular the positive comments about my officials and even, at times, positive comments about me. That is an example of good work being done between the Committee and the Department, which is characteristic of the way that things have been for the last five years. The fact that the Chair was able to highlight the fact that, on his proposed visit to the Hague to look at the issue of mediation — was it mediation?

**Mr Ross:** Online dispute resolution.

**Mr Ford:** Online dispute resolution — sorry, I cannot read my own writing. The fact that a departmental official is working with Committee officers is a good example of that continuing in different ways. As has been highlighted from all parts of the Chamber, we have seen an example of the diligence and hard work of people, whether Committee members, Committee staff, my officials or those who made representations, to ensure that the Bill made progress and met the needs of the Assembly.

I repeat the comments that I made at the beginning in thanking, in particular, Dolores Kelly and Paul Frew for the way in which they engaged on their proposed additions to the Bill. We were able to get a good agreement on those because they came out early and we were able to negotiate and discuss them. Alastair Ross mentioned his amendment. He may be amused to know that, just today, I received a letter asking what could be done to ensure that prisoners and those who had recently been discharged from custody could assist in working on environmental schemes as part of community service. I am not sure whether or not that was inspired by a friend of the Committee Chair, but it was an example of where he has clearly hit a public mood. We will look to see how that can be carried through.

Overall, we have seen some very positive work and a Bill that has been much enhanced by a lot of efforts. However, I do have to disrupt this notion that we are all in complete agreement by referring again to the late and, on my part, lamented clause 86 and remind Members that, in the debate on the Bill, we amended the Human Trafficking Act because there was a fundamental flaw in the definitions of charities as they related to work in protecting the child victims of human trafficking. Had the Bill not been available, we would have been using exactly the same provisions that exist in the Human Trafficking Act to make that necessary amendment to ensure that organisations like the NSPCC and Barnardo's could be

recognised in Northern Ireland. There are reasons for that, and the fact that a lawyer arrived from London and told people that it was not a good idea does not necessarily counteract the reason why we did it. Nonetheless, on this particular point, as on others, we have reached a compromise, and I am not going to disturb the good nature of the House any more —

**Mr Ramsey:** *[Interruption.]*

**Mr Ford:** — lest I cause Mr Ramsey to laugh any more.

**Mr Ramsey:** Sorry.

**Mr Ford:** We have seen amendments that were produced at a late stage and not well drafted being rejected, and we have seen other amendments that came in either through the Committee or individual Members who discussed them early carried through. That shows the good work that has been done. Mr McCartney made the point that the original Committee inquiry into services for victims and witnesses was a perfect example of how that has carried forward in large measure, though not quite to the abolition of PIs entirely, into this Bill. We welcome that that has been done. It is an example of positive constructive work.

The balance, as Alban Maginness highlighted, is between scrutinising and challenging, which can always be an issue. However, I think that we have a reasonably good balance between the Committee and the Department in that respect.

It is something that will hopefully be an example to others. I have no doubt that there are very few people outside watching this debate at 7.10 pm to take note. I take pleasure, however, from the fact that sitting beside Robin Swann is a new Member of the House who is to be a new member of the Justice Committee. I welcome Neil Somerville to his first justice debate. I hope that he has learnt the lesson of the constructive, positive engagement that his predecessor Tom Elliott was part of as well.

**Some Members:** Hear, hear.

**Mr Ford:** That good negotiation and compromise has delivered results across the justice system generally and, in particular, in the Bill. I trust that the 11 members of the Committee, including Mr Somerville, will take part in that as we begin the work on the Justice (No. 2) Bill, which was introduced in the House this morning.

With that, I commend the Bill to the House and thank all Members for their contributions, not just this evening but over the months of scrutiny in Committee.

*Question put and agreed to.*

*Resolved:*

*That the Justice Bill [NIA Bill 37/11-15] do now pass.*

**Mr Deputy Speaker (Mr Beggs):** I ask Members to take their ease for a few moments while we change the top Table.

(Mr Speaker in the Chair)

## Committee Business

### Sammy Wilson MLA: Conduct Investigation Report

**Mr Speaker:** The Business Committee has agreed to allow up to one hour and 30 minutes for the debate. The proposer will have 10 minutes in which to propose the motion and 10 minutes in which to make a winding-up speech. Mr Wilson will have 10 minutes to make his contribution. All other Members who are called to speak will have five minutes. As a valid petition of concern was presented on Monday 29 June on the motion, the vote will be on a cross-community basis.

Before I call the Deputy Chairperson to move the motion, I wish to draw the attention of the Assembly to the fact that the embargo on the report was not observed and that the content has been openly discussed prior to the debate. I am not minded to say anything more at this stage other than this: Members know full well that the embargo protocol is well established and that the place for debate on such reports is in the Chamber, not in the press. The leaking of the Committee report is inappropriate. In future, where individual Members have aired their views in the press prior to a debate, I will be inclined to deny them the use of the Assembly's time to repeat what they have said outside. For clarity, that means that they will not be called to speak.

#### 7.15 pm

I also wish to give some advice about how I expect this debate to be conducted. This is a debate about a report from the Committee on Standards and Privileges, and I fully expect there to be differences in the opinions that Members will express in their contributions. Last night, we had an excellent example of a vigorous debate on an amendment on which Members — some of whom will be involved in these proceedings — had strongly different views. That debate was conducted with complete respect, and there is no reason why I should not expect the same of this debate.

I have no wish to prevent Members from engaging in robust debate, but I expect contributions to uphold the standard of respect and to deal with the content of the report rather than the personalities and the personal integrity of those inside or outside the Chamber. So let me clear from the outset that I will intervene

and advise when I consider that any Member is in breach of the standards that I expect. If they persist, they will be asked to resume their seat. If that is clear, we can proceed.

**Ms Lo (The Deputy Chairperson of the Committee on Standards and Privileges):** I beg to move

*That this Assembly, in consideration of the report of the Committee on Standards and Privileges [NIA 238/11-16], censures Mr Sammy Wilson MLA.*

Mr Wilson has been found to have breached the Assembly's code of conduct. The Committee's report sets out all the relevant detail, which I will now summarise.

A complaint was made by Mrs Dolores Kelly in relation to Mr Wilson's conduct at a meeting of the Committee for Social Development on 16 October 2014. At that meeting, the Committee heard evidence from Stephen Brimstone, the then special adviser to the then Minister for Social Development. This was as part of its inquiry into allegations made in a 'Spotlight' programme in relation to Housing Executive contracts. Mr Jim Allister had been questioning Mr Brimstone, when Mr Wilson interjected to object to Mr Allister's approach. It was Mr Wilson's subsequent comments and tone about which Mrs Kelly complained. In particular, Mrs Kelly complained about Mr Wilson's reference to witnesses as "dodgy", Mr Wilson's behaviour towards the Committee Chairperson, Mr Wilson's reference to Mr Allister as a "thug" and Mr Wilson's aggressive tone and language.

The commissioner investigated her complaint and, amongst other things, interviewed Mr Wilson. He established that Mr Wilson had neither offered an apology for what he had said at that meeting nor had he any intention of doing so. The commissioner also recognised that the facts in this case were not in dispute. The sole issue for him, therefore, was whether the admitted conduct of Mr Wilson was in breach of the provisions of the code of conduct. The commissioner concluded that Mr Wilson's comments about the witnesses and the Chairperson did not amount to a breach of the code. The Committee agreed with these conclusions. The commissioner found, however, that Mr Wilson's "thug" comment did amount to a breach of the code. He said that the ordinary meaning of the word "thug" —

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

**Ms Lo:** No, I am sorry, I have a lot to go through.

He said that the ordinary meaning of the word "thug" has criminal and violent overtones, and that, during his interview, Mr Wilson had accepted this. However, although Mr Wilson does not believe Mr Allister to be a criminal or violent person, Mr Wilson has at no time publicly clarified that he did not mean his comment in this way. The commissioner said that untruthfully describing someone as a "thug" was an abusive and gratuitous personal comment that amounted to an unreasonable and excessive personal attack on Mr Allister, and that it contravened the respect principle set out in the code.

The Committee noted that Mr Wilson had cited his right to freedom of expression as a defence to the allegation that his comments had breached the code. The commissioner had acknowledged that due regard must be paid to article 10 of the European Convention when considering whether Mr Wilson's comments had breached the code. The commissioner set out how he had done this, and was satisfied that Mr Wilson's "thug" comment was not protected under article 10.

The Committee was already aware that, in certain circumstances, a public authority can be entitled to restrict a person's right to free expression, but decided to seek its own legal advice anyway. After reflecting on that advice, the Committee discussed whether a finding that Mr Wilson had breached the code in this case would be both prescribed by law and necessary in a democratic society to protect the reputation or rights of others. The answer in both cases was yes.

The Committee was satisfied that Mr Wilson's "thug" comment was a gratuitous personal insult that did not attract enhanced protection under article 10.

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

**Ms Lo:** I am sorry; I cannot. While the Committee acknowledges the importance of Mr Wilson being able to exercise his right to freedom of expression, the right to be insulting does not outweigh the public interest in ensuring that Mr Allister's reputation and rights were protected.

The Committee did not believe, however, that Mr Wilson's conduct had brought the Assembly into disrepute. Mr Wilson's conduct was unacceptable and fell below the required

standard. However, the Committee has never previously found that a Member's conduct brought the Assembly into disrepute and decided that it is not going to do so on this occasion.

The Committee wrote to Mr Wilson and told him that he should apologise to Mr Allister for his "thug" comment. The Committee had agreed that an appropriate apology from Mr Wilson would allow it to report that the matter had been resolved. However, Mr Wilson did not apologise to Mr Allister: in fact, he made it clear that he had no intention of doing so.

It is highly regrettable that Mr Wilson did not apologise. The commissioner and the Committee have concluded that he breached the code of conduct. Mr Wilson should have acknowledged and accepted that outcome and apologised. An appropriate apology from Mr Wilson to Mr Allister would have provided a fitting and proportionate resolution to the matter. The Committee believes that Mr Wilson's failure to apologise leaves it no other option but to recommend that the Assembly impose a sanction upon him for his failure to comply with the code. The Committee believes that the censure of Mr Wilson is a proportionate sanction relevant to the seriousness of the breach.

Before I conclude the speech on behalf of the Committee, I want to say some words in a personal capacity. *[Interruption.]*

**Mr Speaker:** Order.

**Ms Lo:** Unlike any other Assembly Committee that I have experience of, the Standards and Privileges Committee has often been influenced by party politics when dealing with complaints against Members. People may say that that is politics, but this Committee, above all others, should have members who rise above tribal divisions and set a good example by being impartial and being respectful to each other.

**Mr Givan:** Hear, hear. Well said.

**Mr Speaker:** Order.

**Ms Lo:** Members are there not to defend party interests; they are there to uphold the expected code of conduct of MLAs.

It is disappointing, if not unsurprising, that a petition of concern has been tabled. That is yet another example of the DUP's abuse of power.

