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# NORTHERN IRELAND ASSEMBLY

## PUBLIC PETITIONS

### Victims of Institutional Abuse

Monday 9 November 2009

*The Assembly met at 12 noon (Mr Speaker in the Chair).*

*Members observed two minutes' silence.*

### ASSEMBLY BUSINESS

**Mr Simpson:** On a point of order, Mr Speaker. You will be aware that this morning I submitted a question for urgent oral answer that relates to reports in today's 'News Letter' that concern the actions of the former Children's Commissioner. He said that language in a report should be couched in such a way as to protect the system and its stated position that the commission played the child abuse situation in the Republic "quite softly" because of "political issues". Moreover, a deal was reached between the Catholic Church and the PSNI following discussions with the Department of Health, Social Services and Public Safety to the effect that summary files only will be submitted to the police —

**Mr Speaker:** The Member should come to the point of order.

**Mr Simpson:** Under the criteria of urgency, public importance and availability of the Minister, on what grounds was the question refused?

**Mr Speaker:** That is an issue for outside the Chamber. If the Member wants to raise the matter with me, I am happy to talk to him outside the Chamber today, tomorrow or any time this week.

**Mr Speaker:** Mrs Carmel Hanna has sought leave to present a public petition in accordance with Standing Order 22.

**Mrs Hanna:** I wish to present a public petition that relates to support for victims of institutional abuse. It was presented to me by Margaret McGuckin and signed by several thousand members of the public who support the campaign.

Last week, the House passed a motion that called on the Executive to:

"commission an assessment of the extent of abuse and neglect in Northern Ireland, to liaise and work with the authorities in the Republic of Ireland and to report to the Assembly".

Furthermore, it called on the Executive to provide funding to support helpline and counselling services and to work through the North/South Ministerial Council:

"to ensure that all-Ireland protections for children and vulnerable adults are in place as soon as possible" — [*Official Report, Vol 45, No 1, p15, col 1*].

for all the victims of institutional abuse in Northern Ireland.

*Mrs Hanna moved forward and laid the petition on the Table.*

**Mr Speaker:** I will forward the petition to the Minister of Health, Social Services and Public Safety and send a copy to the Chairperson of the Committee for Health, Social Services and Public Safety, Mr Simon Hamilton.

## MINISTERIAL STATEMENT

### North/South Ministerial Council

#### Environment Sectoral Format

**Mr Speaker:** I have received notice from the Minister of the Environment that he wishes to make a statement regarding the meeting of the North/South Ministerial Council in environment sectoral format.

**The Minister of the Environment (Mr Poots):** In compliance with section 52 of the Northern Ireland Act 1998, I wish to make a statement on the ninth meeting of the North/South Ministerial Council (NSMC) in environment sectoral format, which was held in Armagh on 30 October 2009. The statement has been agreed with the Minister for Social Development, Margaret Ritchie, who also attended. As Minister of the Environment, I chaired the meeting and, with Minister Ritchie, represented the Northern Ireland Executive. The Irish Government were represented by John Gormley TD, Minister for the Environment, Heritage and Local Government.

The Council agreed proposals from the Environmental Protection Agency (EPA) and the Northern Ireland Environment Agency (NIEA) for the development and publication of a common set of environmental indicators. It is intended that publication will enable elected representatives, policymakers and others to track progress on changes to the environment in each jurisdiction. Ministers agreed that the common indicators will be published in 2011 as part of the North/South statistical profile or through appropriate reports of environmental indicators by the relevant agencies.

Ministers noted that the NIEA and the EPA are developing a joint paper on environmental research that will be brought to the next NSMC meeting in environment sectoral format. Ministers also noted that opportunities to maximise access to EU funding for environmental research, including the seventh framework programme and INTERREG, will be explored. Ministers further agreed that the environmental research information, which was available on the aNSwer website, will be made available on the NIEA and EPA websites.

The Council welcomed the continuing progress of the implementation of the EU water framework directive on shared waters and noted that the river basin management plans are due to be finalised by the end of 2009. The focus will then move from the planning phase to implementing the programme of measures that will be required in order to achieve the objectives of the directive. Co-ordinated efforts

between jurisdictions towards implementing the directive will continue.

The Council noted that the North/South market development steering group is working to exploit economies of scale in the market for recycled materials in both jurisdictions. The chair of the group will make a presentation at the next Council meeting. Ministers also had an opportunity to share views on policy developments on plastic bags and chewing gum.

The Council noted that a framework agreement was endorsed by the Environment Ministers in June 2009, relating, in the first instance, to the removal of illegally dumped waste at two priority sites at Slattenagh in County Fermanagh and near Trillick in County Tyrone. That agreement will form the basis for action on the remaining 18 sites. Ministers noted that it is expected that work on the two priority sites could commence shortly after the award of contract, which is likely to be in early 2010. The NIEA will prioritise the order in which the remaining 18 sites will be dealt with, based on the risk of environmental pollution, harm to human health and other factors. Ministers welcomed the joint concerted enforcement actions that are continuing to target shipments of waste and noted that future action is planned.

The Council agreed to meet again in environment sectoral format in March 2010.

**Mr Speaker:** Before I call Peter Weir, I wish to correct something that I said earlier when Mrs Hanna presented the public petition. The Chairperson of the Committee for Health, Social Services and Public Safety is Mr Jim Wells, not Mr Simon Hamilton. I apologise to the House for that mistake.

**Mr Weir:** I am sure that Mr Hamilton is recovering in the darkened room in which he has been lying since he was pushed over to Health.

I thank the Minister of the Environment for his statement. I note that the North/South Ministerial Council discussed the serious problem of cross-border illegal waste dumping. I appreciate that, as the Minister indicated, actions are being taken on that. Can the Minister provide any more detail on the actions that are being taken to tackle that very important problem?

**The Minister of the Environment:** The Member is right to point out that illegal cross-border dumping is a significant problem. It is largely a historical problem, and we are not receiving considerable reports that it is ongoing.

It has been established under a framework agreement that Dublin City Council is the competent Irish authority in this matter. It is responsible for procuring a contract for the excavation, examination and removal of the waste, and for the remediation of the site afterwards.

That will be done in consultation with the Northern Ireland competent authority, the NIEA. My officials in the agency will oversee the removal operations on each site to help ensure that the site is protected during the works. Once those two sites are cleared, that will give us a significant amount of information to work towards having all 20 sites cleared thereafter.

**Mr Boylan:** Go raibh maith agat, a Cheann Comhairle. I welcome the Minister's statement. There is a lot of fly-tipping going on along the border, especially in my constituency. Was there any discussion on how our council would be reimbursed? Currently it is dealing with that problem and meeting the cost.

I am disappointed, because I thought that there was an opportunity to talk about the North/South interconnector at the meeting. Will the Minister give his commitment that the issue will be addressed at the next meeting?

**The Minister of the Environment:** The member has raised two issues. First, if there is substantiated evidence that the fly-tipping is emanating from the Republic of Ireland, that waste will be repatriated to the Republic of Ireland, which will be expected to bear the costs of disposing of that waste. Secondly, the interconnector is an energy matter. Therefore, the environment sector is not the appropriate sector to deal with that.

**Mr Kinahan:** I welcome the Minister's statement, especially the fact that some EU funding will be used. However, when we went there the other day, it was made very clear that, if we are to influence legislation, we need to see it two years before it starts. What steps will be taken to ensure that we know the direction and detail being taken on the legislation that we will make in the future as part of that environmental research in the EU?

**The Minister of the Environment:** That matter was not discussed at the meeting; however, the Northern Ireland Executive office is fully engaged in Brussels. It is its job to alert us to relevant legislation in its incremental stages. Each Department then has the opportunity to respond to that legislation, so a process is in place.

I do not know how well it works and do not believe that we have much influence over the European Union with our small population vis-à-vis a very large albatross of government. That is why I prefer government to be delivered locally, either through local, regional or national government, as opposed to submitting our interests to Europe.

I note that others are quite happy to turn around and not to have elections that they promised to have and to walk away from the promises they made to the electorate in June last year. That is very notable here today.

**Mr A Maginness:** I welcome the Minister's comprehensive statement and the fact that a lot of good work is being done. In relation to the North/South market development steering group, which is working to exploit economies of scale in the market for recycled material, does the Minister hope that we can create a truly common market for recycled materials in Ireland as a whole in the near future? The establishment of a market with sensible prices would do much to stimulate the recycling of waste here and in the Republic.

12.15 pm

**The Minister of the Environment:** It is better to crawl before learning to walk, and, therefore, we should establish a unified market in Northern Ireland. I have put forward suggestions about the establishment of a single waste authority because that would bring clear economies of scale and marketing opportunities. We are considering the potential for the creation of a paper mill that would service Northern Ireland and the Republic of Ireland. We must seek to utilise all potential benefits for the interests of taxpayers and ratepayers and bring as much funding as possible back to the waste process. Fortunately, markets for recycled materials have recovered to 2007 levels after taking a severe dip in 2008. However, we need to market our product better, and that will involve good separation. If we do the job right, there will be markets for many of our products.

**Mr Ford:** I thank the Minister for the statement. The market development steering group features in every statement on an NSMC meeting. However, it seems that those statements are always couched in terms of reports to be presented. Is the Minister satisfied with progress in that area? Similarly, the Minister talked about the common set of environmental indicators between the Northern Ireland Environment Agency and the Environmental Protection Agency. Will the Minister give an assurance that those indicators will compare the progress, or lack thereof, that Northern Ireland is making with the progress that is being made by other UK regions?

**The Minister of the Environment:** We provide an annual fund of some £1 million to the waste and resources action programme. It works closely with businesses and supports initiatives to increase recycling and the use of recycled material. Opportunities to market materials increase as production of those materials increases.

The North/South market development steering group agreed that the market and the economic landscape have changed considerably since the inception of the project. Therefore, although proposals for the paper mill, for example, should be kept under active consideration, immediate progress is not

expected because the economic climate is not right. There is no point in investing huge amounts of public money if all the professional experts are advising that it is not the right time to do that because the market will not sustain it. We will take qualitative advice in attempting to bring about the best outcomes for taxpayers and ratepayers.

**Mr Ross:** I also thank the Minister for his statement, which included references to plastic bags and chewing gum. I have spoken to people in the industry in Northern Ireland, and they favour a voluntary arrangement on the use of plastic bags rather than the taxation route that has been taken in the Irish Republic. What are the Minister's thoughts on that? I assume that the discussions on chewing gum were about how to remove it from our streets rather than coming up with a new mouth-watering flavour.

**The Minister of the Environment:** Plastic bags previously accounted for 0.6% of all the material that ends up in landfill. Plastic bags are an obvious and visible problem; they blow down our streets and become attached to hedges in the countryside. We have sought to encourage people to use fewer plastic bags or use the same bags more often. As a consequence, plastic bag usage in Northern Ireland has reduced by 38% from some 20 million a year to about 12 million a year; that is good news. Plastic bag usage in the rest of the UK is down by 48%, which is even better news for them.

We must press ahead and set higher targets to encourage and cajole more people to use reusable bags. Some people have suggested that we should use paper bags, but it has been found that paper bags are more damaging to the environment than plastic bags and that their manufacture and delivery leaves a greater carbon footprint. Plastic bags accounted for 0.6% of all landfill material before the reduction in their usage, and they now account for about 0.4%. A much bigger exercise must be carried out to reduce the amount of packaging that we see in supermarkets and shops.

I want us to focus our attention on reducing the amount of packaging, because that will have a far greater impact than introducing a plastic bag tax levy, which will probably hit the poorest in our society the hardest. That is my initial assessment.

The clean neighbourhoods Bill will assist with the problem of chewing gum to some extent. However, our public realm needs to be designed so that chewing gum can be removed. Many streets in Northern Ireland are covered with brick pavements that are laid in sand. When pavements are laid, they look dreadful within six months because they have been covered in chewing gum. If chewing gum is power-washed off the pavements, the sand is also washed out and they are disturbed. The Department for Social Development needs to look at that problem and identify how the pavements can be

deep cleansed. Despite all our efforts to educate the public, I do not think that we will discourage everyone in Northern Ireland from engaging in the filthy habit of spitting out chewing gum on the streets.

**Mr McKay:** Go raibh maith agat, a Cheann Comhairle. I welcome the fact that the Minister has shared views on policy developments with respect to plastic bags. Unfortunately, his position remains flawed. That aside, climate change is a big issue. Does the Minister have shared views with his counterpart in the South on that issue?

**The Minister of the Environment:** I note that, although the Member indicated that my views were flawed, he did not indicate why. If he wants to hit the poorest in our society the hardest, that is a great departure from his party policy. Perhaps he should discuss with his party why he wants to introduce new taxes on the poorest and see how it responds.

I discussed climate change with my counterpart, and there are issues on which we do and do not agree. Ultimately, Northern Ireland and the Republic of Ireland can have a very significant impact on the introduction of energy from renewable sources. We are ideally placed to provide such energy in our society and beyond. We are in general agreement that there are huge untapped opportunities for using renewable energy sources. However, there are challenges: if we use marine measures, people will be concerned about marine life and marine biology, and if we use wind farms, some of the Member's colleagues will be strongly opposed to that. We are prepared to press ahead in that regard, and I am interested to see his party's policy on renewable wind energy.

**Mr I McCrea:** I sort of welcome the Minister's statement this morning, but, unfortunately, I do not see much substance in the 11 small paragraphs. That is not his fault; it was because the meeting took place with a small agenda. In light of the Member across the way referring to climate change, does the Minister agree that, in the interests of reducing his carbon footprint, he should reconsider the arrangements for the meetings and relocate them to his office, as, I believe, his ministerial colleague, the Minister of Culture, Arts and Leisure, has done, or introduce some form of videoconferencing?

**The Minister of the Environment:** I welcome the enthused response from my colleague; he makes a very valid point, because much of the work could have been done by an exchange of papers. Perhaps the Member will raise the matter with the Office of the First Minister and deputy First Minister and directly with the NSMC because there is, potentially, a small industry going on. Meetings are being arranged that do not necessarily have to take place. A lot of this is common sense that could be addressed through exchange of letters.

I exchange lots of letters on many such issues with colleagues in the United Kingdom, without needing to meet them. Outstanding issues can often be resolved by telephone, which, of course, has considerably less of a carbon footprint than holding meetings attended by hordes of officials.

**Mr Beggs:** I thank the Minister for his statement, in which he indicated that the Northern Ireland Environment Agency and the Environmental Protection Agency in the Republic of Ireland are developing a common set of environmental indicators. Will the Minister ensure that the finalised and agreed indicators remain consistent with those that are standard throughout the United Kingdom, so that we can assess progress in protecting the Northern Ireland environment in conjunction with that made in England, Scotland and Wales?

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

**The Minister of the Environment:** The indicators will have to be closely akin not only to those in the rest of the United Kingdom but to those in Europe, given that many indicators are associated with EU directives. We are slightly ahead in those indicators. It has been agreed that research can be published independently, so ours may be published before the Republic of Ireland's. For example, we are working towards a deadline of publishing our river basin management plans by 22 December. Therefore, we hope to get indicators out sooner rather than later.

**Mr McGlone:** Gabhaim buíochas leis an Aire as a ráiteas. I thank the Minister for his statement. A few issues have been touched upon. Those of us who, like the Minister, are aware of the repercussions and ramifications of climate change will want to see a commonality of spirit and policy development. What initiatives have been taken by the Minister's Department and by the Minister's Department in conjunction with the likes of the Department of Enterprise, Trade and Investment (DETI)?

The Minister has referred to renewables and the potential that they create for employment, and those of us who are deeply concerned about the economic downturn would like to see "green collar" employment prospects fully exploited. There is an overlap between the Minister's Department, which has responsibility for climate change, DETI and other Departments on the rest of the island. If he cannot do so here today, the Minister can, if he wishes, provide me with more details later. I am interested in what measures or initiatives can be taken by his Department, which is charged with mitigating climate change. What is the potential to roll out further employment from renewables and that "green collar" sector?

**The Minister of the Environment:** My Department and the Department of Enterprise, Trade and Investment

have already done considerable work between them on developing opportunities for the green economy in recycling and renewable energies. The Enterprise Minister and I recently visited Harland and Wolff, where a major offshore wind energy farm is under construction. The scale and opportunities of that project are extensive.

I will introduce the Department for Employment and Learning (DEL) into the equation. For example, Queen's University is doing very advanced research into wave energy that I hope to see for myself in the not-too-distant future. That has generated interest from across the Atlantic. We hope to talk to people from America who are interested in the renewable energy opportunities here in Northern Ireland. There is much work to be done and many opportunities to be created in the search to identify more sources of renewable energy and to reduce our reliance on fossil fuels.

12.30 pm

**Mr McElduff:** Go raibh maith agat, a LeasCheann Comhairle. Ba mhaith liom mo bhuíochas a ghabháil leis an Aire as an ráiteas sin, agus tá ceist agam dó.

I welcome the reference in paragraph seven of the Minister's statement to how the North/South market development steering group is working to exploit economies of scale in the market for recycled materials throughout the island of Ireland. Will the Minister tell us more about the steering group's membership and work and whether its minutes are available online?

Secondly, will the Minister recommend to his DUP part-time MP colleagues that they consider reducing their carbon footprints further by abstaining from Westminster?

**The Minister of the Environment:** At least some people's voices are heard through their elected representatives at Westminster, which has to make decisions on national security, finance, foreign affairs and a whole range of other important issues. I welcome that fact that we have nine DUP MPs at Westminster and that their attendance record, lobbying efforts and speaking records, and the number of questions that they ask, are streets ahead of the previous MPs for North Belfast, Strangford and many other constituencies. Having nine hard-working MPs at Westminster is to the benefit of Northern Ireland.

With respect to the element of the Member's question that actually relates to the statement, I advise him that the chairperson of the North/South market development steering group is expected to make a presentation at the next NSMC meeting. Perhaps the appropriate time to fully update the Member and the House about the steering group's work will be after that meeting.