The commissioner reported his determination on the complaint against Mr Wilson to the Committee on 18 March 2015. Despite the commissioner's clear indication that Mr Wilson's "thug" comment was not protected under the European Convention on Human Rights (ECHR), the Committee sought its own legal advice, which it considered at the meeting of 15 April. Even when the legal advice was consistent with the commissioner's view, the Committee deferred making a final decision until the following meeting, on 20 May, which, conveniently, fell after the May elections. I know that Mr Wilson referred to the Commissioner for Standards negatively during a television interview last week in response to the commissioner's finding. It sounded similar to what had been said in two closed sessions of the Standards and Privileges Committee. That calls into question the impartiality and objectivity of some DUP members.

It is a matter of real regret that the Committee has had to bring the motion to the Chamber. On behalf of the Committee, I ask the House to support the motion.

**Mr Campbell:** I will begin my comments with a word of condolence to Mr Bain, who, I understand, suffered the loss of an immediate family member only yesterday. Our sympathies are with him in that loss.

This issue has been around for some time now. The person who is alleged to be at the centre of it is, of course, Mr Wilson, because of the comments that he made at a Social Development Committee meeting that was investigating the infamous 'Spotlight' saga, which did not amount to a row of beans, despite a number of people attempting to make it so. There was a series of questions posed by Mr Allister repeatedly and ad nauseam to one witness in particular, but not exclusively, and that witness was Mr Brimstone. One would have thought that any person on the Social Development Committee, let alone a Queen's Counsel, would have known after being told a second time, "I am not answering any questions in relation to internal party positions", to not persist a third time. When he did persist a third time, I said that he had done so, and the Chair, of course — he did a perfectly inadequate job of chairing the Committee, because every time there was a row he lifted his papers and said, "The meeting's over; we're calling it" — then lifted the ball and left the pitch. That is what happened on more than one occasion.

Mr Allister was reminded, as was the Chair, on the third time that he tried to get Mr Brimstone to answer a question that he had perfectly

legitimately said that he would prefer not to, but he persisted in asking him a third time. When he got the same response, he asked him a fourth time, and when he got the same response he asked him a fifth time. If that is not badgering a witness, I do not know what is badgering a witness. Of course, the Chair did not draw Mr Allister's attention to that, but I did. The Chair did not, and it was the Chair's job to do so.

Then, of course, Mr Wilson made the comment that he made, which was the "thug" remark. There is a lot of talk about what constitutes robust political debate and what does not. What concerns me is that there have been a number of investigations by Mr Bain into other individuals' conduct in Committee. On some occasions, people who were in the Committee and either overheard or took part in the disputed words were asked to give some evidence to Mr Bain. After Mr Wilson made the comment about which Mrs Kelly complained, I made this comment in the Committee:

*"I think, Chairman, it was said in the political context."*

**Mr Ross:** I thank the Member for giving way. I think the context that he has built is useful for the Assembly, but does he also find it odd that the Committee would bring forward a motion like this today, one week after a new code of conduct was passed by the Assembly that not only enshrines freedom of speech for Members, citing article 10, but that separates out the aspirational principles from the enforceable rules because the Committee recognised that the Nolan principles are almost impossible to define and to come to a conclusion about? Is that not a bit odd? Does that not strike the Member as odd?

**Mr Speaker:** The Member has an extra minute.

**Mr Campbell:** I am glad I gave way, then, in that context. I think that not only is it odd but that a lot of Members here obviously do not do irony very well.

On the issue of what constituted the "thug" remark, Mr Bain actually asked Mr Wilson:

*"You perhaps recall that Mr Campbell interjected that you had used the word 'thug' in the political context?"*

Not only did I say what context it was used in, but Mr Bain acknowledged that that had been done in the Committee. The more important thing is this: when I did that in the Committee,

of all those who are now rounding on Mr Wilson — those who were on the Committee, the Member who made the complaint, the Chairman and all the others — not one said, "No, Mr Campbell, you are wrong; that was not the context in which it was used". When I put the correct context in which Sammy Wilson made the comment, not one member of the Committee said, "No, that is wrong. It is incorrect. It was not used in that context".

### 7.30 pm

Then, Mr Bain went off to talk about a physically violent person or criminal. In what realm would anyone in the Chamber or watching the debates take that sort of context out of what was said, particularly when a person sitting beside the Member who said it explains immediately afterwards what the context was and was not challenged? Nobody challenged it. They challenged it afterwards, when Mrs Kelly ran off as quickly as possible. I do not know why Mr Allister did not do it. He was probably tabling more questions about the price of mint imperials in the Chamber. That is probably what he was about. Of course, he has to get his priorities right.

**Mr Speaker:** The Member's time is almost up.

**Mr Campbell:** The unwillingness of the Chair to deal with the issue has to be dealt with here today. Mr Wilson has a right under free speech to say what he said. Nobody should be surprised by it. I would say that he has nothing to apologise for.

**Mr F McCann:** It is wonderful to stand here today and listen to the events according to Gregory Campbell, which certainly bear little resemblance to my memory of the Committee meeting.

I would like to start by expressing our condolences to Douglas Bain on the death of his brother.

The motion of censure before the House today could have been avoided. The Committee on Standards and Privileges would happily have dealt with this in Committee, but Sammy not only ignored this but ignored the Committee for Social Development's plea for him to apologise for his insults.

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

**Mr F McCann:** No, thanks.

His behaviour led twice to the suspension of the Committee inquiry that was under way at the time. His outbursts during the Committee meeting totally upset the smooth running of the Committee, and his continued antagonism towards the Committee Chair, accusing him of being biased, added to the general feeling that his intention was to disrupt Committee business while certain people were in the process of giving evidence. There was a general opinion that his comments about witnesses being dodgy and his general approach to the inquiry poisoned the smooth running of Committee business. The complaint made by Dolores Kelly, which related to the meeting of 16 October, could also have been avoided, had Sammy repented and treated other Committee members with respect. *[Interruption.]* This was not to be.

Mrs Kelly, in her complaint, pointed to the aggressive nature of Mr Wilson's behaviour. She went on to say that his conduct had done damage to the reputation of other Committee members and the Committee itself. The Commissioner for Standards gave a detailed breakdown of his findings in the Committee report and found that Mr Wilson, by his actions, broke the code of conduct and had damaged public confidence and trust in the Assembly.

In the Committee itself, we had much debate on whether Mr Wilson was in breach of the code. I believe that, if he had offered an appropriate apology to Mr Allister, the Committee would have reported that the matter had been resolved, and that was included in the report. The Committee set a date for the apology of 29 May, but Mr Wilson informed the Committee that he would not apologise to Mr Allister for the comment. The report went on to say that it was highly regrettable that Mr Wilson did not apologise. Both the commissioner and the Committee concluded that a breach of the code of conduct had taken place. It has tabled the motion that Sammy Wilson be sanctioned. It was not a unanimous decision. The DUP people on the Committee would not support the findings, so we are where we are. Once again, we have the DUP putting in a petition of concern in order, not for the first time, to protect its members from censure. *[Interruption.]*

**Mr Speaker:** Order. There is far too much barracking of people who are making a contribution. There are people engaging in it who have their name down on this list. They need not expect to be called if that continues. OK? They will not be called, so they can make the choice. Go ahead.

**Mr F McCann:** Thank you, a Cheann Comhairle. Ultimately, we are all losers in this because it sends out the signal that the Assembly cannot investigate the bad behaviour of Members. Even though most members agreed that a certain road should be taken to hold that member to account, the party then closes ranks. I hope that the new code of conduct is treated differently by party groups and individual Members alike. Not doing so would make a nonsense of not only the code but the credibility of the Assembly.

**Mrs D Kelly:** I welcome the ruling of the commissioner and the endorsement of that ruling by the Committee on Standards and Privileges. I appreciate that it has been a lengthy investigation, but anyone who observed the Committee for Social Development proceedings on the day the incident occurred could not but have been appalled by the behaviour of Mr Wilson and some of his colleagues in relation to the disruption caused to the work of the Committee.

Members would do well to reflect on why they are elected to serve in the Assembly and what their functions are as members of a scrutiny Committee. It is to hold the Minister and the Department to account in the discharge of their functions on behalf of the citizens here in the North.

Members are right to say that this part of the Committee inquiry was around the findings and reporting of the 'Spotlight' programme and Red Sky. Anyone who watches not only that section of that Social Development Committee inquiry but other sections will see how the DUP deliberately disrupted proceedings and accused all members, including the Chairperson, of not being objective and not carrying out their functions in a proper manner.

There is one aspect of this investigation that I regret, which is the finding by the commissioner that the reference to previous witnesses being dodgy was not one that he felt that he could uphold. Quite frankly, I was appalled by the bullying behaviour in the treatment of Miss Jenny Palmer by her party colleagues at that time. If anyone was a victim or deserved an apology, it was Jenny Palmer and those who refused to buy into the DUP doctrine of putting the party first. Yet again this evening, as we debate the report, we see that, rather than do their duty as scrutineers and people who are supposed to uphold the best principles of leadership and be role models for young people, younger politicians and the communities that they serve, they put the party first. That is a shame on all of you.

*[Interruption.]* We are not dealing with some novice politician or parliamentarian; we are dealing with an experienced person who serves not only in this Assembly but at Westminster. When I was considering putting forward this complaint, I asked whether that standard of behaviour, which many saw as more a street corner-type approach than one befitting a parliamentary Committee inquiry, would be acceptable in any other jurisdiction. I have to say that the answer that came to my mind and obviously has come in the findings of the Committee on Standards and Privileges and the commissioner was "No, it would not".

**Mr Campbell:** I thank the Member for giving way. She will recall me saying in my speech about my giving what I believed was the correct context in which it was used, which was a political context. Can she explain why she did not dispute that explanation, just as Mr McCann did not explain why he did not dispute it?

**Mr Speaker:** The Member has an extra minute.

**Mrs D Kelly:** Thank you, Mr Speaker. As I and Mr McCann said earlier and, indeed, as the Deputy Chair of the Committee on Standards and Privileges eloquently illustrated, my complaint was threefold: the abuse of the Chairperson of the Committee, Mr Alex Maskey; the reference to previous witnesses as "dodgy witnesses"; and, as for Mr Allister, he is well able, I am sure, to defend himself. He is no shrinking violet, I would suggest, and no Member would consider him such. Nonetheless, the DUP, on that day, got out of hand. They disgraced themselves, they disgraced their party, they disgraced the House, and they disgraced the role and function of a parliamentarian.

I am pleased that the Committee came to this conclusion, and I hope that somewhere in the depths of the DUP — if not in its Assembly team, perhaps in its council teams, where there were people like Jenny Palmer, who was prepared to put her head up and to stand up and be counted for what is right and good — they can show some respect for democracy. This is a democratic finding. The DUP, after the St Andrews Agreement, were crowing about all the safeguards they had put in place to hold Ministers to account and around the conduct of MLAs, but, yet again, it is the conduct of a DUP Member that is called into question before the House. I very much welcome the findings of the report, and I remind the DUP that, after seven drafts, an apology from Mr Brimstone to Jenny Palmer is, as I understand it, still outstanding. It is she who is owed an apology

and is the victim of the how the DUP and, in particular, Mr Wilson, conducted themselves.