**Mr Shannon:** I thank the Minister for his statement. There are concerns about co-operation on fuel laundering. Will the Minister indicate what his counterparts in the

Republic of Ireland are doing in their fight to stop illegal fuel laundering and smuggling? Are they as zealous and energetic as their counterparts in Northern Ireland? In addition, will the Minister indicate whether Northern Ireland can achieve its incineration obligations under the EU landfill directive?

**The Minister of the Environment:** Fuel laundering is a significant issue that has been ongoing for a long time, and it causes huge environmental damage. However, my Department does not deal directly with fuel laundering: HM Revenue and Customs is the first port of call. When there is evidence that fuel laundering has caused environmental damage, it is up to my Department to investigate. If a cross-border problem is identified, for example, when materials that have been used to launder fuel have been dumped on either side of the border, we will work with our colleagues in the Irish Republic to identify the source of those materials and to pursue the individuals who have been involved in dumping them.

The residue from fuel laundering is hugely polluting and it has the potential to contaminate groundwater, surface water and land. However, given the clandestine nature of such activities, it can be very difficult to identify the individuals who are behind them. I will always encourage people to co-operate with and pass information on to the relevant authorities — the PSNI, HM Revenue and Customs and NIEA.

## MINISTERIAL STATEMENT

### Planning Policy Statement 7: Draft Addendum

**Mr Deputy Speaker:** I have received notice from the Minister of the Environment that he wishes to make a statement with respect to Planning Policy Statement 7 (PPS 7).

**The Minister of the Environment (Mr Poots):** With your permission, Mr Speaker, I will now issue for consultation a draft addendum to Planning Policy Statement 7 on safeguarding the character of established residential areas. During the consultation, the draft policies contained in the addendum may be regarded as material planning considerations.

Increased housing density and concern over so-called town cramming or garden grabbing in some areas have continued to be the focus of much public attention and controversy right across Northern Ireland. There is already a significant body of operational planning policy and guidance that deals with housing development in established areas. That includes: PPS 6, 'Planning, Archaeology and the Built Heritage'; PPS 7, 'Quality Residential Environments'; PPS 12, 'Housing in Settlements'; DCAN 8, 'Housing in Existing Urban Areas'; and supplementary planning guidance 'Creating Places'. That policy and guidance promotes high-quality design, layout and landscaping. It emphasises sustainability, and it helps to create more balanced communities by supporting a mix of housing tenures and house types.

The existing policy also indicates that increased housing density should not result in town cramming. Arlene Foster reminded the Planning Service of that in her August 2007 circular, which emphasised that the impact of new residential development in urban areas, villages and other settlements should be fully considered in line with existing policies. PPS 6 and PPS 7 set out robust planning policies to protect conservation areas and areas of townscape character. They ensure that new development harmonises with the historic townscape and leaves the character and appearance of those areas unharmed.

In those special areas, proposals involving intensification of site usage or site coverage are permitted only in exceptional circumstances. Additionally, development plans can bring forward local policies for conservation areas and areas of townscape character. That will ensure that new development is in harmony with adjacent housing and does not detract from environmental quality, residential amenity and established character.

The majority of established residential areas, villages and smaller settlements do not have the

distinctive character of areas of townscape character or conservation areas. However, that does not mean that the quality of residential environment in those areas is unimportant. Those areas can also be vulnerable to change in the physical environment, particularly from redevelopment of existing houses and development on infill sites at higher densities than that of surrounding areas.

Where the demand for smaller households through apartment living exists, it will need to be catered for, but overdevelopment can lead to the erosion of an area's character, especially where the architecture, size and scale of the new development is not in keeping with that of the locality. New high-density housing can have a detrimental impact on the environment, on the amount of increased garden grabbing and the loss of green space.

Not all higher-density residential development is bad; on the contrary, it can often be beneficial to local areas by bringing much-needed housing. The redevelopment of derelict sites can assist with urban regeneration and support the drive to create more balanced communities by introducing a mix of tenures and house types.

Although we have policy safeguards to prevent town cramming, we need to do more. That is why I have published the draft addendum. It provides three operational planning policies, which will strengthen the existing planning policy framework. The first two will enable better management of proposals to redevelop existing buildings, infill vacant sites, including gardens, and convert buildings to apartments, including those for multiple occupancy. In particular, planning permission will not be granted to proposals where the density is significantly higher than that found in the locality, or where the pattern of development is not in keeping with the overall character and environmental quality of the neighbourhood.

The draft addendum also introduces space standards. Those will ensure that there will be adequately spaced dwelling units. This is the first time that space standards have been introduced for private housing in Northern Ireland. I see them as an important tool for controlling densification. The size of a home is a key factor in determining who can live there and how they will use the property. I want to ensure that all new housing units are sufficiently spacious, particularly if they are to prove attractive on a long-term basis to families with children.

With regard to conversions, all flats must be self-contained and not wholly at the rear of a property. Planning permission will not be granted when the original property is under 150 sq m. Additional policy criteria will ensure that there is no reduction in the space available for parking.

The draft addendum is not a blanket ban on redevelopment, conversion, infilling or the development of gardens. It is about the right development in the right place in order to provide good-quality homes. High-density development will continue to be acceptable in city and town centres and along public transport corridors and arterial routes in cities and larger towns. Those areas are, therefore, excluded from the definition of established residential areas.

The draft policies retain sufficient flexibility to allow for higher-density housing schemes through imaginative and innovative design. They can deliver significant benefits, while continuing to ensure that new residential schemes are sensitive in design and in harmony with the character of established residential areas.

Flash flooding, as we saw again last week, can cause significant damage and emotional stress and anxiety. Although my Department has already adopted a precautionary approach in Planning Policy Statement 15 to development that could result in increased flooding, I recognise that more can be done. Therefore, the final operational policy set out in the draft addendum encourages greater use of permeable paving in new residential developments. Permeable paving is a relatively straightforward example of sustainable drainage systems (SUDS), which can reduce the amount and speed of surface water run-off.

The addendum provides strong, clear policy, with no room for misinterpretation: it will strengthen the policy framework. This is the start of a four-month public consultation. This is an important issue, and I encourage everyone who has an interest in it to write to tell us what they think. We will carefully consider all the responses before finalising our policies.

**The Deputy Chairperson of the Committee for the Environment (Mr Boylan):** Go raibh maith agat, a LeasCheann Comhairle. I welcome the Minister's statement, and relay the apologies of the Chairperson of the Committee for not being here.

Committee witnesses expressed concern on several occasions about garden grabbing. Will the Minister ensure, as a result of the consultation responses, that the issue of garden grabbing is sufficiently addressed to restore public confidence in the planning system and that the interpretation of planning policy will be consistent across all divisional offices?

**The Minister of the Environment:** That issue has improved significantly since Arlene Foster's circular in 2007, as a consequence of which a significant number of planning applications from individuals seeking to engage in garden grabbing have been refused. This draft addendum will further strengthen and endorse that issue, and I encourage the Committee to look at it.

It is robust, and I want to see the Committee's views on it.

I also want to identify the public response to the issue, because the regional development strategy (RDS) was designed not to encourage people to exploit the opportunity of developing large gardens, but to make proper use of and develop brownfield industrial or waste sites. However, there was a weakness in the RDS, and certain planning policy statements have been of considerable help in dealing with it. The draft addendum should be the final piece in the jigsaw.

**Mr Deputy Speaker:** Order. The Speaker recently advised Whips that he intended to take a firmer line on the use in the Chamber of phones, Blackberries and similar devices. Even when switched to silent, they interfere with all the audio services, including the media feed, Hansard's recording system, streaming on the website, and the induction loop for hearing aid users. All such devices should be switched off before Members enter the Chamber. If Members need to receive urgent messages, the Doorkeepers will deliver them.

12.45 pm

**Mr Weir:** I am glad that, as a result of that ruling, any pearls of wisdom that the Minister or I utter will not be lost; that would be a great loss to society.

I thank the Minister for his statement. I come from an area that has suffered from town cramming in recent years. Does the Minister believe that the paving that has been proposed to help to alleviate flooding will complement the proposals that he announced in his addendum to reduce town cramming, which will place greater pressure on our water infrastructure? It is sensible that city and town centres and arterial routes will be excluded from that, because they are areas of high density. Will there be separate consultation or discussion on what constitutes a city or town centre or arterial route for the purpose of identifying which areas will not be affected by the proposals announced in the addendum?

**The Minister of the Environment:** The more hard covering that is laid, the more problems there will be with water run-off during periods of heavy rainfall. A reduction in the opportunity to establish properties in high-density areas will be of benefit in the first instance, and permeable paving will be a considerable help in absorbing much of the rainfall and releasing it more slowly. Consequently, less pressure will be put on our drainage systems.

The identification of what constitutes a town centre is an issue for development plans. If the Member is saying that there could be a question mark over what constitutes an arterial route, we will have to look at that issue in the consultation. We look forward to receiving responses on that. I suspect that they will not be carried out separately, but, if that issue manifests

itself strongly during the consultation process, it will be taken into consideration before the final policy is published.

**Mr Beggs:** The Minister rightly points out that overdevelopment can lead to the erosion of an area's character. That is evident in the North Road in Carrickfergus, where there has been a rash of apartment applications and approvals. Will the Minister advise the House of what assessment Planning Service has undertaken to establish the proportion of current approvals that will be affected by the new addendum? Will the draft addendum have an immediate effect, as the draft version of PPS 21 did? If not, how soon will it be completed? We do not want to suffer an avalanche of applications in many sensitive areas with developers trying to get approval before the regulations are changed.

**The Minister of the Environment:** No current approvals will be affected, because neither the Planning Service nor the Department has powers to take back approval once it is given. Current applications are already affected by how the documents that I mentioned in my statement are interpreted. The planning policy statement proposal will give greater weight to that. In the absence of the addendum being adopted, the Planning Service will accept the proposal as a material consideration when interpreting existing policies. Therefore, when consulting with planners, councillors and other public representatives will have the opportunity to make the case that this proposal has weight, as it does. It will not take full effect until the public consultation process is concluded and I present it before the House as a final document. Nonetheless, it should influence planners' decisions.

**Mr McGlone:** Go raibh maith agat, a LeasCheann Comhairle. Gabhaim buíochas leis an Aire as a ráiteas.

I thank the Minister for his statement. It brings into focus an issue that has been around for quite a while, and, as the Minister correctly said, one that his predecessor Arlene Foster previously issued direction on.

However, I require some clarity on the issue of conversions. In his statement to the House, the Minister said:

"Planning permission will not be granted where the original property is less than 150 square metres."

What type of conversions does that refer to? Conversions for those with disabilities may fall into that category, and I am unsure from the statement whether that is the case.

Furthermore, the operational policy that is set out in the draft addendum to Planning Policy Statement 7 encourages greater use of permeable paving in new residential developments. Members who have seen that paving and who have met manufacturers of SUDs will know of the huge advantages of such systems and how they can alleviate some of the worst aspects of flash



flooding. Will the Department merely encourage developers to use that type of paving, or will its use become mandatory in future planning policy?

**The Minister of the Environment:** On the issue of conversions, I assure the Member that the policy is not designed to discriminate against those with disabilities. If it did, it would not pass the equality impact assessments, and I am absolutely certain that the policy will not discriminate. However, the Department will seek to provide further clarity and assurance on that issue during the consultation process.

The Department will expect developers to use permeable paving in many proposed developments in our towns and cities, particularly in areas that are vulnerable to flooding. For example, Members will be aware of the considerable flooding in parts of south and east Belfast over the past few years, some of which is due, in large part, to the development that has taken place in those areas over the previous five or six years. That has contributed significantly to the water that has been caught on hard surfaces and which has immediately been deposited into our drainage systems. The Department wants to ensure that there will be a slower release of water from new developments when significant rainfall occurs.

**Mr Ford:** I welcome today's statement from the Minister as a step in the right direction at least. However, I will qualify that welcome until more detail is provided.

The Minister has spoken about high-density development being appropriate on public transport corridors and arterial routes, and everyone recognises that the Antrim Road from Glengormley to Belfast city centre is such a route. However, I refer the Minister to the Belfast Road and Greystone Road in Antrim, about which Antrim Borough Council has corresponded with his Department. Those roads have only a limited amount of public transport travelling along them. Surely that does not mean that that area, which, traditionally, has a particularly high townscape character, will be suitable for high-density development?

Furthermore, the Minister has stated that planning permission will not be granted to proposals where the density is significantly higher than that found in the locality. Will he assure the House that that means historically significantly higher and that it will not lead to some of the rather unfortunate developments that have been permitted in the past few years? Otherwise, the only alternative will be to put up a sign twinning the Belfast Road with Beirut.

**The Minister of the Environment:** I always find Mr Ford to be a great encourager who always sees the positive side of things. We always welcome positivity in the Chamber.

Thankfully, we are not heading towards Beirut, and the Department will take a rational approach to arterial routes. It is fairly evident that high-density developments already exist on arterial routes, and it is also fairly evident where further development might be appropriate.

The draft addendum seeks to tighten up on developments and to ensure that, for example, significant period dwellings that are located on bus routes are not pulled down and replaced with 20 or 30 apartments. That is the reverse of the policy's intention: the Member is reading into the policy something that does not exist. The Department is clamping down on that trend, not the other way around. The policy is not concerned with opening up opportunities for developers to destroy period dwellings. This is an opportunity for us to clamp down on them. It would be great if Members were more encouraged than Mr Ford is as a result of my statement. I think that most Members probably are.

**Mr Ross:** I thank the Minister for his statement. He referred to established residential areas. Will he, for clarity, provide a definition of an established residential area? He also referred to encouraging the redevelopment of existing buildings. Will he tell the Assembly what measures his Department will take to ensure that that happens?

**The Minister of the Environment:** Established residential areas are neighbourhoods, including towns, villages and smaller settlements, which are dominated by medium- to low-density single-family housing. A full definition of that is set out in annex A to the draft addendum.

**Mr A Maskey:** Go raibh maith agat, a LeasCheann Comhairle. I thank the Minister for his statement and welcome and appreciate his assurances about the intentions behind the draft addendum. However, I am a little concerned. I am grateful that the Minister acknowledged that there have been a number of incidents of flooding in parts of south and east Belfast. The need to take action on that has been well articulated.

I want to be positive on the issue, but in all the developments that have taken place in south Belfast that I have had any association with, through making representations, for example, at no time — in fact, on every occasion — the Planning Service has actually been —

**Mr Deputy Speaker:** The Member must ask a question.

**Mr A Maskey:** The question relates to the fact that the planners, at all times, have said that the developments would not negatively impact on the infrastructure in relation to flooding, and so on. Although I accept the Minister's clear personal commitment, can he assure the House that the fact that the Department has

given approval, and defended approvals, against local advice will be taken on board?

**The Minister of the Environment:** The policy is about taking us a number of steps further than existing policy, where the onus is on the Department, the Rivers Agency, or whoever the consultee happens to be, to demonstrate that a development would add considerably to the existing drainage system and thus cause substantial additional problems. The draft addendum to PPS 7 places the onus on the developer to provide a sustainable drainage system. In some respects, it shifts the onus from the Department and the Planning Service — the statutory authorities — to the developers. That will be of considerable help in ensuring that there will be better drainage systems in our towns and cities.

**Mr I McCrea:** I welcome the Minister's statement on the draft addendum to PPS 7. Unfortunately, as I am further down the list, most of the good questions have already been asked. I have an interest in the permeable paving that the Minister referred to, and I welcome the fact that the Department is trying to make it a requirement. Has the Minister witnessed any areas where permeable paving is in place, and, if not, will he accept an invitation to my constituency to visit Tobermore Concrete Products, which has been taking the lead on that issue?

**The Minister of the Environment:** There is substantial evidence in towns and cities across the United Kingdom where permeable paving has been put in place that it has made a significant contribution to reducing water run-off. I have no doubt that quality companies that can respond to market needs, such as Tobermore Concrete Products, would benefit from the introduction of the policy. I would be happy to visit that company at some point to look at the products that it is producing. I do not wish to give any company a distinct advantage, but I am always interested to see new development lines and companies that are taking steps that are of considerable benefit to the environment.

1.00 pm

**Mr Kinahan:** I thank the Minister for his extremely good statement, which I welcome.

The Minister is probably aware of my concern. The village of Dunadry has been destroyed already. Will its character be gauged from today or from a few years back, when it was a nice, pretty hamlet with two-storey houses and bungalows?

How will the character and harmony of an area be gauged? Will it be done solely from the councillors, or will there be some mechanism for gauging from the local community?

**The Minister of the Environment:** The Member has corresponded with me on the issue of Dunadry

village. He is aware that I also met the Member of Parliament with a delegation from the village about previous planning decisions. Issues were raised about how developments that seemed to be contrary to the development plan could have taken place. In such situations, questions need to be asked about the robustness of the Planning Service. I am happy to hear those questions, to refer them to the Planning Service and to take cognisance of them in future developments. If something that should not have happened has done, it should not open the door to further development in a village such as Dunadry. I trust that that assists the Member.

The new planning reform process will consider more upfront consultation with members of the public. Therefore, I see considerable opportunities to consult the public, both at development plan stage and at the stage where applications come in for individual sites.

**Mr A Maginness:** I warmly welcome the Minister's draft proposals. For a long time, I was a lonely voice on Belfast City Council on town planning. I welcome the draft proposals as another step towards reducing the problem of town planning.

I am a bit concerned, because the Minister said:

"planning permission will not be granted to proposals where the density is significantly higher than that found in the locality, or where the pattern of development is not in keeping with the overall character and environmental quality of the neighbourhood."

Is the latter condition to be based on the historic or the present character of a neighbourhood? Is the condition on density based on what one would regard as the previous density of an area, rather than its current density? Those are important factors to be clearly defined.

**The Minister of the Environment:** I am always glad to give the Member some company, and I am glad that he is no longer lonely in his battle.

Part of the problem with planning is that it is a judgemental process, as opposed to a scientific one. Where a significant amount of new development has taken place, the judgement may well be that it has gone so far that there is little left to save and that that is the current design of the area. However, planners may well take the view that some of the more original period dwellings in an area are considerable and, therefore, should not be removed.

I trust that, during the consultation process, further discussion can be had and that we can tighten down exactly what the policy means to the satisfaction of the Assembly and of the Planning Service, so that the Planning Service is certain that its decisions have widespread support and have been identified by the Assembly as the decisions that should be taken on behalf of the public of Northern Ireland.

Therefore, I am happy to look at the issue to ensure that there is substantial clarity for planners in their decision-making process.

**Mr Craig:** To labour that point a bit, I noted that the Minister said that the size of a home is a key factor in determining who can live in it and how the policy statement will be used. I have noticed that one of the biggest changes in character, which was discussed earlier, is that many settled family homes are converted into multiple-apartment buildings where families do not tend to dwell. That has a major detrimental impact on an area's entire infrastructure, for example, schools and roads. Will the addendum redress that significantly?

Will the Minister consider looking further at some form of legislation that would allow the Planning Service to take into account the overall impact that multiple changes have on a small area? We have noticed that the change of character in an area is not brought about by one application. In places such as Dunmurry, where at the most recent count, 800 applications were made, massive changes to the overall character of the area have had a huge detrimental impact on all the area's facilities.

**The Minister of the Environment:** We have all seen the result of poor development proposals that have been made during the past number of years. Much of that related to the boom in house prices, when people paid considerable sums of money for land and, consequently, tried to get as much back from their investment as possible. That led to densification and the development of homes that were either not necessarily suitable for, or changed the characteristics of, their area.

The Member rightly mentioned Dunmurry, and I know that he has been actively involved there and in other areas of Lisburn, such as Belsize Road, Magheralave Road, North Circular Road, Antrim Road and Ballynahinch Road, where considerable changes have been made. That replicates what has happened in other towns, villages and cities throughout Northern Ireland.

I am not sure that that cumulative impact would be as great if the policy were brought forward. That is because the policy provides a fair degree of clarity. It specifies that residential areas that have low-density housing and are considered to be for families should retain that character. Developments that move away from that character will normally be refused. Therefore, the document's considerable clarity would prevent much of the damage that has been done already from being repeated in the future.

It is deeply unfortunate that in Northern Ireland, substantial period dwellings in particular have been pulled down and replaced by apartments that leave a lot to be desired. Although we cannot undo what has

been done, we hope to prevent further damage to our built environment.

**Mr Savage:** I too welcome the Minister's statement. My concern is that there are legal implications when dwellings, particularly in green belt areas, have been demolished due to various factors, such as health and safety issues or fire damage. When a family applies for planning permission to build a replacement dwelling, they find that no procedure to deal with that is in place. That is a genuine concern throughout the Province, and I ask the Minister to take it on board.

**The Minister of the Environment:** That is not an issue for planning policy statement 7; rather, it relates to planning policy statement 21. I agree to look at that and to have the planning and environmental policy group examine it.

Unfortunately, buildings in many urban areas were demolished, and the sites were left for several years while developers watched their assets grow. It is unfortunate for those individuals that those assets stopped growing and started to decline, and the banks have come knocking at their doors. The developers were not as clever as they thought. We want to encourage development, and we do not want sites to lie vacant or remain half-developed. We will do anything that we can to encourage developers to get on with it and progress developments that have been left in a poor state.

## COMMITTEE BUSINESS

### Efficiency and Contingency Deficit Proposals in the Health and Social Care Trusts

**Mr Deputy Speaker:** The Business Committee has agreed to allow up to one hour and 30 minutes for the debate. The proposer of the motion will have 10 minutes in which to propose and 10 minutes in which to make a winding-up speech. One amendment has been selected and published on the Marshalled List. The proposer of the amendment will have 10 minutes in which to propose and five minutes in which to make a winding-up speech. All other Members who are called to speak will have five minutes.

**The Deputy Chairperson of the Committee for Health, Social Services and Public Safety (Mrs O'Neill):** I beg to move

That this Assembly calls on the Minister of Health, Social Services and Public Safety to outline the details of the efficiency savings proposals agreed with each health and social care trust; and to ensure that the efficiency savings proposals and contingency proposals for deficits in the current budget of each trust will not impact on front line services.

Go raibh maith agat, a LeasCheann Comhairle. The Committee for Health, Social Services and Public Safety brought the motion to the Assembly after it became clear through media reports that the health and social care trusts were having difficulties with their budgets. There were also concerns that the trusts were not meeting their efficiency targets. The motion, therefore, deals with efficiencies and deficiencies.

Another reason for the debate is the Committee's difficulty in obtaining information on the extent of the deficit from the Department of Health, Social Services and Public Safety (DHSSPS). In a way, the Committee's motion is an attempt to hold the Minister to account.

The Committee was dismayed, to say the least, that it heard about the deficits through the media. The Department made no effort to inform the Committee. Instead, the Committee began to hear about bed closures, about new mothers being asked to leave hospital nine hours after giving birth and about other drastic cuts via newspaper reports and the trade unions. The Committee was left in the dark, and it called on the Minister to make a statement to the Assembly to explain what was going on. Unfortunately, the Minister was not available to make such a statement, and the Committee was left with no choice other than to ask the Business Committee to schedule today's debate.

Over the past four weeks, in an attempt to get to the bottom of the situation by obtaining information that the Department will not, or cannot, provide, the Committee invited each of the six trusts to give evidence. We learned that each trust submitted a new

plan to the Department to deal with the deficit in its budget. The drastic cuts that were highlighted in media reports over the past few weeks had nothing to do with efficiency savings; they dealt with how trusts will stay within budget in this financial year. The trusts have a break-even duty, which means that they cannot overspend. They must break even or operate with a small surplus. Under the previous system, the trusts were allowed to operate within plus or minus 0.5% of their total budget, but that flexibility has been removed.

Each and every trust faces a difficult financial situation. The need to make efficiency savings, the break-even duty and debts incurred from the former legacy trusts create financial pressures, which are intensified by the increasing demand for services. Each trust told the Committee that the demand for its services has greatly increased. I do not have time to give examples from all the trusts, but I will cite one example from the Northern Health and Social Care Trust to illustrate what is happening. The Northern Trust services around 440,000 people, and, in the past two years, has experienced a 19% increase in hospital outpatient appointments and a resultant increase in demand for other services such as diagnostic procedures and drug provision.

However, the increased demand must also be measured against the fact that each trust also recycles money and receives additional moneys for new services that are designed to improve the Health Service. In many ways, making efficiencies is a matter of delivering increased levels of service with the same amount of resources. In other words, it is about being more efficient with what is available.

The Committee asked each trust about the duty to break even given that the trusts' plans straddle financial years. In evidence to the Committee, every trust was clear that it would be better to be able to run at a small deficit in one year in the knowledge that it could generate savings in the following year.

The trusts indicated to the Committee that they would prefer to have a 0.5% leeway, because the targets and financial challenges are spread over a number of years. Given that targets stretch over two or three years, the rigidity of the duty to break even every year is causing difficulties for the trusts.

*1.15 pm*

The Northern Health and Social Care Trust pointed out that the trusts occasionally run at a small surplus that must be spent by the end of the year. The trusts need to spend that surplus quickly, and that means that that money is not always spent wisely. The Committee realised that running a deficit from one year to the next can be dangerous and may lead to an increase in overspend that cannot be tackled. Therefore, on behalf of the Committee, I ask that the Minister revisit that issue.

Will the Minister indicate whether other systems in other jurisdictions have a break-even duty? Will he also indicate how he will ensure that the trusts do not end up in the same position next year? Unless someone deals with the issue, can we expect the same media circus this time next year? Can we expect the trade unions to be, rightly, up in arms and threatening strikes? Will the Belfast Health and Social Care Trust again make sounds about reducing beds and sending new mothers home after nine hours?

On behalf of the Committee, I express my disappointment at the press statement regarding the contingency deficit plans that the Minister released on 27 October, given that he did not see fit to inform the Committee of how he intends to deal with deficits in the trusts. Instead, we were left to hear about that through a press statement. The fact that that statement was released during recess only exacerbated the situation. The Committee understands that the Minister was unable to be clear about the extent of the deficits when he gave evidence to the Committee on 15 October because of the financial situation regarding swine flu. However, once the swine flu budget had been issued and settled, the Committee would have appreciated hearing directly from the Minister about the proposals to tackle the deficits. Instead, the Committee was given a one-page press statement that lacked the required detail.

Returning to the pressures that the trusts face, the Committee has some sympathy for the trusts, and members realise just how difficult it is for them at the moment. However, after speaking to all the trusts, the most striking fact was that some were able to live within budget, deliver on all or most of their efficiency plans and incur only a modest deficit. For example, the Southern Health and Social Care Trust opened its books this year with a deficit of £4 million that it inherited from the legacy trusts. However, it is now on target to make efficiency savings of £36 million over three years, even though, according to media reports, its deficiency proposals were for under £4 million. That is a remarkable performance.

The Committee was impressed with the frankness of the Southern Trust, which said that the process had not been easy. It said that it was painful but doable and achievable. Indeed, not only has the Southern Trust basically achieved its targets, it has done so while experiencing an increased demand for its services and while improving its standards.

However, the fact that targets in some of the trusts are not being met is not always the fault of the trusts. Consider the programme for the regional procurement of drugs. In essence, that is an excellent idea that will generate savings through increased buying power. Yet, the trusts told us that there has been a shortfall this year, and that is backed up by information from the

Department that the shortfall for 2009-2010 is £4 million. The trusts were relying on that £4 million, which now has to be found elsewhere.

The Northern Trust pointed out that the efficiencies gained by the regional procurement of drugs are sometimes wiped out by large increases in cost by the drug companies or by increased demand for existing and new drugs from a growing number of patients. Will the Minister outline how the issues around regional procurement of drugs will be addressed?

Some of the trusts' plans for efficiency savings are dependent on finances from other Departments or other programmes or on access to capital funding, and there appears to be a problem with that. The problem lies with the resettlement programmes that are dependent on revenue funding from the Department for Social Development's (DSD) Supporting People programme. All the trusts rely on making efficiency savings through resettlement programmes. By resettlement programmes, I mean programmes that involve resettling back into the community patients who have been in long-term institutional care or in statutory homes.

DSD has indicated that it is reviewing the moneys for Supporting People. We understand that there is a difficulty with the revenue element; however, the trusts had hoped to know how much was available so that they could progress their own schemes. The revenue contribution is important because it enables the trusts to provide care in the community, and if that is constrained it will have an impact on what the trusts are able to do.

The trusts' efficiency plans also rely heavily on moving care and treatment away from acute care to primary and community care. The Committee is clear that if trusts move to that type of model, there needs to be investment in primary care across the North; it needs to be seen and be evident. The Committee heard that there have been delays in that investment. New primary care centres that were promised two years ago are being delayed, and communities are worried that those have been postponed indefinitely.

I now return to the issue of cuts in administration and management, which I think will be of great interest to people.

In giving evidence to the Committee, the Belfast Trust noted that it could remove all of its administrative and bureaucratic costs and still only achieve less than half of the total savings that it has to find. The Committee accepts that the level of efficiencies that are to be delivered require the trust to look at business areas and not just at management and administration.

Trusts must be innovative in how they find savings, and, quite often, that has meant finding new and better ways of doing the same thing and increasing productivity.

That is important to the Committee: staff are an asset not only to the Health Service but to everyone across the North who uses it. However, it is clear that productivity levels here are lower than those in Scotland, England and Wales. Nevertheless, the Committee and the general public expect to see that efficiencies and deficit funding proposals are taken from management and administration as far as possible and not from front line services.

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

**The Deputy Chairperson of the Committee for Health, Social Services and Public Safety:** No, I am nearly out of time.

In their presentations to the Health Committee, the trusts went to great lengths to make it clear that they have greatly reduced their administrative staff, mainly through the review of public administration (RPA) process. For example, the South Eastern Health and Social Care Trust now has four assistant directors of finance. Prior to the RPA, each trust had one financial director supported by perhaps two assistants. The Western Health and Social Care Trust has set a target of achieving £9.4 million in RPA efficiencies. The Northern Trust has provided the Committee with evidence that administrative and clerical posts have been reduced to 271 from a total of 506.

When taking evidence over the past few weeks, the Committee asked each trust to quantify how much of its turnover is being spent on administration. It appears that most trusts are keeping administration costs at around 4% of turnover, and, on the face of it, that seems reasonable. However, there are some variations: the Western Trust runs at a figure of 4.6% and the South Eastern Trust has the lowest figure of 3.4%. In addition, we have yet to compare the figures with those in other jurisdictions.

**Mr Deputy Speaker:** The Member should draw her remarks to a close.

**The Deputy Chairperson of the Committee for Health, Social Services and Public Safety:** I want the Minister to answer the questions raised by the motion. Given that the new trusts have had to deal with the legacy overdrafts of the previous trusts, find millions of pounds in efficiency savings, and do all of that with a zero tolerance approach to budget overspends, will the Minister assure the Assembly and the people of the North that front line services will not be impacted upon?

I will finish, Mr Deputy Speaker, by saying that although the Committee agreed unanimously on the motion, it has not taken a position on the proposed amendment.

**Mr McCallister:** I beg to move to the following amendment: At end insert

“; and further requests that the Executive exempts health and social care services from further budget reductions or requirements to deliver any further efficiency savings.”

I thank the members of the Health Committee for tabling the motion, which we will support as amended. With the kind support of Dawn Purvis, the Ulster Unionist Party has proposed an amendment that seeks to add to the motion. Although we all believe in transparency, the Ulster Unionist Party believes that the best way to ensure that front line services are not affected is to make health and social care services exempt from further budget reductions, including any additional efficiency savings.

The additional sentence proposed in the amendment brings us to the crux of the issue. Despite what some Members may believe, we cannot have our cake and eat it. Since the beginning of this budgetary period, certain Members and parties have held contradictory positions. On the one hand, when it came to negotiating the draft Budget, the DUP chose to back the Finance Minister instead of the Health Minister. That was done despite the DUP stating in its 2005 manifesto that Northern Ireland has suffered from relative underfunding for decades, and that more than 20% extra spending per capita on healthcare is required to achieve the same levels of service as in England. Such pronouncements did not stop the DUP, and others, from supporting a reduced budget for the Health Minister or from voting, on two occasions, for efficiency savings. It is those efficiency savings that are now the source of the DUP's concerns.

The former Chairperson of the Health Committee even went so far as to accuse the Health Minister of being left wing, and, in more recent times, of being in cahoots with the trade unions simply because the unions happened to agree with the Minister. Yet again, we hear the DUP attacking the Minister and the trust for implementing policies that the DUP supported. Does Mrs Robinson not realise that by attacking the trade unions she is attacking the people that work at the very heart of the Health Service?

The contradictory nature of the DUP's position was epitomised by the number of Members who demanded efficiency savings two years ago. However, in recent months, we have seen the hypocritical nature of the DUP. The very same Members, including Mrs Robinson and her sidekick, Mr Easton, have opposed all the efficiency saving proposals that have been put on the table. Their pathetic behaviour smacks of hypocrisy and opportunism.

**Mr Hamilton:** You accused my two colleagues —

**Mr Deputy Speaker:** Order. The Member must refer all his remarks through the Chair.

**Mr Hamilton:** My apologies, Mr Deputy Speaker. The Member —

**Mrs I Robinson:** The cheerleader.

**Mr Hamilton:** The cheerleader, as my colleague refers to him, accused my two colleagues of opposing every proposed efficiency saving. I concur with their opposition to the efficiencies proposed by the health trusts. Does the Member believe that the closure of beds in Belfast hospitals is an efficiency measure or simply the cut that it is?

**Mr McCallister:** I am grateful to the Member for his intervention.

The Member and his colleagues opposed every measure that the Minister proposed to comply with the efficiencies that their party imposed on the Health Service. That is the contradictory nature of their argument: they are cheerleaders for efficiencies, yet they oppose them when tough decisions have to be made. They opposed the Minister on the formation of the Regional Agency for Public Health and Social Well-being, which has put us in good stead and is at the cornerstone of what we need to do. Where is the DUP when the going gets tough? Its opposition epitomises the hypocrisy to which I referred.

The contradiction of the DUP's position was highlighted on 20 April 2009 when, along with others, it refused to back an Ulster Unionist and PUP proposal to exempt the Health Service from efficiency savings. For more than a year, the Ulster Unionist Party has been warning that we face significant fiscal problems in the current comprehensive spending review (CSR) period, never mind the next one. However, successive DUP Finance Ministers have chosen to deny that there is a problem, and then they do too little too late.

It should not be forgotten that it was a DUP Finance Minister who proposed efficiency savings to the Executive and in the House. In addition, DUP Members, along with others, trooped through the Lobbies to vote for efficiency savings. After hearing what some DUP Members think constitutes efficiency in the public purse — having purchased pens, TVs and handbags — health workers will take no lectures from the DUP on efficiency savings.

The Department of Health, Social Services and Public Safety has had to find £32 million in its budget to get a deal on funding to address the swine flu problem. The Finance Minister shamefully joked about the issue when the Health Minister initially appealed for funding in June.

The Minister of Health, Social Services and Public Safety's record, compared with that of other Ministers, speaks for itself. Would he have been let off the hook for wasting £170 million as DUP Ministers did in the Workplace 2010 debacle? Would he have received a clear ball if he had miscalculated the value of the Crossnacreevy site to the tune of £200 million?

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

**Mr McCallister:** No; the Member had his turn.

Would the Minister have been allowed to proceed over a logjam, such as that in the Department of Education?

If Members are serious about protecting front line services, they will vote for the amendment. Members need to realise that the Health Service is already in a difficult position; demand on it has increased by 9% in the past 12 months. If we add to that by imposing further reductions in the health budget to fill financial holes, lives will be put in danger. The economy may be the number one priority in the glossy document, but ask anyone in the street about their number one priority, and the answer is health.

It is time that we all showed the required level of maturity. I hope that Members across the House will back the amendment.

**Mr Deputy Speaker:** I remind the Member that the motion has not yet been amended. The question on whether an amendment is agreed is one that the Assembly will decide after the debate.