**Mrs Overend:** At the outset, I add my sympathies to the commissioner, Douglas Bain, on his recent loss.

It is with some frustration that I take part in the debate, especially considering that it marks the end of a disappointing year in the performance of the Assembly. The facts of the case are clear. In brief, Stephen Brimstone was appearing before the Social Development Committee to account for his role in alleged wrongful political interference in the Housing Executive. In the opinion of Mr Sammy Wilson, he was a weak and vulnerable witness, despite being an experienced political adviser. Mr Wilson took exception to the manner of questioning by Mr Allister. He proceeded to call Mr Allister a thug — not necessarily the worst form of abuse, but unparliamentary and unbecoming of the language that an experienced political operator should use. A complaint was subsequently lodged, and Mr Wilson was, indeed, found to have broken the code of conduct. He has since been given multiple opportunities to apologise but, every time, has refused to do so. As a result of that stubbornness, the Committee on Standards and Privileges has been forced to bring the debate, simply because Mr Wilson was not mature or reasonable enough to say sorry.

The whole thing gets even more ridiculous. Instead of letting this debate run its course, the DUP, for whatever reason, felt that this comment has a disproportionate impact on one community. Well, it must have done, because it has lodged a petition of concern. I want to be clear: the DUP — the largest party in Northern Ireland and the current holder of the office of First Minister — has tabled a petition of concern on the failure of one of its MLAs to say sorry. That is, frankly, quite pathetic. The original comment was misguided but not fatal. How Mr Wilson and his party have responded in the seven months since is pitiful.

Let us just look at the context while we have this debate. This is the last major discussion in the Assembly before the summer recess and it comes at the end of what has been a totally dysfunctional and underwhelming year as far as the Assembly and Executive are concerned. The Assembly only today passed a Budget that does not add up. It looks likely that the opportunity of corporation tax has been squandered, and crucial public services all around Northern Ireland are starting to unravel as we hand back £2 million a week to Westminster. Instead of talking about the fact

that the Assembly cannot pay its bills, we are talking about the fact that a 62-year-old man, not only a Member of this House but a Member of Parliament, could not say sorry when he was clearly in the wrong.

While the world is looking at Greece, you would be forgiven for thinking that it is business as usual here. This entire episode is a complete waste of time, a waste of the Committee's time and a waste of public money, because goodness knows how much has been wasted — *[Interruption.]*

7.45 pm

**Mr Speaker:** Order.

**Mrs Overend:** — on the Commissioner for Standards. If the Assembly is even to return in September, it collectively needs to get its act together.

**Mr Buchanan:** I oppose the motion and will make my comments short and to the point. I am not opposing the motion simply because Mr Wilson is a member of my party. I know that he is well able to speak for himself. I am doing it because the motion is in contravention of article 10 of the European Convention. We are prohibiting freedom of expression. We need to take a step back in the Chamber tonight and ask ourselves whether we want to stymie politics and debate to the extent that we deny each other freedom of expression in the House in particular debates. I do not think that we want to do that. That is exactly what the motion is about.

Throughout the entire process, we, as a party, have been consistent in our opposition to this action, even in the Committee. We hear about the Committee report, but I want to make the House aware that the report does not have the unanimous support of the Committee. It has been put through the Committee only by a majority vote. I am a newcomer to the Standards and Privileges Committee, having been on it only for the last two meetings, and what I have witnessed from the other parties around the table has been nothing more than schoolboy politics. It is something that we would perhaps see in a primary school. That is what we have witnessed as the standard and level of the other parties around the table. It is no wonder that, in the eyes of the public, the credibility of the House is going down the drain.

**Mr Spratt:** I thank the Member for giving way. You will have heard the Deputy Chair talk about the legal advice that the Committee got. Will

you agree that the Deputy Chair gave a pretty dodgy summary of the legal advice to the House? She did not take into full account what was said in the very clear and full legal advice that we got from our legal advisers.

**Mr Buchanan:** I agree with the Chair of the Committee. It is a pity that the proposer could not spell out exactly what legal advice the Committee got.

As we sit in the Chamber tonight, miracles will never cease. The SDLP's Dolores Kelly is now the advocate for the TUV leader, Jim Allister, in bringing such a ludicrous complaint before the House on his behalf. I am trying to work out whether Dolores is now the TUV puppet or mascot. I do not know which it is, but it certainly has to be one of them. From reading the report, it is clear that the remark that appears to have caused so much concern was made in a political context during a rousing exchange in the Committee. One would have thought that most of us in the House would be politically mature enough to take it on the chin, but, alas, there are those who beat their breast to be in the House and to be the political giants of it and who want to dictate to other parties and other Ministers what they should and should not be doing but, when something like this comes along and hits them, they become nothing more than political jelly babies. You know what? They are perhaps not as sweet as the jelly babies that you can buy in a shop. That is the image that we have of the other political parties around the Chamber tonight.

Let us look at the questioning of Mr Wilson by Douglas Bain and how he looked into the criminal nature of the comment. One wonders where he was coming from in all this and how he got the idea that it was criminal in nature. Mr Wilson has nothing at all to apologise for. What are we Members elected to the House to do? To serve the people and to deliver for the people. The last Member talked about corporation tax and welfare reform. Well, do not look at us: we are not the party holding it back. Look at the parties that are holding it back—the parties that are involved in all the petty wrangling. As our constituents and those outside look into the Chamber and see exactly what we are debating, it is no wonder that they shake their head and say that, really and truly, the credibility of the House is going down the drain.

Fra McCann more or less condemned the DUP for putting down a petition of concern. Fra has a short memory. Does he forget that they opposed the motion to sanction Gerry Kelly? The rest of us may remember things, but it

appears that the party opposite has a very short memory. It is time that all you people, and you other parties that take things so personally, begin to realise that you are here to serve the people as politicians. For goodness' sake, step forward and give that political leadership for the people you are here to represent rather than bringing such petty things before the House.

**Mr Spratt:** At the outset, I send my condolences to Douglas Bain. However, can I also say, as one who has been investigated — not once, but twice — on the same issue by the same Douglas Bain that I found him to be a pompous, arrogant, self-serving and patronising individual? I have heard Members from the other side of the House say exactly the same thing about him. He is not someone with whom it is pleasurable to do business.

From the very outset, I think that Mr Wilson hit the nail on the head when he said that, in Mr Bain's interview with him, Bain had already made up his mind. He had made up his mind on the basis of how he decided to interpret the word "thug".

**Mr A Maginness:** On a point of order, Mr Speaker. The Member referred to the Commissioner for Standards, an officer who serves the House. He has impugned the commissioner. In fact, he affirms that across the Chamber now. Is it in order for that charge to be made against the commissioner? Surely it is totally inappropriate, given the fact that the commissioner is an official of the House, has responsibility for standards and has made a report. Is it appropriate, is it proper, for a Member of the House to make such abusive allegations against the commissioner?

**Mr Speaker:** First of all, I accept the point of order. It is my view that Members, including the Member who has the Floor, are well aware of the conventions surrounding officers. I was listening very carefully, and will continue to listen very carefully, to the remarks made. I will intervene if necessary. In my view, we are here to discuss a report from one of our Committees. We are not here to discuss the personality, performance or status of any individual who is an appointed official of the Assembly. If that is not clear, let me make it clear: I believe that the Member who has the Floor is very close to the point at which I will feel obliged to intervene. I am putting down that marker.

**Mr Campbell:** On a point of order, Mr Speaker. I seek your guidance. Mr Maginness appeared to be very close to implying that he was going

to consider making a complaint about Mr Spratt's attack on the commissioner.

If he were to do that, who would investigate the complaint against the commissioner?

**Mr Speaker:** That is quite obviously not a point of order. I listened carefully to what Mr Maginness said, and he went nowhere near the inference that you drew.

Mr Spratt has the Floor and is perfectly entitled to discuss the content of the report. I will protect his right to express his views, but there is a limit to abusing an officer of the Assembly. Mr Spratt, I do not want you to go any further than that; otherwise, I will feel obliged to stop that line of debate on the spot and move on.

**Mr Spratt:** Thank you for that advice, Mr Speaker. I do not intend to refer to the individual again. The point that I was trying to make is that it is true that there is no mechanism in the House to have the commissioner investigated. I would have asked for an investigation had I had an avenue to do so, but there was no avenue.

Let me give you another scenario: if a young, vulnerable person who is a civilian comes along and makes serious allegations against a Member of the House, allegations that are then investigated by the commissioner, and she is so traumatised by the commissioner that she has to walk out and cannot give evidence again to him because of the way in which she was stressed and traumatised, there is no avenue for that individual to make a complaint. I think that is something that is sadly lacking in the House.

In the speech that was written for her, the Deputy Chair made very pointed remarks to suit her argument in relation to the legal advice that came to the Committee, because the legal advice was very, very clear. At the outset, the legal adviser stated:

*"I would advise that it is not entirely clear in my view whether the thug comment made by Mr Wilson would be classified as a form of political expression or not."*

Here is the telling bit, however:

*"Only a court could decide authoritatively whether the comment is to be regarded as a form of political expression."*

What the Committee —

**Mr Agnew:** On a point of order, Mr Speaker. Am I right in thinking that legal advice provided to a Committee is in itself privileged and that disclosing it in a public forum is in itself a breach of privilege?

**Mr Speaker:** If someone were, in fact, to present that set of circumstances, but it is a matter for Members themselves to decide whether they are reflecting the advice that they heard. I am quite clear that, even if there is only one set of advice, across the table in a Committee or across a debating chamber, people will have different opinions about what was said, what was meant or what the import of it was.

The straightforward answer to your question about whether that advice is privileged is yes, of course it is. What I hear is a discourse describing how that advice was represented by the Deputy Chairperson in making her contribution. For me, that is the cut and thrust of debate. You do not have to agree, but the Member is entitled to make that point if that is sincerely his point of view and one that he wants to bring to the attention of the Assembly.

**Mr Spratt:** Thank you for that advice, Mr Speaker. The point that I was trying to make is that the Committee totally ignored that particular part of the legal advice. I thought that that was wrong, and that was why I and other colleagues consistently voted against. Only Mr McCann, more power to him, has had the grace to point out that this was a split decision all the way. The Deputy Chair never mentioned that once in her remarks. It was split from the beginning. Yes, it is a political forum, but we were not —

**8.00 pm**

**Ms Lo:** Will the Member give way?

**Mr Spratt:** No, I will not give way, because you would not give way to me, so why should I give way to you? I have heard enough of your ramblings for this evening.