1.30 pm

**Mrs I Robinson:** We all accept that healthcare is the number one priority in Northern Ireland. I listened to my colleague on the Committee for Health, Social Services and Public Safety Mr McCallister rewrite history. I thank the Deputy Chairperson for proposing the motion. I will address some related and relevant issues that contribute to the larger picture of how the Department is managing issues.

I am aware that the Minister is fairly mean with the truth over how the Department is operating. Many of my colleagues on councils across Northern Ireland have written to him about certain aspects of the current cuts. When he writes back, he claims — surprise, surprise — that the problems are the bad, old DUP's fault rather than his. Members will recall the Minister's gloating when he was able to draw down additional moneys after the draft Budget, which was always going to allow the Minister to make a case for more money, was signed off. On 22 January 2008, he said:

"The final budget allocation is a good news story for the health service."

He continued:

"in light of the financial circumstances facing the Executive, I believe it is the best outcome possible."

On 2 February 2009, our Minister came to the House and said:

"No cuts will be made to front-line services." — [*Official Report, Vol 37, No 3, p154, col 1*].

Dear, dear. Moreover, on 2 May 2008, he said:

“To start to make cuts is not what people voted us in to do.”

The Minister did receive additional moneys. As I said, he promised that there would be no cuts to front line staff. However, instead of rolling up his sleeves and targeting the over-bureaucratic system that is today’s National Health Service, it was easier to get a chief executive, the unions, some of his advisers and a compliant media deliberately to do his bidding by selecting for cuts beds, nursing staff and other important provisions, such as bowel screening. The resultant public outcry was music to the Minister’s ears.

I understand the public’s anxieties, but it is a disgrace that the Minister used public concerns to cover his inept ability to use his budget wisely. If we were to support the amendment and let the Department off when it came to its making efficiencies, all other Departments would be required to find 6% efficiency savings, even though the Department of Health, Social Services and Public Safety has already been given special treatment. The Minister is allowed to keep any efficiency savings that he makes and plough them back into the Department.

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

**Mrs I Robinson:** I will not. We listened to enough of the garbage that you spewed earlier. You have just reminded me: I would look at your new partners —

**Mr Deputy Speaker:** Order. The Member should make all her remarks through the Chair and not directly to the Member.

**Mrs I Robinson:** I apologise, Mr Deputy Speaker.

**Mr O’Loan:** On a point of order, Mr Deputy Speaker. Is it in order for a Member to refer to another Member’s words as “garbage”? I find it singularly inappropriate.

**Mrs I Robinson:** Did you rise to your feet when Mr McCallister spoke?

**Mr Deputy Speaker:** Order. Thank you for that point of order, Mr O’Loan.

I ask the Member to moderate her tone. Her earlier remarks —

**Mrs I Robinson:** On a point of order —

**Mr Deputy Speaker:** Order. I will take the point of order when I have finished my explanation.

Earlier, the Member spoke about meanness of truth; I ask her to moderate her language carefully.

**Mrs I Robinson:** As I was saying, Mr Deputy Speaker, my colleague on the Committee for Health, Social Services and Public Safety was quick to throw out spurious comments about expenses. For the record, that Member’s party is associated with the Tories, who were the worst culprits for defrauding expenses in the Westminster Parliament. I say to the Member and his

colleagues that they are happy to link up with the Tories — *[Interruption.]*

**Mr Deputy Speaker:** Order. The Member’s time is up.

**Mrs Hanna:** Wise expenditure of taxpayers’ money is always essential, but never more so than in the present economic downturn. It is always a challenge to prioritise and make tough decisions, especially for the Department of Health, Social Services and Public Safety and the Minister. However, we must have zero-based budgeting on all programmes, all of which must be on the table and justified as absolutely essential.

The Minister made some snide remarks about the SDLP over the past few months because it did not support his Department’s exemption from the 3% efficiency savings. I want to set the record straight on that. The SDLP was the only party in the Assembly to vote against the Executive’s Budget. That was because there was no protection for front line services, no flexibility for monitoring expenditure, no provision for unexpected emergencies such as swine flu and no new measures to address the widening poverty gap. The SDLP called for ring-fencing of front line services, and it stands by its reasons for doing so. The party took a lot of criticism for that decision at the time, but it believes that it was the right decision then and that it is still the right decision.

In a meeting of the Committee for Health, Social Services and Public Safety in October, one of the trade union representatives, who are so apparently at one with the Minister, acknowledged that, in retrospect, the SDLP was right to oppose the Budget. The SDLP cannot support one area of public spending being exempted from efficiency savings, even if it is health and social services, which I believe is the most important area of expenditure.

Over the past decade, public spending on health has increased greatly above the rate of inflation. There is considerable evidence that much of that increase has failed to considerably improve services. It has been absorbed in higher salaries and administration, and some of it arose because of the target-setting culture. The Minister assured us that there would be no cuts to front line services; he also told us that he belatedly received additional resources. He may say that he did not know about swine flu at the time, but other Departments have had to give up some of their budgets to deal with the swine flu emergency.

I hope that the Minister, the Department and the new public health body are focusing much more on prevention and early intervention. The bowel cancer screening programme is very much about prevention and early intervention, but it has been postponed because its budget has been taken to deal with swine flu. Perhaps even the swine flu budget should be monitored constantly; we need regular updates on that budget.



I worked for decades in the Health Service, and I champion it constantly as the greatest socialist initiative ever taken by a democratic government. I was a trade union official for most of my working life, but given the financial crisis that we are in, no Department can be exempted from cuts. However, no cuts should ever be made to front line services.

Although the trusts are finding it challenging, the evidence that has been presented to the Committee for Health, Social Services and Public Safety shows that, by and large, they are working hard to meet efficiency savings targets. The many scare stories in the media about front line services have damaged the confidence of the Health Service, so we should all be serious and honourable about how we can address a downturn in the economy and ensure that we get healthcare free at the point of need to those who most need it.

**Dr Deeny:** I hope that the debate does not descend into party bickering. Ultimately, this matter concerns the health of the population of Northern Ireland; and I speak as someone who has also worked in the Health Service for decades. The debate is very important. The issue is about using money efficiently to ensure that our population is looked after to the standard that is expected in a developed country in the modern world.

As other Members have said, survey after survey shows that health is the most important issue to the people of Northern Ireland. A healthy population is also a happy, fit and active population, and that has major positive spin-offs for productivity and for the economy of Northern Ireland. Therefore, the Minister and the Department must strive at all times to provide the best possible modern health services for people.

Health can be divided in two parts; physical and mental. It can also be divided into primary care, which is community care, and secondary care, which comprises our hospitals. I, too, want to defend front line services, by which I mean nurses, doctors and hospital beds. That is very important, and the public must be made aware that Members are doing that. Last week, I had a problem with a patient who could not get a hospital bed and who was kept in an accident and emergency department overnight. That is not acceptable. Other front line services include ambulance services and carers in the community.

If one were to ask a member of the public whether he or she wants fewer nurses and hospital beds or fewer directors and administrators, one knows what the answers would be. I have been concerned about management for some time. I know that the trusts and the Department of Health, Social Services and Public Safety are making efforts to scale down what I have previously called the administrative monster in our Health Service. I know that that is happening; but is the Health Service still over-administrated when it

comes to dealing with a population of just over 1·7 million people?

I have said to the Health Committee that the public need to be informed about the Health Service management structure. They do not know the many people who manage health services. In a recent newspaper article, the British Medical Association asked — and since then, I have also been asked — whether there are more than 40 directors in the Belfast Trust. The public want to know who is who and who does what in each of the trusts.

**Mr Easton:** Recently, we discovered that management costs have increased by 13% since RPA. The number of managers has been reduced, but will the Member explain why there has been such a huge increase in management costs, accounting for £13 million? We are meant to be doing away with waste. Could that money not be better used for front line services?

**Dr Deeny:** I accept the Member's point; perhaps the Minister will answer it. We are being told that management is being scaled down to acceptable levels. Hopefully, that is the case.

I suggest that the people in the trusts and the Department who provide healthcare should introduce themselves and tell the public what they do. They should remember that they, like public representatives, are public servants and are paid from the public purse. The public are entitled to know who those people are.

Do I get additional time for taking an intervention, Mr Deputy Speaker?

**Mr Deputy Speaker:** Yes.

**Dr Deeny:** As has been mentioned, community care is very important. For the most part, we in healthcare and health management have often put the focus of health services on the secondary care sector. That has to stop, because there has been a major move towards care in the community, and rightly so. It is often thought that community care is the cheaper option, but that is often not the case. We must be prepared, and the Health Minister and his Department must show that they are prepared, for this major shift in healthcare provision from the secondary sector into the community.

As the Deputy Chairperson mentioned, financial resources must be made available for essential community and primary care services. There must be no delay in equipping those important services with the required resources and personnel.

*1.45 pm*

The proposals concern the health of the people of Northern Ireland. I have worked in the Health Service for many years, and I believe that the public are completely in the dark about how our Health Service is

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managed. The public have a right to know the details of efficiency savings and the contingency proposals to deal with deficits. They have a right to know whether the savings will impact on front line services. I urge the Minister and his Department to make the public aware of such facts.

**Mr Easton:** As much as I care about health, I hate debating health issues in the Chamber. Regardless of the subject, the Ulster Unionist Party and the Health Minister are always more interested in blaming everyone but themselves for the state of the Health Service than debating the relevant issues.

Let us look at the facts. By 2010-11, the health budget will be about £4 billion. When devolution returned in 2007, it was about £3.5 billion. Therefore, in the space of four years, the health budget will have increased by one eighth and will represent 48% of the entire Northern Ireland Budget.

In its amendment, the Ulster Unionist Party requests that the health budget be exempted from efficiency savings. However, in a way, the Department of Health is already exempt from efficiency savings because, unlike any other Department, it gets to keep its entire efficiency savings. To cap that, the Department of Health gets first call on the £20 million generated from the underspend of other Departments. No other Department gets such preferential treatment but, apparently, it is not enough. Given that our productivity is lagging behind that of the rest of the UK, should we not look at how to improve that situation?

Minister, we in the DUP would like to work with you. However, when you come to a Committee meeting, you attack the DUP.

**Mr Deputy Speaker:** Order. Mr Easton, I have said it already, but I will repeat it: you must refer all your remarks through the Chair.

**Mr Easton:** When the Health Minister comes to the Committee, we are attacked. When the Health Minister is on TV, we are attacked. When we make helpful suggestions to the Health Minister, we are attacked. The Health Minister is obsessed with attacking the DUP, and it is to the detriment of our Health Service.

When the Ambulance Service Trust came to the Committee to discuss efficiency savings and a shortfall in its budget, we found out that it had presented a second set of proposals to the Minister, which he had agreed to and signed off. However, the Committee was told nothing about that, and we knew nothing about it until reports appeared on TV and in the press. Is keeping information from us any way to work or to build a relationship with the Committee?

In a presentation on efficiencies by the unions, one union member stated that trusts are playing political

games with their efficiency targets. If that is the case, what will the Health Minister do to correct it? Does it suit his agenda? I send a clear message to the unions: you are being conned by a Minister who is willing to play games with the Health Service and with the people of Northern Ireland.

We offer to meet the unions to demonstrate where £78 million of savings can be found; savings that will not affect front line services but which the Minister is ignoring. Those savings would ensure that no nursing posts would have to go; there would be no need to remove services from hospitals such as Mid-Ulster Hospital and Whiteabbey Hospital; and there would be proper ambulance cover across Northern Ireland. As my colleague has done, I remind the Minister that he promised the Assembly that there would be no cuts to front line services.

The Minister can find money when he wants to. Indeed, he has found £20 million in a so-called "controlled fund" to bail out the Northern Health and Social Care Trust. We knew nothing about that money; perhaps the Minister will tell us how much is in that wee account. As my colleague also mentioned, the Minister has been quoted as saying that he was content with his budget. Therefore, is the Minister saying that he has got his budget wrong? It is strange that the Minister has never raised this as an issue at the Executive. Surely any half-sensible Minister who was having trouble with their budget would have done so.

I offer the Minister the chance to start again. The DUP is willing to work with him, meet him and share his burden if he would only show a willingness to put his bitterness behind him. The offer is unconditional, and it has been made before. The decision to cut front line services rests with the Minister and nobody else.

**Ms S Ramsey:** Go raibh maith agat, a LeasCheann Comhairle. I commend the Health Committee for tabling this motion. As the Deputy Chairperson said in her opening remarks, the Committee tabled the motion because we felt that we were not getting the relevant information that we needed to scrutinise the Department and the Minister. When we do get the information, we get it either through the media or late. That does not help. The fact is that we are there to scrutinise. We are in a new dispensation and the Committee is there to hold people accountable for their actions, but we are not getting the information that allows us to do that.

In saying that, I place on record my view that the Health Service has been underfunded for years. I do not think that anybody could disagree. Some people say that it is underfunded by £100 million, others say that the figure is £600 million. Before I go into the details, I also take the opportunity to commend the staff of the Health Service, at whatever level, for their hard work and dedication over the years. They have

faced crisis after crisis, and they have stood up and taken on board that challenge. They are still there and are willing to put in the hours and the work to try to deliver front line services that are second to none.

We need to talk about the block grant. I will shy away from getting into arguments with other parties, but the reality is that the block grant is inadequate. We need to look at the issue of fiscal powers for this Assembly. If we are saying that the Health Service is underfunded, we need to look at ways of getting more money in.

I take on board the last comments that were made by the Member who spoke previously. Like all Ministers, the Health Minister has challenges ahead. We must ensure that there is further investment if it is needed and that the issue of wastage in the Health Service is exposed. I have a good working relationship with the Minister and his Department, and, fair dues, that is how to get things done. However, I have not heard the Minister once mention the wastage in the Health Service. I have not heard the Minister say that efficiencies mean that we are turning the health sector into a streamlining machine so that we can deal with all the issues that exist. We all hear stories about taxis still being used to deliver patient records: is that a fair way to use public money? We still hear about money that is spent on hospitality. I submitted a question — lo and behold, I do not have the answer today — about whether former chief executives are being held to account for deficits in previous trusts. If the Health Service were a private company, would it be held to account? We also need to look at the issue of travel.

If we took the time and opportunity to talk to the staff, they could probably tell us instantly how money could be saved in front line services and hospitals. I meet them on a regular basis and they are able to tell me about all the money that is being wasted. The reality is that the gravy train needs to stop. I know that the Department of Health is underfunded, but there are inefficiencies in the Health Service. If that money were redirected to front line care, who knows where we would be next week? We could end up saving money.

The political argument about taking money from other Departments cannot go anywhere. We are talking about investing for health, and John McCallister asked where we would get the money for that. If we are serious about it, do we take money from education? Do we take it from housing? Do we leave the rural community abandoned? Do we not give people better roads? It is the collective responsibility of the Executive and the individual responsibility of other Ministers to ensure that we are investing for health.

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

**Ms S Ramsey:** No; I do not have much time. It is Ministers' responsibility to ensure that we are

proactive in dealing with health, inequalities and social deprivation, rather than always reacting.

I am conscious of my time, so I will end with a point about the Northern Health and Social Care Trust. Fair play to the Minister for bringing in Colm Donaghy on that contract. It was a good move; perhaps he will move to other trusts afterwards.

The Northern Trust stated:

“The Trust is required to make savings of £44 million to be achieved over a three-year period. These savings will be reinvested into front line services”.

The trust continues:

“A large part of these savings... are to be achieved through reduced management and administrative costs and general efficiency (such as negotiating better prices for drugs or using computer technology instead of printing all x-ray images).”

To me, that represents efficiency savings.

**Mr Deputy Speaker:** The Member must draw her remarks to a close.

**Ms S Ramsey:** To me, that is doing business smarter, not harder.

**Mr Hamilton:** We all come to the Chamber from time to time to support our party's ministerial colleagues. We do that out of some sense of loyalty and because, as party members, we share the same policy. However, the amendment tabled in the names of Mr McCallister, Mr Gardiner and Dawn “One Job” Purvis, who, unfortunately, does not seem to be here today, goes well above and beyond the call of duty in showing loyalty to one's ministerial colleague.

I want to dwell on the amendment. To call for the Health Service to be exempted from efficiency savings that are the harsh reality that everybody in every Department faces is ridiculous. To say that the money for a Health Service that has been force-fed resources for nigh-on a decade has and is being efficiently spent is, in my opinion, wrong. As Mrs Hanna pointed out, the increase in expenditure in the Health Service is now at record levels. Billions upon billions upon billions of pounds are being pumped into the Health Service every year. To say that there is no scope for efficiency in that system is the height of nonsense.

A raft of indicators shows that there is scope for savings, even on administration, never mind productivity and on how things are done in the Health Service. One looks at —

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

**Mr Hamilton:** No. In a decade, the number of Health Service administrators has risen by 35%, the number of managers is up 91%, and the number of senior managers is up by 82%. Mr Easton pointed out that there has been a 13% increase in management

costs post-RPA, which was supposed to drive efficiency in Health Service administration.

As have others, I have asked Assembly questions of the Minister as part of my work to establish where efficiencies might be achieved. I have asked about equality units, press and communications and a host of back office, non-front line areas of administration. Time and time again I have received the same response, which is none, other than that the details are not held centrally.

For example, because I wanted to know about the subject in general, I asked every Department about the cost of advertising in local newspapers. Every Department was able to answer that question, except the Minister's. I got no answer at all. Every Department except the Department of Health answered the question.

**Mr Easton:** I, like the Member, am not getting answers. Does he agree that not getting replies to questions for written answer is a deliberate attempt to prevent us from knowing what is going on in the Health Service?

**Mr Hamilton:** I began to worry whether it was just me, Mr Deputy Speaker, but then I started to do some research, and I found that not only Mr Easton, Mrs Iris Robinson — I thought that perhaps it was just my party — but Members of every party have failed to receive answers from the Minister.

Only two conclusions are possible: either the Minister knows and is not telling us, which is worrying for the integrity of the House, or he genuinely does not know, which is even more worrying. If the latter is the case, the Health Minister is telling us that he cannot explain where the money granted to him in the Budget is being spent. That is deeply, deeply, deeply worrying.

**Mrs I Robinson:** Does the Member agree that it is about time that we got the performance and efficiency delivery unit (PEDU) to look at the Minister's budget and direct him on efficiencies?

**Mr Hamilton:** If the Minister or those working for him cannot get their heads around efficiencies, others are capable of helping him to do it.

However, if the Minister has no idea of where his money is being spent, that means that he has no control over where it is being spent, yet he wants to be exempt from efficiency savings. If anything, not being in control of his budget is an argument for greater scrutiny. It does not matter whether that is carried out by his officials or by bodies outside his Department, such as PEDU; there is a case for greater, not less, scrutiny.

2.00 pm

Earlier, Mrs Robinson asked about the implications other budgets of exempting the Department of Health,

Social Services and Public Safety. The implication is that the efficiency savings that would have to be made in other front line services, such as education and housing, would increase. Therefore, when Members look for ring-fencing and separation and for no further efficiency savings in health, they are asking for increased efficiencies — ergo, cuts — in other areas. I am sick, sore and tired, as I think many Members are, of that emotional game being played with us and, more importantly, with the public and those who work in the Health Service. Nobody in their right mind in this country believes that the Health Service is as efficient or as productive as it could be. Therefore, driving greater efficiency into the service is not only desirable but absolutely essential.

Mr McGimpsey can sit and cry about the efficiency savings that he faces, and his colleagues can back him up, but the fact is that he agreed to those efficiencies when he voted for them in the Budget, and the cheerleaders who sit behind him also agreed to them when they trooped through the Lobby. They supported a Budget that was predicated on his achieving the efficiencies that he now faces. I know that the Minister faces a difficult job in dealing with the Health Service.

**Mr Deputy Speaker:** The Member should draw his remarks to a close.

**Mr Hamilton:** The Health Service has a leviathan 50% of the Budget, but many of us are of the opinion that it is a difficult job that the Minister is not up to.

**Mr O'Loan:** The pressure of achieving efficiency savings is nowhere more apparent than in the Department of Health, Social Services and Public Safety. The Minister stated that £700 million of efficiency savings are demanded, when years of underinvestment mean that our services are not as good as those in the rest of the UK. He is quite right that objective measures show that productivity in the Health Service in Northern Ireland is well below that in the most efficient parts of Britain, and that presents a major challenge to his Department. It also puts a question mark over the reference to underinvestment in the past; I will come to that point later.

Health is an ever-demanding funding area. New technologies and drugs come on stream all the time, and medical conditions that the public previously thought had to be accepted now demand a remedy. The Minister tells us that the demand for services is rising by 9% each year. That is a remarkable figure, so I hope that he will give us more details about it. In an arena in which funding is flat and 3% year-on-year efficiencies are required, a 9% annual rise in demand puts an almost unsustainable burden on the system.

I return to the issue of underinvestment in the past. I wonder whether the key lesson is not that opportunities to address the problems in a more deep-seated way

have been ignored but that we have tried to nurse the system along when more surgery was required. Surely that needs to change, particularly given that we will soon face real and substantial cuts in the overall Budget.

Some discussions about efficiency savings make a rigid distinction between front line services and administration. The argument is that efficiency savings should come from the administration side and that front line services should be protected. That argument is overly simplistic, and I am disappointed to discover that Dr Deeny seems to live in that world. Front line services and administration are intimately bound up, and the idea that there is some easy way to achieve efficiencies in administration without impacting on front line services is false.

Recently, the pressure on the health and social care trusts to provide efficiency savings has become evident. Efficiency savings do not take money away from the trusts, but they are required to fund new areas of work from money that has been moved around internally. Quite simply, that cannot be done, and I have much sympathy for the Minister when he says that all this is happening too fast. I wonder whether trusts will be forced into so-called efficiencies that, in the long run, will not contribute usefully to real efficiencies and may get in the way of better long-term solutions.

In recent weeks, it has become clear that, in several cases, trusts are not able to deliver the efficiency savings that their targets require and also balance their budgets. Trusts' total projected overspend is reported as being approximately £70 million. Therefore, to break even, they were going to have to make savage cuts to front line services. The situation has been addressed through the Department's providing extra funding to the trusts, but that comes at a cost.

It means that key initiatives will, at the very least, be postponed, and, in the present climate, who knows when they will be resumed? That brings me to the Northern Health Trust, which includes my constituency. Its projected overspend for this year was £28.5 million; its chief executive said so at the Health Committee last week. That has now been addressed by the trust's doubling its own efficiency savings to £7 million and the Department providing the balance, with a contribution to the pension scheme. I note that the Minister has now largely approved the initial efficiency savings plan of the trust, which includes moving acute inpatient surgery from the Whiteabbey and Mid-Ulster hospitals to the Antrim and Causeway hospitals. I note also that there will be more day surgery at Whiteabbey and Mid-Ulster.

**Mr Shannon:** I thank the Member for giving way. He will agree that front line services are very important: he has outlined that already. Will he also agree that each year some £30 million may be saved in travel expenses and that that could be used to ensure

that front line services are retained while making efficiency savings?

**Mr O'Loan:** I leave the Member's comment as he has expressed it.

Two residential homes in the Northern Health Trust will be replaced, including Rathmoyle Home in Ballycastle. I am most enthusiastic and optimistic about this scheme, as it could provide a better standard of care for elderly people and others who need support, whether in the community or in residential accommodation. I welcome the work already undertaken by trust staff in the analysis of local needs.

Taken as a whole, the changes proposed by the trust will enhance services in the trust area. I note that the proposals that have been adopted are almost the same as those proposed by the trust under its former chief executive, who recently retired. I hope that the Minister will acknowledge that and agree with me that the primary cause of overspend relates to deep-seated structural features that have not been addressed historically. That is the key to the future, when there will be a much tighter funding environment. To call for the Health Service to be insulated from those pressures merely dodges the issue.

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

**Mr O'Loan:** Perhaps that tight funding environment will give the spur to the real changes that lead to a financially sustainable and better Health Service. I hope that the Minister will lead the way.

**The Minister of Health, Social Services and Public Safety (Mr McGimpsey):** I have scribbled down some of the points that Members made, and I will try to respond to them. Some merit response, not least Simon Hamilton's allegation that the number of managers has risen. That is not true; the number of managers has declined. He said that the cost of managers has risen; that is not true either. He said that the size of management has risen; that is not true. In fact, the size of the administration and management has been reduced: from 19 trusts to six and from four boards to one. I have reduced the number of senior executives from 180 to about 60. That pattern is repeated all the way down the line.

I have to say to Members —

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

**The Minister of Health, Social Services and Public Safety:** I will not give way to Simon Hamilton at present because I want to — *[Interruption.]*

Mr Deputy Speaker, it is difficult for me to respond if Mr Hamilton keeps talking at me from a sedentary position; he should have the manners to listen. I had

the manners to listen to him and to all his colleagues.  
[Interruption.]

**Mr Deputy Speaker:** Order.

**The Minister of Health, Social Services and Public Safety:** With respect to Simon Hamilton's remark that the Health Service has been "force-fed money", I ask you whether he is the sort of colleague with whom you can go into the Lobbies. He spoke of

"billions upon billions upon billions of pounds"

being force-fed into the Health Service.

**Mr Deputy Speaker:** Order. Minister, all remarks must be addressed through me.

**The Minister of Health, Social Services and Public Safety:** I beg your pardon, Mr Deputy Speaker.

Mr Hamilton complains that he does not receive answers to his questions. My Department answers more questions than any other.

**Mrs I Robinson:** Not to this party.

**The Minister of Health, Social Services and Public Safety:** If I may be allowed to answer: the Member who receives most answers is Alex Easton, who received more than 500 answers. Do Members know how much it costs to answer each of his questions? Three hundred pounds. I have spent about £150,000 answering Alex Easton's questions. Answering other Members' questions has cost similar sums. I have answered hundreds and hundreds of questions. Simon Hamilton has asked me questions about flowers; that is the sort of question that I am often asked. As well as intelligent questions, I am often asked trivial ones. One of Alex Easton's latest questions — since he complains about questions — is whether there will be a Christmas party in Ravara House. This is purely party political, and we have only to listen to Mrs Robinson talking from a sedentary position to understand that.

I am being asked to respond to a debate on efficiency savings and their impact on health services. Let me begin by reminding Members of the debate in April on the loss of nursing posts. The House debated an amendment that asked for the Health Department to be exempt from efficiency savings. Only the UUP and the PUP supported that amendment. Everyone else in the Assembly voted against the amendment and for these efficiencies. Yet Members criticise me when they see the efficiencies being put on the table. That debate was, in fact, scheduled after every single trust, including the Ambulance Service Trust, had put their efficiency plans on the table.

Everyone in this House who voted against that amendment knew exactly what they were voting for, because the efficiency plans had been published and consulted upon. There had been discussions with the Health Committee and debates. Therefore, everyone

knew exactly what they were voting for, and they voted against exemption for Health. They can do it in Scotland, but they cannot do it here, so you tell me what is going on.

Today, Members have an opportunity to look at that matter again. There is no question that health and social care trusts should be efficient, and there is no doubt that we are achieving exactly that. However, let me again remind Members about some of the difficulties that we face: there is the matter of a massive £600 million funding gap between Northern Ireland and England. For us to have the same Health Service here as they have in England, we need another £600 million.

Our local health and social care services are simply not as good as those in the rest of the UK, and it does not matter how efficient we make ourselves — we keep becoming more and more efficient — because we will always be £600 million behind. That gap cannot be closed by efficiencies alone. That means that our services will never be as good as those in England. In fact, the DUP, once upon a time, in its 2005 manifesto, said that a 20% increase in healthcare funding was required. That is another broken manifesto promise.

The motion asks for details of trusts' efficiency savings and contingency plans. The details of all those were widely publicised. The proposals were subject to full public consultation. Members might also remember that there was major disquiet about proposals to find the efficiencies, in stark contrast to the eerie silence that met proposals by other Departments. Why was that? Is it because health and social care is so important? Of course it is. No other Department or Minister is in the same situation, but then all other Departments are more generously funded vis-à-vis their budgets.

Unfortunately, the concerns of individual Assembly Members and of the general public have not been reflected in the funds voted by the Assembly to health and social care. I said, at the time of the Budget, that it was not enough, but that it was as good as it gets. I said that the increase that I got over the draft Budget was good news, but I was looking for a lot more than I got. Therefore, let me start by —

**Mrs I Robinson:** Will the Minister give way?

**The Minister of Health, Social Services and Public Safety:** No, I will not give way, Mrs Robinson. You have managed to do enough talking from a sedentary position.

Let me start by explaining the challenges that we face. First, demand for health services is increasing at an unprecedented rate of 9%. Mr O'Loan wanted details: there are about 48,000 more first outpatient appointments; approximately 13,000 more inpatient procedures; and some 14,000 extra A&E attendances. That gives some idea of the extras. Demand for hospital services is, therefore, rising by around 9%.

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In contrast, the DUP, or some Members, talked about the record rise in Health spending. Our growth this year is one half of a percentage point: 0.5% above inflation. John Appleby, who was much quoted and who conducted a review of health and social care provision in Northern Ireland, said that Health in Northern Ireland should get 4.3% above inflation. This year we are getting half of one per cent and dealing with a 9% increase in demand. You do not have to be a mathematician to work all that out.

Funding growth in England and Wales runs at 3.7%; we are well behind that. Does the Assembly want a return to unacceptably long waiting times?

2.15 pm

Members talk about productivity. Michelle O'Neill and Simon Hamilton attacked the productivity of the Health Service in Northern Ireland, and I was surprised to hear Sue Ramsey echoing those attacks. The productivity of the Health Service in Northern Ireland is rising, and that is a measure of how good its staff are. It is hard to be absolutely efficient and totally productive in some of the facilities where the staff are working, with some of the equipment that they are working with and in view of the years of historic underfunding. However, Members have seen massive improvements in such areas as waiting times and the availability to MS and arthritis sufferers of life-changing drugs. Those are the sorts of things on which we will be looking to compromise if we continue along the road that we are on.

There is also a need for investment in older people's services, for example. The number of people over 75 is rising by almost 3% a year. Mr O'Loan wanted to know where that increase is coming from. Within that group, the number of over-85s in our community is increasing by almost 4% each year, and that will bring serious financial pressures. If living longer is to be achieved with dignity, we must provide for the additional services that people need. The cost of healthcare for people who are over 75 more than quadruples, and the cost for people aged over 85 increases by more than 10 times. Does the Assembly want to care for older people? I know how the people of Northern Ireland and I will answer that question. Our priority is to care for every man, woman and child, irrespective of their age.

Further evidence of the difficulty that we face in trying to meet the rising demand was highlighted in the trusts' contingency plans. There seems to be a misunderstanding about that as well. The trusts attend Committee meetings and explain their efficiency plans. In April, the efficiency plans are consulted on, debated and voted on; they are there for all to see.

**Ms S Ramsey:** Will the Member give way?

**The Minister of Health, Social Services and Public Safety:** No. Within my budget, unlike certain Members —

**Mr Hamilton:** On a point of order, Mr Deputy Speaker. The Minister has accused the House of having voted for efficiency plans. The record will show that the House has never voted for efficiency plans.

**Mr Deputy Speaker:** Mr Hamilton will know that that is not a point of order.

**The Minister of Health, Social Services and Public Safety:** The trusts explained their efficiency plans, so everyone knew what they were voting for. With regard to contingency plans, I had within my budget settlement an agreement that I would bid for pandemic flu in those terms — and I say that for the benefit of Mr Hamilton, who clearly has not read my budget agreement. I bid for pandemic flu, and, in June, I could not persuade the Executive to discuss it with me. Therefore, I had to set aside funding as the Department's contingency to provide for the possibility of not getting money for pandemic flu. Alternatively, I could simply have cancelled the vaccines, antivirals and extra paediatric critical care cots that I had on order, but I did not do that; I went ahead with those provisions. There are accountancy rules, and, by the way, Mrs O'Neill, you cannot have a 0.5% leeway.

**Mr Deputy Speaker:** Order. All remarks are to be made through the Chair.

**The Minister of Health, Social Services and Public Safety:** I beg your pardon, Mr Deputy Speaker. Mrs O'Neill made a point about a 0.5% leeway, but all trusts have to balance their books.

It was only at the end of September, when I finally got agreement from the Executive to fund swine flu to the tune of 50%, that I was able to release half of that money from the contingency. That allowed me to take some of the sting out of the contingency plans. It did not allow me to take out all of the sting; there is still an issue there, and I am still grappling with it.

I have said that we will make the efficiencies, and we are making them. I have also said that I will maintain the front line services, and we have done that. In fact, the front line is 7% more productive, which I know will interest Members who have attacked our Health Service staff for not being as productive as those in other parts of the UK. We have done extra business, and we have coped. We cannot cope with an extra if that means making more cuts and paying half the swine flu bill and then being expected to start the process again. We must bear in mind that the Department receives £600 million less in funding than its counterpart in England and that it must also find £700 million of efficiency savings and £32 million for swine flu. We must also bear in mind that, of the first £20 million that the Department was to receive each year from the

Budget, it must fund £10 million itself to get a financial settlement. That is why the constant —  
[Interruption.]

**Mr Deputy Speaker:** Order.

**The Minister of Health, Social Services and Public Safety:** Thank you, Mr Deputy Speaker. I have said almost all that I need to say. Members are well aware of the situation.

All the arguments and the political point scoring in the world will not alter the fact that the Health Service is not funded properly by the Assembly and that it receives 43% of the block grant, not 50%, as some Members claimed. That money is available, and I must make that argument on behalf of the Health Service and the staff who man it. They do a tremendous job for the population in Northern Ireland. I will continue to make that argument, and I will not apologise for doing so.

As a result of the efficiency cuts that the Department must make, we will reach a point where required front line services cannot be maintained. The cuts that are being proposed and those that I have absorbed already add up to the fact that we could be facing reductions, the possibility of closures and the need to reduce costs further. There is no other way to deal with the situation, and, effectively, we will be going from having a cradle-to-grave Health Service that is free at the point of delivery to being in a situation in which there are attempts to ration healthcare provision. Such rationing has occurred in the past; when money ran out, waiting lists rose and new drugs, treatments and technologies were not provided. When the Health Service runs out of money, investment must be prioritised. None of us wants to get to that position, and I know that this is more important —

**Mr Deputy Speaker:** Will the Minister please draw his remarks to a close?

**The Minister of Health, Social Services and Public Safety:** I will do exactly that, Mr Deputy Speaker.

Constantly repeating political mantras does not alter the facts. There have been no cuts to front line services, and the Health Service is doing more business now than ever before; however, that situation cannot continue.

**Mr Deputy Speaker:** The Minister's time is up.

**Mr McCallister:** In making my winding-up speech on the amendment, I want to reflect on some of the remarks that other Members made.

Mrs O'Neill opened the debate by reflecting on some of the management and administration costs of the Health Service. However, when the trusts gave their evidence to the Committee for Health, Social Services and Public Safety, there was surprise among Committee members that the administration and

management costs of all the trusts were actually only 3% to 4% of their total budget. That is an incredible position to be in.

I will also highlight some of Mrs Robinson's comments so that the House can decide for itself what has changed her mind over the years. She spent most of her contribution talking about the good Budget outcome. However, despite her opposition to any more resources being granted to the health budget, she supported and campaigned hard for the initial draft Budget and objected to the additional funding that the Minister secured. The Minister answered her point on several occasions when he said that that was the best outcome in the circumstances.

**Ms S Ramsey:** Unfortunately, the debate has once again descended into a discussion between two parties about personalities.

In my remarks, I accepted that the Health Service is underfunded, and I do not think that anyone in the Chamber would deny that. I specifically asked the Minister to speak about wastage in the Health Service. If the Member does not believe that there have been efficiency savings or that money has not been wasted, why has the Northern Trust said that it will save £19 million by reducing administration?