The bottom line is that Mr Wilson's right of expression and freedom of speech have been seriously abused, in my view, by the commissioner and by the other members of the Committee. That is why we have put a valid petition of concern in tonight. As previously pointed out, the party opposite did so for Mr Kelly. If it had been a member of Sinn Féin or the SDLP that had been in front of the Committee for the same thing, I would be voting with them and supporting them tonight. So,

shame on them, and no lectures from Anna Lo about petitions of concern. You signed one the other day.

**Mr A Maginness:** I take this opportunity to express the SDLP's sympathy to Mr Douglas Bain on the death of his brother.

Having heard from DUP colleagues across the way, the question on my mind is why we have an independent Commissioner for Standards in the House. Mr Bain is the commissioner, and he is an independent office holder. He was appointed by the House in order to consider complaints in relation to standards. That is a very important role, and he has carried out that role, I believe, in a proper fashion. If we attempt to undermine his independence, impugn his motives or simply say that what he has done in his determination is nonsense, biased, or whatever, are we not undermining not just Mr Bain, but the actual office of commissioner within the House? If we undermine that office, are we not, therefore, undermining the standards that we as Members should aspire to? That is the central question that springs to mind, having heard what DUP colleagues have been saying.

I am deeply, deeply unhappy with the stance that the DUP has taken collectively in relation to the issue. We have a Committee for Standards and Privileges, and the importance of that Committee is that it looks at an independent report given by the commissioner. He comes to conclusions, and the Committee assesses those conclusions. In this instance, the Committee accepted his conclusions — by a majority, I accept that — but the point has to be made. The Committee has authority within the House, and the commissioner has authority in terms of investigation and so forth. If, having considered all those matters in the round, we do not accept those reasonable conclusions, are we not undermining the very standards that we seek to establish within the House?

**Mr Givan:** I appreciate the Member giving way. He makes a very cogent argument around standards and undermining the office. How does he reconcile that with the report of 2013 on Gerry Kelly, which recommended the sanction of exclusion from the House for five days for an unlawful action, and which his party signed a petition to veto? *[Interruption.]*

**Mr Speaker:** Order.

**Mr A Maginness:** I was a witness to the incident that you have referred to. I was a witness of truth and fact in relation to it, and I

can tell you that I believe that Mr Kelly, on that occasion, did not act wrongly.

Let me continue. Look at this report today, and look at what the commissioner found. He said —

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

**Mr A Maginness:** No, I cannot give way.

He said, and this is the central aspect of his report:

*"untruthfully describing someone as a 'thug' is an abusive and gratuitous personal comment ... despite the fact that it was made in a political context by one politician about another, I do not accept that the comment was protected by the right to freedom of expression enshrined in article 10 of the convention. I do not accept that it amounted to an unreasonable and excessive attack on Mr Allister and that it contravened the respect principle set out in the code."*

The point that I make is this: the commissioner came to a conclusion. He acted independently, rejected two aspects of the complaint that Mrs Kelly made and came to a reasonable conclusion. That conclusion should be accepted, even by the party of which Mr Wilson is a member.

In any other political institution, you would find that parties rise above partisanship and accept the independent advice given by a commissioner in relation to the behaviour of a Member of the House. The facts are indisputable, and Mr Wilson did not, in any way whatsoever, contest the facts. In the ordinary sense and meaning of thug, can anyone in the House honestly say that that is an acceptable standard to attribute to any other Member? I believe that common sense dictates that that is the right standard —

**Mr Speaker:** Thank you.

**Mr A Maginness:** — for the House —

**Mr Speaker:** Thank you.

**Mr A Maginness:** — and that it would be shameful for us to accept otherwise.

**Mr Newton:** Obviously, I oppose the motion. I am a fairly recently appointed member of the Standards and Privileges Committee, like my

colleague Mr Buchanan. The Standards and Privileges Committee has a role to play. It has the remit of being one of the pillars that supports the Assembly. It has to perform that role in a transparent and open manner, and it has to examine the behaviour of Members against the standards agreed by the House. That said, as Mr Alastair Ross said, underpinning all that is the freedom of speech.

I cannot understand where the Deputy Chair of the Committee is coming from in her remarks. She indicated that it is not to defend party interests and she accused the DUP of an abuse of power. How, when we lost the vote, is it an abuse of power? I do not understand that at all.

**Ms Lo:** Will the Member give way?

**Mr Newton:** Do I get an extra minute, Mr Speaker?

**Mr Speaker:** Yes.

**Mr Newton:** I will give way.

**Ms Lo:** You did not hear me properly, obviously. I said that the abuse of power was using the petition of concern to try to block the motion.

I would like to take this opportunity, and I thank the Member for giving way, also to respond to what Mr Spratt said earlier when he would not let me in.

**Mr Newton:** Mr Speaker, I am not giving way

—

**Mr Speaker:** Order.

**Mr Newton:** I am not giving way —

**Mr Speaker:** You conceded the Floor.

Ms Lo, bring your remarks to a close. It is meant to be a brief intervention.

**Ms Lo:** I will be brief. There was a reference to someone writing my speech. Of course, someone writes the speech for the Chair or Deputy Chair to move any motion, so you are actually criticising staff of the Committee, who wrote truthfully —

**Mr Speaker:** I told you that it should be a short intervention. Please resume your seat.

**Mr Spratt:** On a point of order, Mr Speaker. I think that it is wrong for the Chair to say that.

There was no suggestion that the Committee Clerk, who probably wrote the speech, was being criticised in any way. He is not being criticised. I never at any point during my remarks criticised the Committee Chair. In fact, I have the highest regard for the Committee Chair and the Committee staff, so the Deputy Chair should withdraw those remarks. I ask you to ask her to withdraw those remarks immediately, because they are totally out of context with what I said, Mr Speaker.

**Mr Speaker:** First of all, I did hear the remarks about how the speech was probably written for Ms Lo. People can check Hansard for themselves —

**Mrs D Kelly:** Exactly.

**Mr Speaker:** Let me finish. People can check Hansard for themselves and decide whether that was an implication about the person who wrote the report. I believe that you, Mr Spratt, have put your remarks on the record, and you, Ms Lo, have done likewise. People should read Hansard and maybe come to the conclusion that we have, on occasion, departed from the standards that we expect in the House.

**Mr Newton:** It is an abuse of privilege for the Member to ask me to give way and, when I do give way to her, she abuses that privilege by criticising another Member.

**Mr Speaker:** You are using your time up.

**Mr Newton:** I think it is indicative of the attitude of the Chair, and a similar attitude has been prevalent the whole way through this debate.

Anyway, here stands the accused. Here he is. Where is he? *[Laughter.]* He has moved. Where has he gone? He is here anyway, waiting for the hangman.

**Mr Spratt:** He's on the run.

**Mr Newton:** He is on the run. He is here waiting for the hangman. He has been accused of the very minimum that the Standards and Privileges Committee could impose on him, which is that he should apologise to Mr Allister. Mr Allister has not been running around seeking an apology, but Mrs Dolores Kelly said of Mr Wilson:

*"He is not a novice. He is an experienced parliamentarian and he should know better."*

If it was an insult, and Mr Allister will tell us whether he felt insulted at that time by the terminology, is it not strange and sad that there is such pettiness from an experienced parliamentarian that she would run off to defend not herself or any other member of her party but an experienced parliamentarian such as Mr Allister? Indeed, why is it, when we are debating one aspect, one accusation against Mr Wilson, that that experienced parliamentarian, the deputy leader of the SDLP, finds it appropriate to bring other aspects of the report into it and accuses the DUP of having disregard for her party, accuses the DUP of having disregard for the House and accuses the DUP of having disregard for the other Members? In fact, she named the Member. It is a matter about which she knows absolutely nothing, except what has been reported in the media. It is the very, very minimum.

The question has been asked about how that party treats its members. We have just been through a process that shows how the party leader has been treated and the respect that has been shown to him. Surely Mr Speaker — you mentioned this in the Chamber in the last number of days — you do not want to stymie robust political debate in here but you are demanding that respect be shown in the Chamber. That should underpin every aspect.

The word that was used was used in a political context. I could substitute other words in other contexts. I could use the words "combatant", "belligerent" or "bully". However, I could also use another word instead of those three, and that word would be "champion".

The political context is where the debate was taking place, and Mr Wilson has nothing to apologise for.

**Some Members:** Hear, hear.

**Mr Allister:** I do not quibble at all with the rough and tumble of politics. I am probably one who gives as good as he gets, but I will say that, when a remark is made that conveys that I am of a criminal and violent tendency, I do object. I have encountered in my professional life enough thugs to know what the word means, and it is not a pleasant word. When it is said in a gratuitous way and, according to the commissioner, in an untruthful way, because of lack of belief by he who speaks it that it is true, it makes the matter worse.

**8.15 pm**

Sammy Wilson is better than this. He is a very able parliamentarian. He is eloquent, effective and persuasive, but, making the remark that he made, I think, says more, sadly, about him than it does about me. Why did he stoop so low on that occasion? I think that the answer lies in the fact that it was, on his part, a concerted and perhaps predetermined attempt to sabotage the Committee because the evasive, scheming Mr Brimstone had been flushed out. He was caught in the headlights of truth. He had nowhere to go, and, on cue, in comes Mr Wilson to divert and to save the day and to secure the abandonment of the Committee. It was not the first time that it had happened. It happened on an occasion when Mr McCausland was there. The same tactic, or a similar tactic, was deployed on that occasion. That was the nature, the purpose and the motivation, I believe, of what happened on that occasion.

In those circumstances, saying something that he did not believe, it seems, and, therefore, something untruthful, one might have thought that he might have been man enough to face up to that and to apologise, and an apology would have been perfectly acceptable to me — *[Interruption.]* — but, of course, the DUP does not do sorry. It is never wrong. It is in its DNA — *[Interruption.]* — that it is never wrong. Indeed, some of them will recognise which DUP grandee this phrase came from, but they work on the premise, "You never admit you are wrong because it is a sign of weakness". To me, it can be a sign of strength, but, within the DNA pool, sadly, of most in the DUP, that is the belief. You never admit that you are wrong because it is a sign of weakness. That is why, on this occasion, there has been the inability to face up to this matter and, instead, there has been all sorts of abuse poured on Mr Bain, and I join others in offering my condolences to him.

Mr Bain was introduced to this House with a speech from a DUP man Mr Alastair Ross. On his appointment, Mr Ross told us that he would make an excellent commissioner, meeting the demands for skill, wisdom and judgement. *[Interruption.]*

**Mrs D Kelly:** Will the Member give way?

**Mr Allister:** Yes.

**Mrs D Kelly:** Will the Member also acknowledge that the reason — *[Interruption.]* — why I lodged my complaint — *[Interruption.]*

**Mr Speaker:** Order. *[Interruption.]*

**Mrs D Kelly:** — was to stand up for standards of decency and good behaviour in this House?

**Mr Speaker:** Order. I did not hear a single word of what Mrs Kelly just said. I will give you the opportunity to repeat it. Use the mic if necessary. I want order on this side of the House so that we can all hear. This is meant to be a debate, and people are meant to listen as well as speak.