**Mr McCallister:** I was coming to the Member's remarks on wastage —

**The Minister of Health, Social Services and Public Safety:** Will the Member give way?

**Mr McCallister:** Yes, I will.

**The Minister of Health, Social Services and Public Safety:** All the trusts and the Department are saving money on administration. I went through some of the steps that we have taken and will continue to take. We aim to be as efficient as possible, but all the efficiency measures that we take will not change the fact that our health budget is £600 million behind that of England. That will not change, and we are getting further behind. If we want a Health Service that is comparable to that of England, that requires investment. To say that we are not making enough efficiency savings does not alter the fact that we do not have enough headline money.

**Mr McCallister:** I thought that Ms Ramsey went a little far when she started to use phrases such as "grave train". Unlike you, Mrs Robinson, I actually believe —

**Mr Deputy Speaker:** Order, order. The Member must make all his remarks through the Chair.

**Mr McCallister:** I apologise.

Mrs Hanna spoke about ring-fencing front line services, and she said that we need to improve services. I support her call for prevention, early detection and early intervention, which would be a



huge benefit in many areas. That is the direction in which we are travelling.

Mr Hamilton spoke rather harshly about the Health Service being force-fed money. I remind him that the DUP, in its 2005 manifesto, called for 20% extra funding for health. That was the platform on which Mrs Robinson was elected. What has changed her mind? It did not take her long to break that promise. *[Interruption.]* At that time, she also spoke about 9% extra funding being insufficient. She now supports and champions a 0.5% growth in funding. Is that an admission that she was wrong in 2005 and that she is right now? What is she actually talking about? Does she even know? *[Interruption.]*

As the Minister said, demands on the Health Service are rising more rapidly than the requirement for services in any other Department. Health Service inflation is higher, and yet, as the Minister outlined, the growth in real terms is 0.5%, and we are falling further and further behind our fellow countrymen in England. Some Members seem oblivious to the idea that that will have a knock-on effect.

Members cannot keep bringing motions to the Assembly demanding that the Department commits more resources or takes more action in this area and then wonder why it cannot be achieved. They cannot have their cake and eat it. *[Interruption.]* If Mrs Robinson wants to make an intervention, why does she not just ask for one?

**Mrs I Robinson:** Will the Member give way?

**Mr McCallister:** I have no more time. If Mrs Robinson had asked me two minutes ago, I would have been happy to give way.

**Mr Deputy Speaker:** The Member must draw his remarks to a close.

**Mr McCallister:** DUP Members must remember that they cannot have their cake and eat it. At least I am willing to engage in debate, unlike the Member.

**Mr Deputy Speaker:** Order. As Question Time commences at 2.30 pm, I suggest that the House takes its ease until that time. The debate will continue after Question Time, when the next Member to speak will be Mrs Michelle O'Neill.

*The debate stood suspended.*

2.30 pm

*(Mr Speaker in the Chair)*

## Oral Answers to Questions

### OFFICE OF THE FIRST MINISTER AND DEPUTY FIRST MINISTER

#### Cross-sector Advisory Forum

1. **Mr Cobain** asked the First Minister and deputy First Minister to provide an update on any recommendations, actions or implementation plans emerging from the cross-sector advisory forum meeting in October 2009. (AQO 318/10)

**The deputy First Minister (Mr M McGuinness):** The cross-sector advisory forum met in the Long Gallery on 7 October. That was the third plenary session since April. Over the summer, the forum's subgroups worked on a substantial range of issues aimed at generating ideas for mitigating the problems arising from the economic crisis. An update of the work of each subgroup was given to the forum, and we asked each group to submit a recommendations paper to us. We plan to review and evaluate those, and we intend to produce a consolidated report for the next meeting.

The meeting of 7 October also included useful sessions about what we are doing to help people who have recently lost their jobs and how we can best help people who are unemployed to get into work. We also heard from local government representatives about what that sector is doing to support local businesses and people through the crisis. We continue to pay close attention to the impact of the recession on the local economy, and that continues to be a standing item on the agenda of Executive meetings.

The work of the forum is a key element in our response, and it provides us with an opportunity to gather further ideas on our best approach to dealing with the local impacts of the recession and, ultimately, resolving the crisis.

**Mr Cobain:** Does the deputy First Minister think that we will get any recommendations from that group before the end of the recession?

**The deputy First Minister:** I certainly hope that over the course of the next short while, the group will come forward with recommendations. We have charged it with the responsibility to do that, and the subgroups worked over the summer to draw up

recommendations in each of their respective areas to address the downturn.

Six subgroups have been established. The infrastructure group is looking at the out-turn of the capital spend of £1.7 billion. It is also looking at future capital work opportunities, which are now posted on the Strategic Investment Board (SIB) information portal to allow the construction industry to better plan business. It is also looking at planning reform, which is out for public consultation and includes proposals for reforms of the pre-consultation planning process, whereby applicants can talk to officials before submitting their plans, thus avoiding obvious impediments and, ultimately, shortening the planning process.

The business and skills group is considering three areas: economic regeneration, exports and manufacturing. There is a list of recommendations, including maintaining support for construction, improving awareness of export support schemes and improving awareness of government business support schemes.

The group on hardship, poverty, debt and energy is dealing with access to prepayment meters, awareness of the “green new deal”, bulk fuel purchase, gas boiler conversion, extension of the gas network, domestic renewables, awareness of benefits, financial advice for consumers, and so on.

The agriculture group is dealing with such issues as the opportunities for renewable energy, how the demand side of the equation could be stimulated and how public procurement might be deployed in that regard.

The banking and finance group is looking at how the national asset management agency will operate. That is a core issue for the group. It has also considered how lending to business could be improved, and it has considered options to support the housing market and mortgage holders.

The housing group is considering how to stabilise house prices, including assessing the downside of too much government intervention, which can push up prices, and other proposals.

I hope that, in the next short while, we will receive the groups’ proposals. They will be brought together in a paper that we will make available to Members.

**Mr Shannon:** I thank the deputy First Minister for that detailed response. In an earlier response, he mentioned local government. What help and assistance can he give local government, other than the streamlining of planning applications? It must be more than that. What advice has local government been given? What resources have been set aside to assist local government? How does OFMDFM intend to ask local government to help the economy and the people who come here looking for jobs?

**The deputy First Minister:** The issue is not the advice that we have given local government. Obviously, we seek to hear the views of different interest groups that we meet on how we should go forward with regard to their particular responsibilities.

In one of our meetings, a NILGA (Northern Ireland Local Government Association) representative gave us a detailed report on the work in which the association is engaged. I will not go into the detail of that because it would take too long. We await with considerable interest groups’ suggestions on how to take our business forward and on how we can help them.

**Mr McElduff:** Go raibh maith agat, a Cheann Comhairle. Tá ceist agam don LeasChéad Aire. An dtig leis an LeasChéad Aire míniú dúinn cad é atá déanta ag an Choiste Feidhmiúcháin agus ag a Oifig féin le déileáil leis an mheathlú geilleagair agus leis na fadhanna eacnamaíocha atá againn?

I thank the deputy First Minister for outlining what the Executive and OFMDFM are doing to address the economic downturn. I ask the First Minister — sorry, deputy First Minister — *[Interruption.]* — has OFMDFM been able to communicate that effectively to wider society?

**The deputy First Minister:** Go raibh maith agat as an cheist sin.

Following the global financial crisis, which took hold in September 2008, Invest NI has seen growing uncertainty in the market. Companies increasingly focus on cost containment, indicating that they are deferring investment decisions and reviewing business strategies. As a result, the pipeline of new foreign direct investment prospects is not as strong as it was in 2008. Recently, however, there have been indications of an upturn in interest. Invest NI has seen an increase in inward business activity.

There have also been several significant investment announcements recently. Just a few weeks ago, the First Minister and I were particularly pleased to welcome the top management team of the New York Stock Exchange to Belfast to announce one of the biggest US investments in Europe this year, with a planned opening of a new state-of-the-art development facility in Belfast next year. That will result in the creation of up to 400 new technical, operational and corporate jobs, including 75 positions from a prior agreement.

No one should doubt the scale and significance of that announcement, which is a major endorsement of local talent, knowledge and infrastructure. When such a high-profile institution decides to invest here, it sends out a clear message to other potential investors. Over the past two years, I, along with the First Minister and his predecessor, Ian Paisley, have had ongoing

engagement with staff at the highest level in the stock exchange, which, to our delight, led to that announcement.

In March 2009, the First Minister and I went to Los Angeles to meet representatives of Universal Pictures and HBO. Universal Pictures has since completed a film at the Paint Hall in Belfast, and HBO has now moved in. That has created hundreds of new jobs for people in the joinery trade and the creative arts.

Members will also be aware that the US Administration appointed Declan Kelly as economic envoy in September 2009. Mr Kelly has been relentless in his task. We are delighted that our close relationship with the US Administration resulted in that high-profile and productive appointment.

## Victims

2. **Mr Bresland** asked the First Minister and deputy First Minister to outline the provision made for victims to date and when the proposed new victims' service will be operational. (AQO 319/10)

**The deputy First Minister:** Funding of £36 million has been allocated to support work with victims and survivors during the three years from 2008 to 2011. There is £12.5 million for the current financial year, which is an increase of approximately £4.5 million on last year's allocation.

Victims' groups continue to receive funding through development grants, core funding and interim capacity funds. Individuals continue to receive support from the memorial fund.

The establishment of the Commission for Victims and Survivors and the victims' forum has given a new focus to that work. We will publish a new victims and survivors' strategy, which is intended to outline how we envisage work in that area progressing over the next 10 years.

Recently, public consultation was completed on proposals for a new victims and survivors' service. We received detailed responses to our proposals from the sector. I can give the assurance that, as we work through the process of analysing those responses and agreeing how to move forward, there will be no shortfall in provision during the transition to the proposed new arrangements.

**Mr Bresland:** Will the deputy First Minister assure victims that there will be no shortfall during the transition?

**The deputy First Minister:** Yes, I can provide people with that assurance. The evidence that there will be no such shortfall is the allocation of an extra £4.5 million this year, which is a substantial financial increase.

**Mr Kennedy:** I am grateful for the deputy First Minister's initial response. Given that the consultation period on the proposals for the service ended on 17 October 2009, will he detail any major themes to emerge from that process? Will he also outline the terms of any early representations made by the Victims' Commissioners on that important matter?

**The deputy First Minister:** It would be wrong of me to make public any themes in advance of the situation being moved forward in the way that I outlined. Although the closing date for the consultation was 16 October 2009, OFMDFM is still accepting responses from some of the key stakeholders in the sector, including the forum. It remains our intention to establish a new service as soon as possible. We are considering the consultation responses, and those will help to inform the next steps, including what form that new service will take.

We will discuss the final proposals for the service with the Committee for the Office of the First Minister and deputy First Minister, of which the Member is the Chairperson. I assure the Member that victims and survivors will not be disadvantaged while we put the new arrangements in place, as appropriate transitional funding arrangements will be established.

**Mrs Long:** I thank the deputy First Minister for his answers thus far. One of my main concerns about the victims' service, as it is outlined in the consultation, centres on the relationships between the service, the commission, OFMDFM and the forum. Before a new victims' service is established, will it be possible to overcome the apparent confusion that exists, even in the consultation document, about lines of reporting and different areas of authority?

**The deputy First Minister:** As we have moved along the process, we have all been learning from the new challenges. It is clear from the publication of OFMDFM's strategy, the work on putting in place a new service and the ongoing dialogue with the Committee for the Office of the First Minister and deputy First Minister that we all recognise the importance of ensuring a seamless transition. It is important to have a joined-up approach, and OFMDFM will endeavour to work with all the interested groups that the Member mentioned.

## Executive Confidentiality

3. **Mr Savage** asked the First Minister and deputy First Minister what is the definition of 'Executive confidentiality'. (AQO 320/10)

**The deputy First Minister:** We are committed to openness and transparency and to facilitating questions and freedom of information requests as far as practicable. However, it is essential that the Executive

be allowed to conduct their work in an environment in which individual Ministers can be confident that the content of their papers and their views are protected. Therefore, at their meeting on 13 September 2007, the Executive unanimously agreed a protocol on confidentiality. The purpose of that protocol is to establish a number of principles to which Ministers should adhere. The principles apply to the handling of information that they obtain as members of the Executive and to making public statements on any matter that has been, or may be, the subject of Executive consideration. For that reason, we do not normally release information concerning details of Executive business, although we may, on occasion, consider it appropriate to provide information on the Executive's work on a particular issue.

We hope that the Assembly will acknowledge and understand our position. We note, however, that the Member has requested a range of historical information on Executive business under the Freedom of Information Act, and his request is now being considered.

**Mr Savage:** Is it not a curious position that, under Executive confidentiality, the deputy First Minister withholds information that will become public through implementation anyway? What is the deputy First Minister hiding, and why is he hiding it? Will he confirm that items on the agenda will become public information when the date for a meeting is agreed?

2.45 pm

**The deputy First Minister:** The confidentiality protocol covers the detail and content of Executive papers, minutes, records, discussions and deliberations. It protects the space for expression of views while facilitating the reaching of an agreed position. The confidentiality protocol exists only to ensure that the appropriate conditions prevail whereby all opinions and viewpoints can be freely voiced and considered in the formulation of a final Executive position.

In reference to the Member's last comment, it is important to remember that the work of the Executive, be that consultation documents, Bills or new policies, emerge into public view through the relevant Departments.

The fact that Ministers, including the two Ministers from the Member's party, unanimously supported the protocol at the meeting in September 2007 is a very clear indication that people understand the value of Executive business being confidential.

**Mr Butler:** Go raibh maith agat, a Cheann Comhairle. The deputy First Minister answered the question by clarifying the need for the confidentiality protocol. He also pointed out that the two Ulster Unionist Ministers agreed to that protocol during the meeting at which it was discussed.

## Presbyterian Mutual Society

4. **Mr Elliott** asked the First Minister and deputy First Minister to outline any discussions they have had with the Prime Minister and the Chancellor regarding the possible format of a solution for savers with the Presbyterian Mutual Society. (AQO 321/10)

**The deputy First Minister:** The First Minister and I are taking a very active and close interest in the ongoing work to find a solution to the difficulties of the Presbyterian Mutual Society (PMS). We know that the matter is of great concern to members of the PMS and the wider community. The frequency with which we are asked by Members to provide updates on the working group that is addressing the matter demonstrates the widespread support that the work to find a solution enjoys and, indeed, deserves.

We are happy to take questions, not only to provide what information we can but to take the opportunity to assure Members that the matter continues to receive very close attention. In answering questions for oral answer on 19 October, the First Minister outlined the range of discussions about the PMS that we had with the Chief Secretary to the Treasury, Liam Byrne, on 14 October. We are still awaiting the full report on final considerations and options, but we expect that to emerge in the near future.

Members will know that the financial and commercial sensitivities surrounding the matter are such that we need to preserve a certain level of confidentiality about the options until a viable resolution has been identified and agreed. We assure Members, however, that we are working to secure the best outcome for PMS savers.

**Mr Elliott:** Unlike others, I have no vested interest, large or small, in the PMS. There has been public speculation about the possibility of a local bank being involved in rescuing the society. Will the deputy First Minister comment on the form that such involvement may take?

**The deputy First Minister:** One of the options being explored involves the participation of a financial institution in a funding package. The Member will appreciate that the matter is complex and that, therefore, there is a number of challenging issues to deal with. It is vital that we ensure that any British Government backing for such a package does not breach EU state aid rules. However, I do not want to go into detail about the options under consideration because that might adversely prejudice or jeopardise the outcome that we hope will flow from them.

We hope that any solution for assisting the PMS will follow the precedents already set by interventions in other cases, including Bradford & Bingley, Dunfermline Building Society, and Equitable Life.

**Mr McLaughlin:** Go raibh maith agat, a Cheann Comhairle. I take the Minister's advice that there are sensitivities and confidentiality issues involved. However, can he confirm whether the Financial Services Authority (FSA) was critical of some aspects of the management of the Presbyterian Mutual Society?

**The deputy First Minister:** The Financial Services Authority confirmed that it investigated the activities of the PMS to consider whether it was conducting regulated activities without the necessary authorisation or exemption. The FSA concluded its investigation and decided that the PMS was conducting regulated activities without the necessary authorisation or exemption. However, on the basis of the information available, and, applying the criteria in the code for Crown prosecutors, the FSA decided that it would not be right to take a case against those involved in running the PMS. However, the FSA remains in touch with the administrator, and, if further information comes to light relating to the issues investigated, it will look into it.

The important point to remember is that many ordinary Presbyterians have invested their savings in the PMS. When we discussed the matter with Prime Minister Gordon Brown, he accepted the argument that there is a moral responsibility to resolve the dilemma that those people are in. All of us, who understand the difficulty and pain that ordinary savers are going through, fully understand the need to expedite this in a way that will see those people get their money back.

**Mr McCarthy:** Go raibh maith agat, a Cheann Comhairle. I do not have an interest in the subject, but many of my constituents do. Does the deputy First Minister agree that if the collapse had happened in Gordon Brown's constituency, or anywhere across the water, there might have been more urgency in seeking a successful conclusion to the problem?

**The deputy First Minister:** That was one of the points that we made.

**Mr A Maginness:** I warmly welcome the deputy First Minister's answer, and the answer given by the First Minister on 19 October.

Do both Ministers appreciate the deep anxiety that there is among savers and the urgent need for a comprehensive resolution to the problem? People are deeply worried and sick as a result of the collapse of the Presbyterian Mutual Society.

I note that no timetable has been given by the deputy First Minister. However, will he urge the Prime Minister and the Treasury of the need for an indicative timetable, at least, so that the matter can be resolved and people can have some hope for the future?

**The deputy First Minister:** I agree wholeheartedly with everything that the Member said. We have made the case that the situation needs to be expedited, that

people are enduring great uncertainty about their savings, and that we need to move forward.

I am encouraged by the discussions that we have engaged in and hopeful that a successful outcome will be arrived at. Obviously, certain procedures have to be gone through. The Treasury is very cautious about how it moves forward, and Liam Byrne has attended all the meetings that the First Minister and I have been at. I think that we are now rapidly moving towards a conclusion, and I hope that that will be a successful one.