**Mrs D Kelly:** Thank you, Mr Speaker. I was just asking Mr Allister whether he agreed that the rationale behind my complaint was to stand up for decency; it was not to be a defender of Jim Allister of the TUV.

**Mr Speaker:** The Member has an extra minute.

**Mr Allister:** I confirm that I had no knowledge that Mrs Kelly was making a complaint, nor did I ask anyone to make a complaint. She did what she did because she thought what happened was wrong, and I respect her for that.

**Ms Lo:** Will the Member give way?

**Mr Allister:** No, I must finish this point.

Faced with this legitimate criticism, what does the DUP do? In the most wimpish of actions, they run round to the Business Office with a petition of concern, another human shield for Sammy Wilson. How pathetic. Instead of being men and facing up to the criticism and the facts, they run like wimps to the Business Office.

*[Interruption.]*

**Mr Speaker:** Order. I call Mr Sammy Wilson. *[Interruption.]* Order. You have 10 minutes, which gives you plenty of time to set out your case. If you take any interventions, I will not award you any extra time.

**Mr Wilson:** Thank you, Mr Speaker. I start off with an apology: sorry we got it wrong as far as Mr Bain was concerned.

I will start by saying that I welcome the debate. I have been waiting for the debate. Indeed, I have probably prolonged my time in the Assembly to take part in the debate, because there is an important issue at stake. That issue is whether we, as an Assembly, tolerate interference in freedom of speech in the Assembly by a bureaucrat who wishes to impose his standards on us rather than allow freedom of expression, which there should be in any debating chamber. That is the crucial part

that people have to bear in mind when looking at the report.

People have made much about the petition of concern. Quite frankly, I do not care what the outcome of the debate is, but the reason for the petition of concern was very clear. This whole episode is not about people being concerned about the standards in the Assembly, and it is not about whether people have abided by the code of conduct. This is all part of the ongoing petty, party political point-scoring exercise that started when Sinn Féin and the SDLP set about attacking Nelson McCausland.

I make no apology for the way in which I addressed Jim Allister on that occasion, because he willingly allied himself with Sinn Féin. In fact, he became the most effective cosh that they had during that, and he was rewarded for it by a Chairman who gave him far more leeway than anybody else in the Committee ever got. If the definition of "thug" is a member of a gang, a professional assassin or someone who seeks to do their victim in by stealth, I think that the term "thug" was appropriate and therefore still stands. As far as I am concerned, Mr Allister willingly allowed himself to be used as a tool by Sinn Féin.

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

**Mr Wilson:** No, I will not give way, because I do not have time.

For that reason, I will not make an apology. I will not do an insincere apology. By the way, for the record, I do sorry if I have to do sorry, but I only do it if I am genuinely sorry and believe that I have made a mistake that has to be corrected. I have no difficulty in doing that.

I accept that Mr Allister did not make the complaint. Indeed, I suppose, in my opposition to Mr Bain's report and the Committee's report, I am standing up for Mr Allister as much as I am for every other Member of the Assembly. If the Commissioner for Standards heard some of the things that Mr Allister has said in the Chamber when he is not on the side of Sinn Féin and is not in cahoots with them, if he heard some of the things that he has said about Sinn Féin, he would be apoplectic. He would have a heart attack. If there is anybody who uses language that Mr Bain would find offensive and would think stands outside the code of conduct, it is Mr Allister, who has the same approach to politics as I do, which is that this is a debating Chamber where you have a bit of fire in it, you have a bit of passion in it, you have a bit of enthusiasm in it, you put a bit of fervour into it

and, if you are angry, you are angry and, if you are mocking, you are mocking.

This is the whole point about the report. If we accept that we allow the commissioner upstairs to dictate his view of what a debating Chamber should be, we do harm to all of us who like to see a bit of fire and passion in debate. Of course, he did not have to make the complaint because the Ena Sharples of the Assembly was happy to go running. She is maybe not so much "the harridan in the hairnet" as "the busybody on the Benches". Of course, she is well known for criticising members of her own party, as her party leader will tell you. In fact, a rather unkind remark was made to me when I talked about this debate to one of her colleagues in Westminster who, rather unkindly, told me, "Don't take her on; she's bigger than you". That is maybe an indication of what the relationships are like in the SDLP. She took the complaint —

**Mr Speaker:** Mr Wilson, I caution you: I think that you are getting far too close to being very personal in your remarks. If that continues, I will have to stop you.

**Mr Wilson:** Indeed, Mr Speaker, you are absolutely right. I told the Member off in the corridor of the House of Commons for making such an unkind remark.

**Mr Speaker:** OK, but I am taking exception at you telling all of us.

**Mr Wilson:** I only use it to show the divisions that there are in the SDLP.

What kind of individual have we got who is laying down and who made this report? First of all, there is an irony. The day I met Mr Bain was about three months after he had written letters and made threats and things like that. It was two days after Prime Ministers and world leaders had walked through the streets of Paris demanding freedom for a satirical magazine to use abusive satire against the beliefs of hundreds of millions of people in the world who describe themselves as Muslim. Yet, while world leaders were marching in defence of that, Mr Bain thought that it was OK for him to have an investigation of whether somebody in this Assembly could use robust language. It kind of showed how out of touch — or it showed the difference that there is.

One of the bits in the interview that I really enjoyed was when, at one stage, he demanded from me an answer that I could not give him. I had not read the Hansard reports, and I had not

done any work for it because I was not all that concerned. He pointed at me and said, "I can bring you back here until you give me an answer." I pointed back at him, and I thumped the table. He recoiled in horror, eyes bulging, mouth gaping, lips twitching, face paling. When he finally recovered himself, in his most magisterial voice he said to the note taker, "Let it be recorded that Mr Wilson thumped the table and pointed his finger at me." Is that the kind of person we want dictating the kind of language and the way that we can conduct our debates here? He does not even understand that, when you want to stress and make emphasis etc, that is the way you behave. He would find much of what goes on here offensive because, in the world of quango-crawling bureaucrats with their oily handshakes and their —

**8.30 pm**

**Mr Speaker:** Please sit down. Mr Wilson, I understand that you are at the epicentre of the report, which you have made very little reference to. The personal attacks on an officer of the Assembly are unacceptable. Would you speak to any other officer of the Assembly like that or approve of that? Consider that. Maybe you should temper your remarks before I have to intervene and stop that type of discourse. You can rush to your feet and thump the table if you wish, and I will respond to that appropriately. I suggest that we discuss the report, and I am giving you every opportunity to do so.

**Mr Wilson:** I do not know who you mean. If you thought that I was referring to Mr Bain as a quango-crawling bureaucrat, I had not mentioned him. I was just saying that, in the world of bureaucrats, where you do not cause offence because that would stand in the way of and impede your career, you will not engage in the kind of language that we engage in. In the House, we debate issues that make people angry, that people are concerned about and that people are frustrated about. Of course, we will use all the weapons of language. We will use all the methods that there are in debate. The words that we use and the manner in which we use them are all-important.

All that I can say is that the Standards and Privileges Committee may feel that it has a good chance to have a snipe at a member of the DUP, but let it bear in mind that, if we go down the route that we are heading, instead of having a debating Chamber here, we will have a languid, slumberous essay-reading centre that will be of use to nobody. That is not what this place should be about. For that reason, I

believe that people should reject the report and its findings. Indeed, the SDLP and Sinn Féin ought to remember, as was pointed out, that they are and have been quite happy, for their own party political interests, to protect people who have been guilty of far worse offences than I have been accused of. Members should think of their own interests, think of the interests of the Assembly and kick the report out where it should be.

**Mr Agnew:** Before summing up on behalf of the Committee, I wish to make a few personal comments as a member of the Green Party. First, I thank Mr Spratt, who has most recently chaired the Committee. I read today that he intends to retire, and I want to thank him for his service to the Committee. To his replacement as Chair of the Committee, whoever that shall be, and to the other members of the Committee, I make a bit of a request as someone who, since being elected, has seen it as a privilege to take part in the Committee and recognises the position that we have. The point about party political point scoring has been made. In complaints made to the Committee and in how Committee members have sometimes responded in Assembly debates, it has become very party political. I believe that the Committee is a quasi-judicial body and should act as such. When Members step through the door into those meetings or we take our closed sessions, there is no need to play party politics. We should consider a complaint on its merits and on the basis of the evidence presented to us by the commissioner. We should give a corporate response. Indeed, on a previous complaint, I suggested — it was agreed by the Committee — that only the Chair should make public comment. Unfortunately, that was not upheld, despite the agreement of the Committee — one member broke it — but that was the right approach and it is how we should go forward as a Committee. We already have — *[Interruption.]*

**Mr Speaker:** We cannot hear this presentation properly. The Member has the Floor and has the same right to be heard as anybody else in here. People who do not have the manners or have no interest in what he is saying should leave the Chamber and leave the rest of us who want to hear it in peace to do so.

**Mr Agnew:** Thank you, Mr Speaker. We already have an Executive who publicly squabble and, indeed, where one member takes another member to court. That in itself sets a bad example for these institutions.

The Standards and Privileges Committee should set a standard; we should act corporately and speak with one voice.

**Mr Spratt:** I thank the Member for giving way and for his remarks at the start, but I will be back to haunt you for another month in September: I haven't gone away, you know.

In relation to what you have just said, is it not proper and right that the Committee should also, given its status, take into account legal advice clearly given by a member of the legal team of the Assembly? It failed to do that; it accepted only the point that suited certain individuals on the Committee.

**Mr Agnew:** I thank the Member for his intervention. I disagree with it. I am pleased to hear that he will serve as Chair for a while longer.

We should act corporately. When there is division in the Committee, I would like to see, rather than having Committee members disagree with one another in the Chamber, those who disagree with the corporate decision being at least silent if they cannot reflect the view of the Committee.

That is all that I am going to say as an individual Member. I will move on to summing up on behalf of the Committee as best I can, acknowledging that there was a division on this issue and that it was a majority vote.

I am disappointed by the tone that the debate has taken at times. Some contributions have been unnecessarily fractious, at times personal and at odds with the principles of respect and good working relationships that the Assembly endorsed only last week. We should recognise that, when Members display a lack of respect and courtesy, it lowers the public's view of the Assembly.

No one is trying to sanitise or remove all colour from political debate; we accept entirely that the cut and thrust of politics means that, from time to time, there will be robust exchanges. Members need to have a thick skin when being criticised by their opponents. In fact, there is a long and honourable tradition of parliamentary insults through the years across the political spectrum, from Disraeli and Churchill to Healy and Foot. There are memorable examples of pithy political put-downs; they can be acerbic and confrontational but also eloquent and witty. But let me be clear: calling someone a thug does not fall into that category.

I want to address the point that Mr Wilson's right to freedom of expression meant that he was entitled to make those comments. The Committee has consistently said — as recently as last week — that it supports and upholds Members' right to freedom of expression, even when Members are expressing views that are offensive or provocative. We also recognise that the law gives enhanced protection to political expression and that it protects not only the substance of what is said but the form in which it is conveyed. Therefore, in the political context, emotive and aggressive comments that would not otherwise be acceptable are tolerated.

However, previous judgements have made it perfectly clear that the enhanced protection does not apply to politicians when they are making gratuitous personal insults. That is the case law in terms of the European Convention on Human Rights, which defines freedom of expression. The Committee was satisfied that Mr Wilson's "thug" comment was an untrue and gratuitous personal comment rather than a form of political expression. In coming to that conclusion, the Committee spent a considerable time considering legal advice and precedents. We considered the context of the meeting and what Mr Wilson said before and after the comment. We believe that Mr Wilson's decision not to clarify his comment publicly was revealing as to the context in which he meant it.

Speaking more generally, I emphasise that the right to freedom of expression should not be misunderstood as allowing Members to bully or harass others. Clearly, that sort of conduct is unacceptable. That is why the existing code and our new code provide that Members should not subject others to unreasonable and excessive personal attack.

I also want to address the claim that Mr Wilson's outbursts had, on two occasions, led to the suspension of meetings of the Committee for Social Development. Beyond a finding of bringing the Assembly into disrepute, the current code is silent on such matters. The new code of conduct, agreed last week by the Assembly, provides that Members shall not:

*"act in any way which improperly interferes ... with the performance by the Assembly of its functions".*

Therefore, if a Member's behaviour in Committee was so improper, unreasonable and persistent that a Committee was unable to exercise its functions, that Member could be in breach of the new code.

Objectivity and impartiality should be at the heart of what we are doing here. An independent investigation by the Commissioner for Standards has concluded that Mr Wilson breached the code of conduct. The Committee on Standards and Privileges has also concluded that Mr Wilson breached the code of conduct. Mr Wilson was given the opportunity to apologise, but, regrettably, he has decided not to do so. If he had done so, we would not be having this debate today. However, as he has not apologised, the Committee really has no other option but to recommend the imposition of a sanction. To do anything less would undermine the measures —

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

**Mr Agnew:** I will.

**Mr Spratt:** You said that the Committee had "no other option". The Committee did, of course, have another option, which it voted on, and that was to do nothing. However, again, it was a split vote. Therefore, there was another option, not just the option that you refer to.

**Mr Agnew:** I will clarify my comments for the Member, which Mr Wilson chose not to do. When I said that we had no other option, I meant it as a figure of speech, in that the only option for the integrity of the Committee was to recommend the imposition of a sanction. To do anything less would undermine the measures that we have in place to ensure that Members are accountable for their conduct.

I conclude my remarks by reminding all Members of the importance of treating others with courtesy and respect. Our new code provides that Members should show respect and consideration for others at all times and should work responsibly with other Members of the Assembly for the benefit of the whole community. While the new code also upholds Members' right to freedom of expression, Members are nonetheless required not to subject anyone to unreasonable and excessive personal attack.

I hope that Members will respect this requirement and that this is the last time that the Committee needs to bring forward a report like this one. I urge the House to support the motion.

**Mr Speaker:** Before putting the Question, I reiterate this point that I made earlier: Mr Bain is an appointed officer of the Assembly. He was appointed Commissioner for Standards because we thought that there was a need to

protect those standards and that there would be occasions, from time to time, when it would be necessary to remind ourselves of the standards that we should adhere to. I do not think that anybody has changed their mind — this debate certainly would not change your mind — that we need a Commissioner for Standards.

It is very regrettable that there were personalised references to an officer of the Assembly, despite repeated advice that it should not happen. I think that that has done significant damage to the public reputation of the Assembly. It does no good at all, and it brings no honour and pride to anybody. It was a departure from standards, yet again, and I very much regret that.

**Mr Attwood:** On a point of order, Mr Speaker. Further to the comments that you have — *[Interruption.]*

**Mr Speaker:** Order.

**Mr Attwood:** Further to your comments, will you review the Hansard record to determine whether action should be taken against any Members in the Chamber for words and terms of abuse that they used, even if, during the debate, no action was taken. I ask that you review Hansard to reflect on the words that were used to determine whether now, after the debate, some appropriate action should be taken that is consistent with the comments that you have just made.

**Mrs Foster:** Further to that point of order, Mr Speaker, I ask you to review not only this debate but the Budget (No. 2) Bill debate, in which a Member referred to Ministers in Westminster as "donkeys". That needs to be looked at as well. If we are to start down this road, that is what we are going to have to engage in, Mr Speaker.

**Mr Maskey:** On a point of order, Mr Speaker.

**Mr Speaker:** Is it a different point of order?

**Mr Maskey:** No, it follows on from the previous point of order and your remarks.

**Mr Speaker:** Right, it is further to that point of order.

**Mr Maskey:** In the earlier part of the debate, a number of Members expressed their condolences to Mr Bain on his very recent bereavement. On behalf of our party group, I want to disassociate us from some of the

remarks that were made by people tonight. They were grossly and utterly insensitive and offensive. Given the bereavement, it is important that we disassociate ourselves from those remarks.

**8.45 pm**

**Mr Speaker:** You have made those remarks on the record, but they are not actually germane to the point of order.

I fully intend to review Hansard. I will do that through the lens of protecting robust debate in the Chamber. I know that privilege attaches, but I am seriously concerned about how close people came to overstepping the mark. I remind Members that the vote on the motion will be on a cross-community basis.

*Question put.*

*The Assembly divided:*

*Ayes 37; Noes 33.*

**AYES**

**NATIONALIST:**

*Mr Attwood, Mr D Bradley, Mr Dallat, Mr Flanagan, Ms Hanna, Mr Hazzard, Mrs D Kelly, Mr F McCann, Ms McCorley, Mr McElduff, Mr McGlone, Mrs McKeivitt, Mr McKinney, Mr A Maginness, Mr Maskey, Mr Ó Muilleoir, Mr Ramsey, Mr Rogers.*

**UNIONIST:**

*Mr Allister, Mr Beggs, Mr Cochrane-Watson, Mr Cree, Mrs Dobson, Mr Gardiner, Mr Kennedy, Mr McCallister, Mrs Overend, Mr Somerville, Mr Swann.*

**OTHER:**

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

*Tellers for the Ayes: Mr Agnew and Ms Lo.*

**NOES**

**UNIONIST:**

*Mr Anderson, Mr Bell, Ms P Bradley, Mr Buchanan, Mrs Cameron, Mr Campbell, Mr Clarke, Mr Craig, Mr Douglas, Mr Dunne, Mr Easton, Mrs Foster, Mr Girvan, Mr Givan, Mrs Hale, Mr Hamilton, Mr Humphrey, Mr Irwin, Mr McCausland, Mr I McCrea, Mr D McIlveen, Mr*

McQuillan, Mr Moutray, Mr Newton, Mr Poots, Mr G Robinson, Mr P Robinson, Mr Ross, Mr Spratt, Mr Storey, Mr Weir, Mr Wells, Mr Wilson.

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

Total Votes	70	Total Ayes	37	[52.9%]
Nationalist Votes	18	Nationalist Ayes	18	[100.0%]
Unionist Votes	44	Unionist Ayes	11	[25.0%]
Other Votes	8	Other Ayes	8	[100.0%]

*Question accordingly negatived (cross-community vote).*

## Private Members' Business

### Rates (Relief for Community Amateur Sports Clubs) Bill: First Stage

**Mr Speaker:** Before I call the Member to introduce the Bill, I advise the House that the Bill's sponsor, Mr Daithí McKay, has written to inform me that he cannot be in the Chamber today and has designated Mr Barry McElduff to move the First Stage of the Bill. Mr McElduff has written to me and accepted the designation.

**Mr McElduff:** I beg to introduce the Rates (Relief for Community Amateur Sports Clubs) Bill [NIA 59/11-16], which is a Bill to amend the Rates (Northern Ireland) Order 1977 to make provision for relief from non-domestic rates for registered community amateur sports clubs.

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

**Mr Speaker:** That constitutes the Bill's First Stage, and it shall now be printed.

*Motion made:*

*That the Assembly do now adjourn. — [Mr Speaker.]*

## Adjournment

### Comber Greenway

**Mr Speaker:** The proposer of the topic will have 15 minutes, and all other Members who wish to speak will have approximately six minutes.

**Mr Newton:** Thank you, Mr Speaker, for staying on after such a long day and, indeed, given that this is the last day of term. I also thank the Minister for being here. I recognise that, out of his time and very busy schedule, he has taken the opportunity to be here.

I think that this project potentially has real benefits for the entire community and particular benefits for the east of Belfast city, those parts of the Lisburn and Castlereagh City Council area where it runs through and, indeed, the Ards and North Down Borough Council area. It is referred to as the Comber greenway. I want to refer to it as a starting point in the east of the city at Holywood Arches. It runs from that point through to Comber. It has a seven-mile stretch that is free from all traffic. It runs through some traffic intersections, but those are relatively small, where they cross over a main road. It is also designated as part of the National Cycle Network running from Belfast. It is known as the Comber greenway because it was the Comber railway line at one stage.

#### 9.00 pm

It offers us an opportunity for traffic-free cycling. The better part of it is a stretch of tarmac that was laid following the railway surfacing being dug up and major sewerage pipes being laid. It runs from the Holywood Arches, a feature that is starting to develop as a hub in that part of the city. It is a hub that has a large amount of potential. Part of the area is being developed by the East Belfast Partnership and will include in the not-too-distant future, via social investment fund money, a tourism facility, and it will be a focal point within the area. There are other investments planned for that area. They are certainly not major investments in the sense of what government sees but investments that will help to lift the area. So it is the starting point from this side of the city.

As the Comber Road continues towards Dundonald, the route diverts briefly from the old

railway line along a section of riverside path known as Millmount Road. Millmount Road will be featured on Saturday as part of Second World War celebrations to mark children being evacuated from east Belfast to a place of safety from German bombers.

The route skirts around the Enler river and farm lanes, using a number of bridges that have been reinstated. It is virtually flat and offers a wonderful opportunity for investment, potentially, by the Minister. It would not be hard to describe it as the potential flagship project going through the three areas that I spoke about. It has the potential to be a leading-edge project in all that it could bring to the table. For the Minister, it has the potential to be a jewel in the crown of his cycling network. You could describe it as a top prize, but, to deliver the project, a visionary approach and a cocktail of funding are required.

What might the route deliver in the longer term? It has the potential to improve, given that it is brought up to standard. The standard that one might think about is the standard of the Connswater Community Greenway, where the figures indicate huge increases in people using Belfast City Council parks and river walkways, enjoying them to such an extent that some figures show a 73% increase in people going past specific points.

More people are using the parkway and allowing themselves to exercise, which has implications and benefits for the Health Minister, who I welcome, even though he is sitting on the Back Benches today. The parkway can be used for walking, cycling and jogging, and has the potential to be used by primary and post-primary schools for the study of wildlife and nature, as is happening on the Connswater greenway.