**Mr Spratt:** Many savers in the Presbyterian Mutual Society are very happy at the progress that has been made and the support that has been given by the First Minister and deputy First Minister and others.

Is the Treasury receiving full co-operation from the administrators of the Presbyterian Mutual Society?

**The deputy First Minister:** I am satisfied that the administrator is co-operating with the Treasury, and I believe that it, too, is content.

## Flags

5. **Dr Farry** asked the First Minister and deputy First Minister to provide an update on the development of an updated inter-agency flags protocol.

(AQO 322/10)

**The deputy First Minister:** The inter-agency flags protocol that was launched in 2005 is still operational. Alongside that, we continue to carry out flags monitoring. However, we recognise that the protocol requires review and updating. Preliminary work to establish a review process began in the summer with initial conversations involving existing partners and potential new stakeholders.

A new review group met on 7 October 2009, and a smaller working group, which was established to take forward views, is revising the protocol. That progress reflects the importance that we place on a challenging issue that goes to the heart of our vision to build a shared and better future based on equality and respect for diversity and on the rule of law.

**Dr Farry:** I thank the deputy First Minister for his answer. On the twentieth anniversary of the fall of the Berlin Wall, does he recognise that the misuse of national flags in Northern Ireland creates division? Does he also recognise that there is concern in the community about the effectiveness of the current protocol, because it works on the basis of consent from the community, which is, in effect, code for the consent of those who put up flags? Statutory agencies are far too reluctant to remove flags that create divisions and which work against a shared future.

**The deputy First Minister:** As I said in my initial answer, the steps taken have given us an opportunity to move the review forward.

I agree that flags cause tremendous divisions. For example, I was in my constituency on Friday evening, while it hosted a big boxing match — I congratulate Paul McCloskey for winning the European title. Before the fight, quite a number of loyalist flags were put up in the area that immediately surrounds the arena that was hosting the fight. I was told that the people who put them up thought that Paul McCloskey would enter the ring wearing tricolour shorts, which was never his intention. Local members of the PUP, in consultation with members of my party, engaged in dialogue, and the flags were eventually taken down.

That shows that, in addition to the work of the review and the need to monitor flags in various areas, people should get together to lessen tension on such issues. There are examples of people from every section of the community coming together to lessen tensions and to seek remedies.

**Mr K Robinson:** I am sure that the Minister could also intervene in the case of the tricolour sheep if he had a mind to do so.

**Some Members:** Hear, hear.

**Mr K Robinson:** I listened to the deputy First Minister's answers to Dr Farry. A review of the flags protocol was announced by his Office on 22 February, which was nine months ago. A research paper on the issue by Queen's University was commissioned by OFMDFM and published in January 2007, which was three years ago. Are we to assume that the flags protocol is another issue on which the First Minister and the deputy First Minister cannot agree?

**The deputy First Minister:** No; the Member is totally wrong. Queen's University has been involved in a number of surveys on the issue since 2007. We appreciate the difficulties that the issue presents in communities. Action has been taken to update our approach, and I hope that the work of the review group will pay dividends for all of us.

**Mr McGlone:** Go raibh maith agat, a Cheann Comhairle. Gabhaim buíochas leis an Aire.

Does the deputy First Minister agree that there are many instances in which local efforts at conciliation have not proved successful? In such instances, will he and his Office support direct action, taken through the relevant agencies and Departments, to remove flags? In many cases, people are exasperated at statutory agencies' lack of willingness to remove flags.

The nature of the flags does not matter, nor does it matter whether they are put up along an arterial route, in a shared space or somewhere that will deliberately get up other people's noses. Departments should make

every effort to have such flags removed, and such action should have been enshrined in statute by now.

**The deputy First Minister:** I agree that there is a responsibility on all of us, including Departments, to play a role. In the aftermath of the review, I hope that decisive action will be proposed.

## Policing and Justice Powers

6. **Mr P J Bradley** asked the First Minister and the deputy First Minister what steps will be taken to assess community confidence for the devolution of policing and justice, as outlined in their joint letter in November 2008. (AQO 323/10)

**The deputy First Minister:** It is the view of OFMDFM that powers should be transferred, which is a position that we share with all parties in the House.

In November 2008, we agreed a process to give effect to the transfer of those powers. We note the position of the PSNI and the Policing Board, which have supported the transfer, as indeed has the judiciary. The British, Irish and US Governments have done likewise.

In tabling a motion for the transfer of policing and justice, we are mindful of the Pledge of Office that all Ministers affirmed when they took up office. It pledges us to serve all the people here equally and to promote the interests of the whole community. We are determined to work faithfully through the remaining steps that we identified in November and to secure the confidence of the community that is necessary for the devolution of policing and justice functions.

3.00 pm

## ENVIRONMENT

**Mr Speaker:** Question 1 has been withdrawn.

### Planning: Permitted Development

2. **Mr Bresland** asked the Minister of the Environment when he anticipates the proposals in the 'Permitted Development Rights' consultation document will come into effect. (AQO 334/10)

**The Minister of the Environment (Mr Poots):** The three public consultation exercises seeking views to extend permitted development rights will run until 22 January 2010. A detailed analysis of the responses will follow, and work will then begin to draft a new general permitted development Order, which will, among other things, contain the new and revised permitted

development rights. The extension of permitted development rights will complement the proposed new planning reforms and help to promote a speedier, more responsive service. The objective is to introduce the necessary legislation in time for the transfer of planning powers to the new councils in 2011.

**Mr Bresland:** What benefits will the non-domestic permitted development proposals bring to the agriculture sector?

**The Minister of the Environment:** There will be a new permitted change of use of an agricultural building to a use for making products grown on the farm, farm shops selling local produce and for storage and distribution uses. We are prepared to listen to any reasonable case that is put forward during the consultation process for other sectors of agriculture.

**Mr Beggs:** I give a general welcome to the proposal to remove many minor modifications from the planning system. However, the Planning Service costs several millions of pounds more each year than it raises in planning fees. The proposal will further reduce workload and income and increase deficit. Given that loss of income, how will the Minister balance the books?

**The Minister of the Environment:** I am here to represent the public; I am not here to represent the Civil Service. We are public representatives, who are here to deliver more efficient government for the people of Northern Ireland, not to keep civil servants in jobs that are not required. That is why we are seeking to create a more efficient planning system and not to have red tape.

## Planning Reform

3. **Mr Armstrong** asked the Minister of the Environment for his assessment of the outcomes of the recent consultation on 'Reform of the Planning System in Northern Ireland: Your Chance to Influence Change'. (AQO 335/10)

**The Minister of the Environment:** Since the close of the consultation on the proposals for the reform of the planning system on 2 October, my officials have been analysing all the formal written responses and the independent report from the consultation events to determine what impact, if any, they will have on the policy proposals. Almost 500 people, representing a wide range of sectors and organisations, attended one or more of the consultation events and 264 formal written responses were received. As Members can imagine, those comments and responses reflect a vast array of, often conflicting, viewpoints that interested parties have on the proposed reforms.

Members will appreciate that I do not want to pre-empt the process of full policy analysis. With that in mind, it is too early to answer with certainty the Member's query about the likely final policy direction. I hope to bring my final policy proposals to the Executive for consideration in January 2010 to ensure that we stay on course to meet the very tight legislative timetable for those changes, including the transfer of the majority of planning functions to the new district councils by 2011.

**Mr Armstrong:** Devolution returned some 30 months ago; when will the Northern Ireland planning system be modernised and become more responsive to the needs of our citizens?

**The Minister of the Environment:** The planning system has been reformed and is going through reform as a result of the decisions that were taken by my predecessors and that I have taken, and will continue to take, on the Planning Service.

My Department inherited a planning system that has run up a significant deficit as a consequence of fewer and smaller planning applications being lodged and a huge backlog of applications, some of which are seven or eight years old. Work is continuing to make the Planning Service fit for purpose, and I am pleased with the progress that has been made thus far. We are determined to see that through so that we can have a Planning Service of the highest quality for the people of Northern Ireland.

**Mr Speaker:** Members should continually rise in their places if they want to be selected to ask a supplementary question. Some Members seem to have a problem with that.

**Mr Boylan:** Go raibh maith agat, a Cheann Comhairle. The issue of third-party appeals was raised early in the consultation. If the Minister is not minded to introduce the right of a third-party appeal, what mechanism will he introduce for the provision of an independent challenge that would ensure confidence in the planning system?

**The Minister of the Environment:** The existing proposals do not envisage the introduction of a right to a third-party appeal. Instead, we will examine the creation of more opportunities for front-loading so that people can make their views known on a planning application as early in the process as possible and for developers to engage in meaningful consultation with the public. That does not preclude the opportunity of introducing a third-party appeal after the consultation process is completed. However, when I gave evidence on planning reform to the Committee for the Environment on Tuesday 3 November, I made it clear that, if we introduced the right of a third-party appeal, it could not be allowed to cause a backlog in the system that would result in further delays. It would have to be designed in

such a way that would ensure the efficiency of the process and would allow decisions to be made earlier and on a regular basis.

**Mr Gallagher:** I want to ask the Minister about the extent of the interest that emerged around the early involvement of stakeholders in any future planning process, and whether the issue was mentioned in a significant way. Does he intend to issue draft guidance on that issue to the transition committees?

**The Minister of the Environment:** There was considerable support for the early involvement of stakeholders. If we are going to introduce a completely new system to deal with planning, stakeholder involvement must happen together with it and not in a disjointed way. Otherwise, it might stymie the efforts of the Planning Service when it introduces all the aspects of the planning reform proposals. I do not propose to introduce one aspect of the reforms on its own without introducing the suite of changes that have been proposed. There has been considerable support for front-loading.

**Mrs Long:** I want to ask the Minister about his comments on third-party appeals and front-loading of the system. Given that the consultation document suggested that front-loading should also apply to those who apply to develop and that they should engage early in the process, and the fact that there is still the need to have a Planning Appeals Commission to deal with decisions that may be wrong, does the Minister not accept that there could be circumstances in which the planners grant permission, and that such decisions could be wrong and need to be challenged?

**The Minister of the Environment:** That is a possibility, but I am not prepared to consider a system that almost eternally blocks planning applications.

I will briefly explain one of the systems that I have considered, which would allow planning decisions to be turned around in eight weeks. Third-party appeals can kick in, but they will not be permitted if they are deemed to be vexatious. If the third-party appeal is lost, the persons who instigated it are often expected to pay for it. We might end up with a system that incorporates third-party appeals and that could, potentially, deliver a faster planning process. However, some of the people whom the Member has been influenced by might not necessarily be looking for that sort of third-party appeal, and, sometimes, we need to be careful what we ask for.

## Local Government Legislation

4. **Miss McIlveen** asked the Minister of the Environment when the local government reorganisation Bill will be introduced to the Assembly. (AQO 336/10)

**The Minister of the Environment:** It is my intention to introduce the local government reorganisation Bill to the Assembly by May 2010, subject to Executive agreement.

**Miss McIlveen:** There is clearly a certain urgency to the Bill. Will the Minister confirm whether consultation on the policy proposals for the Bill has commenced?

**The Minister of the Environment:** The consultation has not yet commenced. The proposals for consultation have been with my Executive colleagues since June, and I am very keen to move them forward. There will be consultation on the proposals, so they are subject to change. I see no reason why they are not in the public domain, and I wish to have them there. If those proposals are not in the public domain within the next two weeks, that will cause considerable difficulties in moving forward and could jeopardise the May 2011 target date for the introduction of the new councils.

**Mr Kinahan:** Although it is predicted that the Bill will save money, bearing in mind that we are in fiscal crisis, does the Minister see any funding difficulties in the initial outlay period, when the costs associated with implementing local government reform are relatively high? Does he acknowledge that the limited transfer of new powers to local government has limited the potential for savings?

**The Minister of the Environment:** The powers are limited by what Departments were prepared to give up; that goes across the range of Departments, including those whose Ministers are members of the Member's party. A decision has to be taken when making an investment. The Member comes from a business background and will be fully aware that if one invests to save, the investment must be carried out at the appropriate time. It needs to be properly financed, and one has to be fairly sure of the outcome.

The Member's point is a valid one. We have indicated that there are £118 million of potential upfront costs over a five-year period, which will lead to a saving of £438 million over a 25-year period. Those indications, which have come from PWC, are what we are basing costs on at the moment.

**Mr Ford:** The Minister expressed his concern that reorganisation might not be in hand by May 2011, but he has so far failed to lay the Order to confirm the local government boundaries before the House, even though the Local Government Boundaries Commissioner reported before the summer recess. Will he give an indication as to why that delay has happened, and will he give a firm commitment that there will be no gerrymandering to interfere with that report?

**The Minister of the Environment:** That has been with my Executive colleagues for some time. I assure



the Member that there will be no gerrymandering. The Local Government (Boundaries) Act (Northern Ireland) 2008 states:

“The 11 local government districts shall incorporate, respectively, the whole or the major part of the ... former local government districts”.

That is a judgement call. Does 55% of the population or 42% of the business area form the major part of the local government district? This is not about gerrymandering; it is about getting it right.

**Mr McGlone:** Go raibh maith agat, a Cheann Comhairle. In light of the damning ruling delivered by the Equality Commission against Lisburn City Council on 21 October, what safeguards will the Minister put in place to ensure that future decisions by that council and other councils, including Magherafelt District Council, will be made to protect and safeguard the rights of minorities?

**The Minister of the Environment:** I thank the Member for his question, and note that Lisburn Council is not the only one to have been investigated by the Equality Commission. Limavady Borough Council was also investigated, and had a negative report.

Regarding the most recent case taken by the Equality Commission, against Lisburn City Council, a meeting took place last Monday night at which the Equality Commission was challenged by a range of councillors, and the chief executive, about the information that it had gathered before making its decision.

3.15 pm

The information that the Equality Commission gathered, including information that it purported to have received from my Department, was found to be incorrect. Perhaps if it got its own house in order and created a better balance in the people that it employs, the Equality Commission would be given greater cognisance. It is not seen as a fair employment organisation.

**Mr Speaker:** Question 5 has been withdrawn.

### Single Waste Disposal Authority

6. **Ms S Ramsey** asked the Minister of the Environment how he proposes to appoint members to the single waste disposal authority. (AQO 338/10)

9. **Mrs M Bradley** asked the Minister of the Environment what assurances he can provide that, in establishing the single waste authority, local residents will have an opportunity to express their opinions on the location of new waste infrastructure facilities. (AQO 341/10)

**The Minister of the Environment:** With your permission, Mr Speaker, I will answer questions 6 and 9 together.

In my statement to the Assembly on 20 October on the local government reform programme, I advised that I was seeking comments from stakeholders on an economic appraisal of options for local government service delivery. Those options include the creation of a single waste disposal authority for Northern Ireland. I have asked for comments on the report to be received by the end of November. Therefore, it is too early to say how the board of the single waste disposal authority will be constituted and structured or how its members will be appointed. That will all be the subject of further and more detailed proposals. However, I can say that the board will include representatives from the 11 councils and a small number of independent members.

Waste infrastructure projects are subject to the normal planning process, which requires the public to be invited to comment on associated planning applications. It is envisaged that a single waste disposal authority will be subject to the same legal requirements on planning as the three existing waste management groups. Therefore, I assure Members that local residents will be given an opportunity to comment on all planning applications relating to waste infrastructure. I look forward to receiving Members' views on that aspect of the economic appraisal.

**Ms S Ramsey:** Go raibh maith agat. I thank the Minister for his detailed answer. I appreciate that he is talking to stakeholders and other people and wishes to receive comments by the end of November. Therefore, I assume that he will not be able to state where the authority will be based. Perhaps the Minister will answer that question in a statement to the Assembly at the end of November or in December when all the comments have been received. I thank him again for his initial answer.

**The Minister of the Environment:** It is far too early to identify where an authority would be based. Indeed, I first have to get the support of the House and the Executive to move the process forward. I hope to do right by ratepayers and have a means of dealing with waste that is as efficient as possible. I hope to have the strongest available marketing team to bring together all opportunities available; that the best local solutions for dealing with waste are identified; and that local input is in no way diminished by having a single authority. It is very early days, and I look forward to receiving comments on how we should deal with waste. It is incumbent on us all to work together to get this right.

**Mrs M Bradley:** The Minister will be aware of the PricewaterhouseCoopers economic appraisal of local

government service delivery, which found that there is significant support for the concept of a single waste disposal authority. Will the Minister clarify the basis for that statement by informing us where the support comes from? Will he also outline how a single waste disposal authority will support strong local government?

**The Minister of the Environment:** Some of the support came from the bodies that manage waste; they identified that they have taken things to the present stage. That approach can continue, or a much more efficient process for dealing with waste can be created. I can never understand why public representatives tie themselves to supporting a plethora of organisations, albeit only three in this case, delivering a service that a smaller number could deliver. The more management and white-collar workers that we have in place, the higher the costs associated with delivering the end product, whatever that might be. I want to deliver efficient government rather than heavily-bureaucratic government.

**Mr Cree:** I thank the Minister for his answer. Will he share with us the steps that he proposes to take to ensure that the new single waste authority will give proper consideration to the thermal treatment of waste?

**The Minister of the Environment:** I thank the Member for the question. There are a whole series of processes to deal with what we term “waste”. There is a general concept that it is not waste in the terms that we once knew it, in that waste used to be something that we threw into our bins and it all ended up in a landfill site. There are now recyclates — materials that are suitable for thermal processing and anaerobic digestion — and there may be the possibility of using energy from waste. We need to look at all of those opportunities, identify the best solutions, identify which solutions work locally and implement those solutions in the best interests of the wider public.

What is not in the best interests of the wider public is that, in due course, we will be paying £72 for every ton that goes into landfill. I am happy to look at whatever process can be introduced that might avoid sending more waste to landfill, which ultimately produces more methane and damages our environment.

**Mr Shannon:** I thank the Minister for his very detailed and helpful response. One of the matters that we look at in relation to waste management is recycling initiatives. Will the Minister give the Assembly some indication of innovative recycling schemes that could be applicable to the Province?