One of the features certainly of the Connswater greenway and potentially of the Comber greenway is community buy-in. Whether a project is in Northern Ireland, England or America, getting the community to buy into the project is key. That means communication and selling the advantages. Selling the advantages involves looking at the health benefits, the educational benefits and the potential for it to become a community-owned asset, in which the community will invest its time in the early stages of the project, to advise what would be of benefit to the community and how any changes that had to be made would be viewed and, indeed, to ensure overall success in delivering it.

I was approached today by the BBC about this debate, and they made the point that dog walking in these areas is controversial because of dog fouling. They also mentioned that people have been injured. I know of one gentleman who was knocked off his bicycle when using the Comber greenway and, in fact, ended up with a broken leg. Again, the key is to have areas designated, where walkers can walk, joggers can jog and cyclists can cycle, and you get a harmonious relationship between all three that delivers the benefit.

I accept that the Regional Development Minister is here tonight and that, if it is to be delivered in the longer term, this project might well need a joined-up approach from various Departments and that there would also need to be a strategic look at the overall benefits.

I will just speak for a few minutes on the economy. Investing this amount of money to provide this type of facility offers us an opportunity to deliver something for the economy as well. I have referred to investment around the Holywood Arches and to where there is the potential for more. If this were to go ahead, there would be the potential for small shops around the Holywood Arches to benefit and, indeed, for other businesses to emerge as part of the strategy. There is the old Neill's Hill halt. The base, the platform waiting area on the Comber greenway, is still there. Right on the edge of it, in the Dundonald area, is the Hanwood Centre, which has the potential to exploit the walkers, cyclists and joggers who might use the area. It is a community asset with the ability to offer much more than it does at this time. It is unique in how it is organised, run and funded. It did not receive any funding from Castlereagh Borough Council, but is a self-sustaining project. There would be opportunities for other small businesses to emerge along that seven-mile stretch. There is also the potential for the Minister and other Ministers who might be involved to apply for European funding.

Just in closing, I want to refer to the Minister's strategy at this time, the Northern Ireland cycling strategy.

It was launched back in June 2000 by a very young looking Minister for Regional Development from the time, Mr Peter Robinson. The introduction to the strategy says:

*"Transport is an integral part of modern life. Increased mobility has provided enormous economic and social benefits through widened opportunities for work, leisure, holidays and the choice of where to live."*

Having said that, it says:

*"Despite the benefits of increased motorisation, there is growing acceptance that the price society is paying for its mobility is too high, through short and long-term effects on health, road traffic collisions, environmental damage and noise pollution".*

I believe that this project offers a partial solution in that area to Minister Kennedy's cycling strategy. It requires a degree of joined-up thinking, and Belfast City Council may have a role to play through the 'Belfast Active Travel Action Plan 2014-2020', which is, obviously, current. It asks why active travel should be a priority. I will mention two aspects, the first of which is "healthier people". It says:

*"Being active everyday by walking and cycling, has many positive benefits for physical health including reducing the risk of coronary heart disease, stroke, obesity and type 2 diabetes."*

Finally, the action plan makes a point about connected communities. It states:

*"People living in heavily trafficked streets have fewer friends in their neighbourhood when compared to people living in lightly trafficked streets."*

The project has the potential to not only realise the Northern Ireland cycling strategy and the Belfast Active Travel strategy, but to make a major contribution to the health and well-being of our people, to the recreation of our people and to the development of business potential and offer something to those who live in that area and further afield. That would be a major flagship project.

**Mr Lyttle:** As a Member of the Assembly for East Belfast and chairperson of the all-party group on cycling, I am very grateful for the opportunity to speak strongly in favour of protecting, maintaining and developing the Comber greenway, which is an outstanding approximately seven miles of traffic-free cycleway and walkway in east Belfast and beyond. I thank the Member for bringing forward the debate this evening.

On the wall of my Assembly office is a letter from seven-year-old Oisín Doran. It was received by my predecessor and deputy leader of the Alliance Party, Naomi Long, and it inspired much of her work to ensure that the Comber greenway was not used for the Belfast rapid transit bus system, as previously

supported by some Members of the Assembly. It reads:

*"Dear MLA, please let us keep our Greenway. The bees need it. We always cycle on it. The trees give us blackberries and oxygen. Oisín Doran, Seven years on this planet."*

I think that Oisín, in his tender seven years, summed up very well the importance of that traffic-free cycleway and walkway to the people of east Belfast and well beyond. It is an absolutely vital green space to support a natural ecosystem and sustainable active travel, and it promotes health and well-being, community development and community connectivity in an age when sedentary lifestyles pose a significant risk to all of that. It is essential, therefore, that we continue to protect, maintain and develop that outstanding community asset.

In my short time, I would like to recognise the excellent work of the active travel charity Sustrans in helping us achieve this aim, particularly the Sustrans volunteer wardens, who do sterling work to help maintain and promote safe use of the Comber greenway.

### 9.15 pm

It has been a pleasure for me to support the work of Sustrans, with the Minister for Regional Development and Transport NI — formerly the Roads Service — in working to ensure that we have installed toucan crossings throughout the journey of the Comber greenway, and at key points of the greenway, to ensure that walker and cyclist safety is maintained throughout its course. I am glad to support Sustrans' calls for specific support from the Minister for Regional Development, for the Comber greenway, and in three key ways in particular. Number one is to see a master plan for the development of the Comber greenway, a clear strategy, and a costed action plan. Two is to see modest capital improvements, and three is support for the one-path initiative.

The reason for the master plan is, in part, to see better connectivity to key areas across the Comber greenway, such as Dundonald, Ballyhackamore and Tullycarnet — as the proposer already mentioned — and North Road. It will ensure that the greenway can be made even more accessible to neighbourhoods and businesses in the surrounding area, as well as to the outstanding project of the Connswater Community Greenway at the Holywood Arches, where there will be a fantastic C S Lewis civic square, which will be a real nodal point of both

greenways in east Belfast. Indeed, ensuring greater connectivity between greenways was a key recommendation of the Committee for Regional Development's cycling inquiry and, I am sure, something that the Minister would support as part of his cycling strategy.

Number two is capital improvements. There is a call to see, in particular, improvements to lighting on the Comber greenway, to assist with evening travel in winter months. Similar improvements are proving a real success on the other outstanding greenway in east Belfast, the Connswater Community Greenway. I hope that is the type of improvement that the Minister is minded to support.

Number three is the one-path initiative. There is a wide range of users on the greenway, and that is to be welcomed. There are walkers, dog walkers, joggers and cyclists, but we want to see a one-path initiative that will ensure proactive engagement with all users, awareness campaigns and, perhaps, the provision of basic equipment to promote and ensure mutual respect and understanding on the Comber greenway, delivering shared use without the need for segregation, and to ensure safe enjoyment of this fantastic asset.

If we can achieve that level of support for development on the Comber greenway, we can really maximise the immense benefit and potential of this outstanding, traffic-free greenway. It is, of course, a vital part of the cycle network, and will be vital to the Minister's cycling strategy, but it can be much more than just a transport corridor. We should have a vision for the Comber greenway to be an outstanding natural ecosystem and a linear park, to promote the active lifestyles needed for health and well-being, community, tourism and economic development in east Belfast, and well beyond. I hope we can hear that type of support for the Minister for Regional Development this evening.

**Mr Douglas:** Thank you for staying for tonight. I always wanted to use one of these lecterns, so I am glad they left them behind. I also thank the Minister for taking time out tonight. I want to declare an interest. I am a trustee with the Connswater Community Greenway and, as the proposer mentioned the Hanwood Centre in Tullycarnet, I am also a director of that. Again, I want to thank my colleague, Robin Newton, for bringing this very timely Adjournment debate.

As most Members have said already, the Comber greenway is a wonderful asset for the residents of east Belfast and, indeed, the whole of Belfast, and beyond. Since it opened in

2008, the Comber greenway has become one of Northern Ireland's most popular walking and cycling routes. While it functions as a traffic-free commuter route, it is also used for leisure and has effectively become a linear park. Following the line of a former railway, the route goes from Comber to east Belfast, passing through tranquil countryside with views of Stormont, Scrabo Tower and the Belfast hills. We all know that the greenway is part of route 99 of the National Cycle Network, linking with the new Connswater Community Greenway to connect to the Titanic Quarter and Belfast city centre.

The numbers and types of users of the greenway have increased significantly over the past number of years, and the Minister will recognise that; it is used by walkers, joggers, dog walkers and cyclists. Interestingly, it is estimated that last year more than 200,000 trips were made on the Comber greenway. Sixty-one per cent used the greenway on weekdays; 48% were cyclists and 46% were pedestrians. I use the greenway regularly and have noticed the increase in cyclists, particularly since the Giro d'Italia and the Gran Fondo. Twenty-four per cent of users commute to work on the route; that is important because it takes people off the roads as they head to work along that beautiful corridor. Sixty per cent could have used a car for their journey but chose not to. Eighty-six per cent said that the route helped them to increase their level of activity. I am sure that the Health Minister, who is here as an MLA, would recognise that.

The greenway's contribution to Belfast was recognised at a European level when it received the prestigious European greenways award in 2009. I remember the First Minister being at the launch of the Connswater Community Greenway. He said that it was great for east Belfast but that the Comber greenway must not become the poor relation. While the Comber greenway is a great success, there is concern that, without further investment, it will fail to meet its potential. The nearby Connswater Community Greenway, which is under construction as has been outlined, is setting new standards for public communication corridors. It is imperative, therefore, that the Comber greenway is not left behind. To prevent that from happening, I agree with the previous contributors that a development plan is essential.

I congratulate the Minister and the Department for Regional Development in moving ahead with the Belfast rapid transport scheme; it will be a world-class public transport system that will run alongside the Comber greenway in east Belfast.

Together, they have the potential to provide this area of the city with a world-class sustainable transport system. They should be developed, promoted and marketed together. The Comber greenway is owned and maintained by Transport NI to road standards. However, that is one of the difficulties, because the grass is only cut as the route is perceived as a road, unlike many of our parks. Some additional maintenance is undertaken by local authorities. It is seen by local people as a park and should be developed and maintained as such, as is the Lagan towpath, which is part of the Lagan Valley regional park.

The Comber greenway could have as many visitors as the Lagan Valley regional park, were it to be treated more as a linear parkway. It certainly requires tree and shrub maintenance, regular grass cutting, frequent rubbish collections and lighting. That is one of the things that I ask the Minister to consider. My experience with the Connswater Community Greenway was that, initially, a number of residents did not want any lighting, but once we had partial lighting on it some of those residents who had not wanted it at first asked us to provide it. As my colleague said earlier, lighting is essential late at night and on the dark nights during the winter. We need some sort of costed development plan and joined-up approach.

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

**Mr Douglas:** Yes, I will.

**Mr Weir:** I thank the Member for raising the issue of lighting. He mentioned linear parks, and there is a linear park in Bangor. It is vital to get the lighting correct, not just for the safety of people travelling on the route. If you leave things too dark, at some stage in the development of a linear-type park there is a danger that it will become a haven for antisocial behaviour. It is important that we preserve the best of the Comber greenway to ensure that nothing of that nature happens there. Lighting is a crucial element.

**Mr Douglas:** I thank the Member for his intervention. I agree with him. We want to encourage the use of lighting, because it encourages women in particular to use the greenway. Moreover, people cycling along do not know what may be lying on the path.

I am delighted that we are here tonight, and I encourage the Minister to try to help support the development of the Comber greenway.

**Mr Speaker:** I call Simon Hamilton.

**Mr Hamilton:** It is unusual to be called by that name in the House.

I am glad to be able to participate in the Adjournment debate. I have very much enjoyed it and the contributions thus far. I join others in congratulating Mr Newton on securing it. The Member represents the East Belfast constituency. Given that the greenway is called the Comber greenway, I think it apt and appropriate that the debate have a perspective from my home town of Comber, at the other end of the greenway.

The greenway has been a fantastic success. Although it is called the Comber greenway, it is something that is shared and in the shared ownership of a community right from the heart of Belfast out into a rural County Down setting. The greenway has been an undeniable success since its creation, close to a decade ago. I have to admit that I was sceptical about its chances of success at the start. That scepticism was somewhat assuaged by the fact that it was to be a temporary measure. Mr Lyttle mentioned that it was designated to be, and had been for many years, since the end of the Belfast and County Down Railway, for transportation purposes. It was earmarked to be used, at least in part, in an early iteration of the Belfast rapid transit scheme. I know that it is a controversial issue in some parts of east Belfast, but, as someone who believes that we got rid of the Belfast and County Down Railway and a commuter railway network before we even had commuters, there is still a bit of me that harbours a desire to see rapid transit, or something of that kind, extend out as far as Comber, and perhaps even further afield, but that is a discussion for another day, and perhaps for another Budget.

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

**Mr Hamilton:** I will.

**Mr Douglas:** The Member mentioned Comber. People like me cycle from the Castlereagh Road out to Comber. I go there for tea or coffee. In fact, the First Minister has bought me lunch in Comber. I want that in Hansard.

**Mr Hamilton:** There have been occasions when you and others have appeared at my office looking for me during the working week. Of course, I have been out working, as you would expect. *[Laughter.]* I have watched the greenway become a great success. I have watched it be used by local people and by people from further afield — the operative word being "watched".

If I can take credit for one thing, it is the development of the enhancement of the greenway. When I was a member of the then Ards Borough Council, I got the council to agree to separate a little bit of The Square in Comber aside for a bike rack. Having a constituency office in Comber, I could identify that the greenway was being used increasingly. People were coming down the greenway and into Comber but had nowhere to park their bikes safely. They were parking them at various locations and using local coffee shops. Mr Douglas may even have been one of those people. The council agreed to install a bike rack, and it is well used.

The greenway has clearly brought some success for local businesses. Comber is a destination for cycling. If there were maps of places to go cycling, Comber would be on them. That has been made the case, unofficially, by the fact that people are using the greenway, coming out of Belfast and ending up in Comber. The fact that Comber is a cycling destination is something that was recently affirmed by the fact that the Gran Fondo went through it. It was great to see that happening.

There have been other enhancements down through the years. I was very pleased to be able to work with officials from Roads Service, as was, to ensure that a bridge was placed at Ballyrainey Road. It was potentially a very dangerous crossing point, at which people had to exit the greenway and go down one slipway and up another. Thankfully, there were no issues, but it had the potential to be quite dangerous. Thankfully, Roads Service responded and put a bridge in.

**9.30 pm**

I think that there is potential, and I agree wholeheartedly with Mr Newton, Mr Lyttle and Mr Douglas that there is the potential to develop the greenway further, now that it has moved from that temporary status to something much more permanent. One of the ways in which we can crack that future development is to settle the issue of ownership and responsibility. The points made by Mr Newton and Mr Douglas around that are very pertinent. Even though there has been a role for many, it has never really been the responsibility of the Department for Regional Development, it has never really been the responsibility of the local councils and it has never really been the responsibility of Sustrans. They all have mucked in and played their part, whether that has been with funding or maintenance or in some of the developments, but nobody has really had ownership of it. My view, which I share with others, is that perhaps

the new local councils could play a greater role in taking it forward — perhaps along the lines of a park, as Mr Douglas outlined.

It is well and diversely used. There are issues around the safety of people who are on bikes and the use of the greenway by walkers and people who walk their dogs and, if some of those safety issues can be addressed, there may well be a case for some voluntary delineation of use between cyclists and others on the greenway. There are issues with access, particularly at the Comber end. There is not as much access between Millmount and Comber as there is in urban Belfast, as you might expect. Whilst it might seem wrong to talk about having parking close to it, there are some people who like to drive a little bit and then cycle, using the greenway from a point further on down its route.

Finally, there is a need to consider how we can link the end of the Comber greenway, which ends at the Comber end just a little shy of Comber itself, into the town centre in a way that is consistent with the recently published master plan. The Comber greenway has been a huge success and, now that it is becoming a more permanent fixture, it is only right and proper that we reflect on its success. I thank Mr Newton for providing the opportunity to do that this evening. We can reflect on that success and collectively consider how we can improve this fantastic facility.

**Mr Kennedy (The Minister for Regional Development):** Mr Speaker, I am not clear as to how long I have to speak.

**Mr Speaker:** You have 10 minutes.

**Mr Kennedy:** Thank you. That is very helpful.

I thank the Member for tabling the debate. I also thank the other Members for contributing, and those other Members who attended — it is a considerable distance from North Down and, particularly, South Antrim — to come and listen to a debate on the Comber greenway. It is important, and I listened with interest to the comments and issues raised by Members.

On a general note, I have made very clear my commitment to cycling. I think that that is acknowledged by everyone. My commitment has been motivated by the benefits for individuals and communities that I have seen cycling deliver elsewhere. The health and lifestyle benefits are well understood. I note the attendance of the Health Minister, unusually called Simon Hamilton in this debate. The

impact that cycling can have on the social and economic fortunes of communities is striking; in particular, dynamic local communities and vibrant economies, forward-looking communities with a clear sense of potential and inclusion. I want our communities to share in that, and that is why I want to promote and develop a successful cycling culture in Northern Ireland.

My vision for cycling here is to give people the freedom and confidence to use the bicycle, and my ambition is to increase the number of people who walk and cycle in Northern Ireland. Clearly, it is a long-term project because change does not happen overnight. It requires all of us, whether in the House, in local government or in communities, to work together to drive that change. That is no easy task, but, as I look back over my last few years as Minister and see what we have already achieved, it is a challenge that I am confident we are up to. Together — already, I believe — we have transformed the cycling environment in Belfast. Through Belfast on the Move and the Belfast bike share scheme, ordinary people increasingly have the opportunity and confidence to get on their bike. We see huge activity and huge benefits in the city centre. Despite the challenges of the economic downturn, Belfast city centre is an increasingly vibrant and dynamic place and an attractive place to be. Our cycling revolution has been a key factor in that transformation.

Of course, it is not just about Belfast. We see the same in other places, such as Londonderry and other towns and cities where we have invested in cycling. However, we need to build on this and, to continue our journey, we need to extend the opportunities and benefits out from our city centres into our communities. That is the key objective that I have set for my bicycle strategy. The development of greenways, such as the Comber greenway, will be an important part of delivering that vision.

Over the last year, I have been working with key stakeholders to develop ambitious proposals for new cycling routes that will join up what we have and fill in the gaps. They will extend out from the centre and create real opportunities to promote cycling and link communities with key services. Members know that my Department is working on a bicycle network plan for Belfast. Its purpose is to outline my ambition to develop eight key high-quality radial cycling routes for Belfast, one from each of the principal points of the compass to the city centre. The plan will set out what we need to do to improve the existing infrastructure and develop new continuous and coherent

infrastructure to bring high-quality cycling routes within the reach of most people in the city. I propose to consult on this plan later this autumn. I believe that the Comber greenway will form the eastern route.

I was very happy to listen to the proposals made by Members and the suggestions made this evening for the improvement of Comber greenway. I will continue to bid for the resources to deliver an ambitious plan of investment and I look forward to support in this Chamber in doing so.

Let me say that the Comber greenway is a well-used cycling route that continues to attract walkers and cyclists. I want to build on that. I assure Members that developing the Comber greenway will be a key part of my proposals to develop a cycling network. The construction of the new cycle bridge across the Ballyrainey Road by my Department in partnership with Sustrans and Down Rural Area Partnership, referred to by Mr Hamilton, is a small example of my commitment in that regard.

My remit and that of my Department covers the public road and being substantially off-road provision, I see the development of greenways as an area where there is an opportunity for a local authorities to take ownership. That point was well made earlier in the debate. We must create partnerships as we move forward. I believe that, in the various arms of central government and local government, we can usefully provide a regional strategic direction to the development of greenways, including the Comber greenway. I set up the greenways working group last year to work with other bodies to give an overall sense of direction in order to bring individual local projects together and develop a regional greenway network across Northern Ireland. Alongside that, I have looked at opportunities to secure funding, not only from the Executive but from elsewhere, to deliver those projects and I am delighted to have secured opportunities for EU greenway funding through the INTERREG programme. So, I think the opportunities are there.

I am conscious that, in the contributions of Members, everyone is positive towards this and I very much welcome that. Mr Newton mentioned the potential for a flagship project of which Comber greenway would become the jewel in the Crown, and I see opportunities for that, working with the local authorities and other government agencies. The benefits of cycling are not just environmental or in health; it is down to lifestyle, and that touches on a number of Departments within the Executive as well as local government, so opportunities have to be

opened up there. Mr Lyttle reminded us of the letter that was received in the constituency office highlighting the need to, at that point, protect the Comber greenway. We have done that, and I think that we have done more and need to continue to do more.

Mr Douglas is a noted cyclist and coffee drinker, particularly in Comber. I hope that the First Minister was paying; that is all I can say. He has been an enthusiastic champion for cycling not only in East Belfast but has been encouraging to me, as Minister for Regional Development, as we seek to carry forward a Northern Ireland-wide strategy. I thank him for that.

Mr Hamilton made important points about Comber and how it can be developed and assisted. I certainly have no doubt that cyclists and walkers contribute significantly to the local economy there. I think that is important for tourism and other matters. Ownership and who might best be responsible for carrying forward such things have to be addressed.

I want to give some careful reflection to the ideas that we have heard, such as those about a master plan that will move things forward not only for the Comber greenway but for cycling generally. I am very pleased and optimistic, as Members pack up and prepare to get their buckets and spades ready for summer recess, that we have at least left this place on a positive note tonight for the potential for cycling. I thank everyone for their contribution.

*Adjourned at 9.42 pm.*

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