**The Minister of the Environment:** There has been quite a lot of innovation in relation to dealing with our waste, which is why our recycling level has gone from 5% just seven years ago to around 30% today. I have no doubt whatsoever that members of the public, the business community and organisations like Bryson Charitable Group and others that are involved in the

recycling of waste will have no shortage of quality ideas coming forward about how to better manage articles of waste. I will be very happy to respond to all of them.

## Recycling

7. **Mr McCartney** asked the Minister of the Environment whether he has any plans to request that the Treasury make available all monies raised through landfill tax for reclaim by Local Authorities to fund approved, innovative, recycling schemes.

(AQO 339/10)

**The Minister of the Environment:** The issue of tax, including the landfill tax, is a reserved matter. All of the money that is raised goes to the UK Exchequer. Since 2003-04, as a Barnett consequential, Northern Ireland has received an allocation from the landfill tax. However, there is no direct link between the area in which the revenue is raised and where it is spent. The use of all funding that is allocated through the Barnett formula is a matter for the Executive.

Some further landfill taxes are returned to Northern Ireland through the Landfill Communities Fund. Apart from that, there is no mechanism for Northern Ireland to reclaim the tax. My Department continues to work with district councils and other stakeholders to improve waste management and has already secured significant funding to assist in delivering improvements. The Department’s £200 million capital strategic waste infrastructure fund will help to increase recycling rates and ultimately reduce the burden on ratepayers across Northern Ireland. The support that is provided by the Department to the Waste and Resources Action Programme to work with district councils also promotes the use of recycling activities and the reduction of waste going in to landfill.

**Mr McCartney:** Go raibh maith agat, a Cheann Comhairle. Gabhaim buíochas leis an Aire as a fhreagra.

I am very mindful of the Minister’s previous answers when I frame this question: does he agree that we should use money in innovative ways to ensure that the recycling process continues and that people will see the direct link to saving in relation to landfill, and also to ensure that there is innovative recycling in the future?

**The Minister of the Environment:** There is the opportunity to do that in the Landfill Communities Fund. I understand that, since 2003-04, Northern Ireland has received approximately £3 million each year under the Barnett formula for landfill tax. The scheme commenced in 1996 and was subsequently replaced by the Landfill Communities Fund. Since 1996, a total of £17.6 million has been spent on projects in Northern Ireland, of which £5.2 million has been spent in the past five years. Ultimately, if the Members have good ideas coming forward from local

people, communities or businesses, we will certainly be happy to look at those.

**Mr Speaker:** I call Thomas Burns to ask a supplementary question, and I again remind Members to rise in their places when they want to ask a question.

**Mr Burns:** What consideration has the Minister given to an all-island approach to the marketing of recyclable materials? That market is an important one, particularly in these harsh economic times.

**The Minister of the Environment:** The first step to having the all-island market that Mr Burns wants is to get an all-Northern Ireland one. Perhaps he will tell his colleague Mrs Mary Bradley that a single waste authority would assist us greatly in doing that. First steps must be taken before the next can be taken.

We have been considering the potential of an all-island paper mill. At present, markets do not support that. However, I assured the House earlier today that we would continue to look at that issue in years to come. Developments will depend on how the markets play out. At the moment, recycled materials are down substantially in value, although they have risen to 2007, as opposed to 2008, values.

### Planning: North Road, Carrickfergus

8. **Mr Hilditch** asked the Minister of the Environment how many planning applications have been submitted for apartments on the North Road, Carrickfergus in the last three years. (AQO 340/10)

**The Minister of the Environment:** In the past three years, my Department received 17 planning applications, including some for apartments on North Road in Carrickfergus. Of those 17, 11 have been determined, with nine applications approved and two refused.

**Mr Hilditch:** I thank the Minister for his answer. I do not expect him to be aware of the area specifically, but North Road is one of the town's arterial routes. As further planning applications come forward, will he assure elected representatives and the local public that the Planning Service will take into account the significant change in character and infrastructure that the area is experiencing?

**The Minister of the Environment:** I have received correspondence on the issue from Carrickfergus Borough Council. In the first instance, I have offered to have a meeting with the head of the Planning Service to see whether we can resolve the issue satisfactorily. The matter is obviously of significant concern to local public representatives.

The addendum that I proposed this morning to Planning Policy Statement 7 might be of some assistance, albeit that it may be limited in helping the Planning Service to deal with this issue, which involves an

arterial route. However, an initial meeting with the chief executive may drill down to some of the issues and identify the real problems.

### Plastic Bag Levy

11. **Mr McKay** asked the Minister of the Environment when he will make a decision on the possible introduction of a plastic bag levy. (AQO 343/10)

**The Minister of the Environment:** I have no immediate plans to decide whether to introduce a levy on plastic bags.

**Mr McKay:** I thank the Minister for his answer. His statement today is disappointing. However, has he considered carrying out public consultation to ascertain the opinion of local people on the issue of a plastic bag levy?

**The Minister of the Environment:** Ultimately, we want to reduce the use of plastic bags, but whether we will be required to introduce taxation to achieve that is another matter. The voluntary approach that was announced in July this year resulted in supermarkets in Northern Ireland reducing the number of single-use carrier bags by 38%, which equated to 7.6 million fewer bags being handed out. Therefore, we are clearly having success.

A number of issues are related to plastic bags. When the Republic, for instance, started charging for plastic bags, there was noticeable increase in the number of bin bags that were bought. Bin bags take longer than plastic bags to disintegrate in waste, and they are heavier. Therefore, the introduction of a tax to reduce the use of plastic bags will not result in advantages all the way. We must encourage people, cajole them, lead them and bring them with us in an effort to reduce the use of plastic bags. A close-to-40% reduction is very significant. Let us build on that and encourage more people to refuse plastic bags in shops.

**Mr Ross:** Does the Minister concur that not only is a voluntary scheme preferable, but it is the favoured option of those in the industry?

**The Minister of the Environment:** Yes, it is. As I said to Mr McKay earlier today, it has been clearly identified that the people whom it would hurt most are those who have the least money. I am not inclined to make people on the breadline suffer more, which may be Sinn Féin's new policy. I am not inclined to introduce new taxes that hurt people on the breadline, whether on the Falls Road or the Shankill Road.

3.30 pm

## COMMITTEE BUSINESS

### Efficiency and Contingency Deficit Proposals in the Health and Social Care Trusts

*Debate resumed on amendment to motion:*

That this Assembly calls on the Minister of Health, Social Services and Public Safety to outline the details of the efficiency savings proposals agreed with each health and social care trust; and to ensure that the efficiency savings proposals and contingency proposals for deficits in the current budget of each trust will not impact on front line services. — [*The Deputy Chairperson of the Committee for Health, Social Services and Public Safety (Mrs O'Neill).*]

*Which amendment was:*

At end insert

“; and further requests that the Executive exempts health and social care services from further budget reductions or requirements to deliver any further efficiency savings.” — [*Mr McCallister.*]

**The Deputy Chairperson of the Committee for Health, Social Services and Public Safety (Mrs O'Neill):** Go raibh maith agat, a Cheann Comhairle. I thank all Members who contributed to the debate on efficiencies and deficiencies in the Health Service, which is an important subject because it affects everybody in the North. It is worth taking a few moments to summarise the financial situation that the trusts are facing. [*Interruption.*]

**Mr Speaker:** Order. Members should leave the Chamber in an orderly fashion.

**The Deputy Chairperson of the Committee for Health, Social Services and Public Safety:** First, under RPA, the trusts have had to take on the legacy trusts' debts. The new trusts must clear those debts, so they are not starting off with a clean sheet.

Secondly, over three years, the trusts must make 9% efficiency savings — more than £344 million. It pays to remind ourselves that 40% of all efficiency savings must come from the health budget. Therefore, any slippage or non-delivery will have a disproportionate impact. For example, the Belfast Health and Social Care Trust is expected to deliver £92 million of efficiency savings over three years. That is more than one quarter of the total efficiency savings that are expected from the Health Service or 11.5% of the total efficiencies from all Departments.

Thirdly, the fact that the break-even duty will not tolerate any overspend has, in effect, created the need for deficit contingency plans. If a trust cannot live within its budget, it must create contingency plans to show the cuts that will be made to bring it back to break-even.

Unfortunately, the Minister has not bothered to come back to the Chamber to listen to the winding-up speeches. Nevertheless, I shall refer to his comment that there is no 0.5% leeway. If he had listened to my contribution, he would have realised that I was suggesting that that is one possible way to introduce some flexibility into a rigid system to restore what was previously available to the legacy trusts.

We now know that the health and social care trusts are finding it tough, and we all recognise that there are massive challenges. A huge amount of change has taken place in a short time. There have been changes to the structure of the Health Service due to the RPA and changes to the way in which people are treated as new thinking and drugs come online, the level of demand increases, and patients and their families rightly have higher expectations. Against that background of change, it is perhaps not surprising that the trusts have budget difficulties. However, as I said, it is surprising how well some of them are dealing with the issues.

I shall now turn to the contributions that were made during the debate. John McCallister moved the amendment, on which the Committee did not take a position, so I cannot speak about it on behalf of the Committee. However, as Sinn Féin's health spokesperson, I can say that, for many of the reasons that my colleague Sue Ramsey outlined, Sinn Féin will not support the amendment. The amendment assumes that no efficiencies can be made in health. Making efficiency savings and protecting front line services are not mutually exclusive. Efficiencies must be achieved if we are to protect front line services.

Iris Robinson noted that health is the number one priority, and she referred to the Minister's public statement that he would not make cuts to front line staff. Mrs Robinson further suggested that the public outcry about the cuts that would be required to stay within budget was music to the Minister's ears, and that the health and social care system can keep its efficiency savings and plough them back into the new system. She referred to the new situation in which the Department of Health, Social Services and Public Safety finds itself.

Carmel Hanna said that we need to spend public money wisely and that it is essential to justify all programmes. She went on to say that she cannot support one area of public spending being exempt from efficiency savings at the expense of others. All budgets, including the budget for swine flu, must be constantly monitored.

Dr Deeny also referred to health as being the number one public priority. He mentioned a patient in his practice who was kept waiting for hours for a hospital bed.

Dr Deeny also referred to the scaling down of administrative and management staff. He welcomed that moves have been made in the right direction but said that that more needed to be done and referred to the number of directors in the Belfast Trust. Dr Deeny also noted the shift of focus from secondary to primary care and stressed that the funding needed to follow it.

Alex Easton said that in 2010-11, the health budget will have grown from £3.5 billion in 2007 to £4 billion. The Department is already allowed to keep its efficiency savings. Mr Easton asked the Minister to explain the workings of the control fund, and I believe that the Minister failed to do so in his contribution. Mr Easton went on to say that the decision to cut front line services lies firmly with the Minister. He also said that the DUP has identified £7 million to £8 million in savings: perhaps we will learn more about that as time goes on.

Sue Ramsey noted that the Health Committee had brought the motion as a result of a lack of information from the Minister. She recognised that the Health Service is underfunded, but also said that there was wastage, such as the use of taxis to transfer records. Ms Ramsey also said that she had asked for information on whether any chief executive of a legacy trust had been held to account for the legacy debt that the trusts have incurred. Again, the Minister, in his contribution to the debate, did not pick up on that.

Simon Hamilton said that there is still scope for savings in the Health Service. He said that there has been a large increase in administrators, managers and senior managers. Again, perhaps the Minister will explain that in time.

An issue arose about the failure of the Department to answer questions. In response, the Minister talked about the cost of answering questions. However, it is the democratic right of any Member to ask questions of the Minister. I wonder how much it cost the Minister to find out how much it costs the Department to answer a question.

Simon Hamilton went on to say that exempting the Department from efficiency savings will increase the need for cuts in other areas, such as housing, which is the responsibility of DSD, and in other Departments.

Declan O'Loan noted that pressures due to efficiency savings are very apparent in the Health Service and that productivity is well below that in England and Wales. He also said that he wanted to hear about the often-cited 9% rise in demand, though he conceded that there is always demand for new drugs and new technologies. Mr O'Loan also said that it is oversimplistic to maintain that all cuts should be made only in administration and management. He said that deficits had now been addressed, but only at the cost of new service provision.

I turn to the Minister's contribution. He accused the Health Committee of attacking the productivity of healthcare workers. In my contribution, I recognised that front line staff do an excellent job: had the Minister been listening, he would have heard that. I raised the issue of productivity only to make comparison with other jurisdictions. I realise that part of the productivity gap is down to reliance in the North on older equipment and poorer facilities.

The whole point of the debate is to seek information about the extent of the deficits of each trust. However, instead of providing us with that information, the Minister gave us his single transferable speech once more. We are still in the dark as to how the trusts will break even in this financial year.

The Minister referred to the issue of answering questions. I have addressed that issue.

I finish on this note: I am disappointed by the Minister's contribution. I am disappointed that, once more, he did not refer to wastage in the Health Service and that he did not recognise that there are efficiencies to be achieved. The Minister maintained that front line services are not being affected. Let me give him a dose of reality. We have heard about delays in the implementation of new service developments in the Northern Trust; that affects front line services, whatever way one chooses to look at it.

I thank everyone who has contributed to the debate. Their contributions are most welcome. Go raibh maith agat.

*Question put*, That the amendment be made.

*The Assembly divided*: Ayes 16; Noes 69.

AYES

*Mr Armstrong, Mr Beggs, Mr Cobain, Rev Dr Robert Coulter, Mr Cree, Mr Elliott, Sir Reg Empey, Mr Gardiner, Mr Kennedy, Mr Kinahan, Mr McCallister, Mr B McCrea, Mr McFarland, Mr McGimpsey, Ms Purvis, Mr K Robinson.*

*Tellers for the Ayes: Mr Gardiner and Mr McCallister.*

NOES

*Mr Attwood, Mr Boylan, Mr D Bradley, Mrs M Bradley, Mr P J Bradley, Mr Brady, Mr Bresland, Lord Browne, Mr Buchanan, Mr Burns, Mr Butler, Mr Campbell, Mr T Clarke, Mr W Clarke, Mr Craig, Dr Deeny, Mr Dodds, Mr Donaldson, Mr Easton, Dr Farry, Mr Ford, Mrs Foster, Mr Gallagher, Ms Gildernew, Mr Hamilton, Mrs Hanna, Mr Hilditch, Mr Irwin, Mr G Kelly, Ms Lo, Mrs Long, Mr A Maginness, Mr A Maskey, Ms J McCann, Mr McCarthy, Mr McCartney, Mr McCausland, Mr I McCrea, Dr McDonnell,*

Mr McElduff, Mrs McGill, Mr McGlone,  
Mr M McGuinness, Mr McHugh, Miss McIlveen,  
Mr McKay, Mr McLaughlin, Mr Molloy, Lord Morrow,  
Mr Murphy, Mr Newton, Ms Ni Chuilin, Mr O'Dowd,  
Mr O'Loan, Mrs O'Neill, Mr Paisley Jnr, Mr Poots,  
Mr P Ramsey, Ms S Ramsey, Mr G Robinson,  
Mrs I Robinson, Mr Ross, Ms Ruane, Mr Shannon,  
Mr Simpson, Mr Spratt, Mr Weir, Mr B Wilson,  
Mr S Wilson.

*Tellers for the Noes: Mrs O'Neill and Ms S Ramsey.*

*Question accordingly negatived.*

*Main Question put and agreed to.*

*Resolved:*

That this Assembly calls on the Minister of Health, Social Services and Public Safety to outline the details of the efficiency savings proposals agreed with each health and social care trust; and to ensure that the efficiency savings proposals and contingency proposals for deficits in the current budget of each trust will not impact on front line services.

## PRIVATE MEMBERS' BUSINESS

### Multi-unit Development Management Company Reform

**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. One amendment has been selected and published on the Marshalled List. The proposer of the amendment will have 10 minutes in which to propose and five minutes in which to make a winding-up speech. All other Members who wish to speak will have five minutes.

**Mr McCarthy:** I beg to move

That this Assembly notes that the regulations on multi-unit development management companies are not currently adequate; notes that Northern Ireland has fallen behind the rest of the United Kingdom and the Republic of Ireland in legislating on this issue; and calls on the Department of Finance and Personnel and the Executive to develop proposals on the matter.

On behalf of the many concerned apartment owners in Northern Ireland, I am grateful to my colleagues, and to the Business Committee, for agreeing to the debate on this very important issue.

**Mr Weir:** Will the Member give way? *[Laughter.]*

**Mr McCarthy:** No. I have 15 minutes' worth of speaking notes and I have been allowed only 10 minutes. If I have time at the end of my contribution, I will give way to the Member. That is as good as I can do.

By the end of the debate I hope that the entire House will have agreed that there is a problem that greatly affects apartment owners, and, as a local Assembly, will have agreed to do what it can to rectify that problem.

There are 40,000 apartment owners in Northern Ireland, and, as it is a relatively new way of living here, owners have discovered many problems with the non-completion of work by management companies. Those companies are given a fairly substantial monthly payment and are responsible for all common areas around apartment blocks.

There are many very good and efficient management companies in Northern Ireland that provide a good service. However, I want rules, regulations and legislation, as in other regions of the United Kingdom, to ensure that all management companies in Northern Ireland carry out the duties for which they are paid and provide apartment owners with a quality service. At present, that is not happening.

The motion calls on the Minister of Finance and Personnel and his Executive colleagues to acknowledge the problem and to propose legislation that deals with management companies. I am grateful that Minister

Wilson is in the Chamber today, and I remind him — should he need reminding — that when he was Minister of the Environment he acknowledged that there was a problem in this area.

At that time, Minister Wilson said that he had received a number of complaints from constituents, and he called for action to protect the growing number of apartment dwellers from shoddy services provided by property management companies. He said that he believed that Stormont — that is us — should introduce new regulations to ensure that money that is paid out by apartment owners is used to service their property blocks. We all agree on that, and now that Mr Wilson has been promoted to Minister of Finance and Personnel, let us see him put his money where his mouth is. I am quite sure that he will.

Both of Minister Wilson's predecessors were not as positive. When Mr Robinson and Mr Dodds held the position of Minister of Finance and Personnel, in reply to a question, both said that they were not persuaded that there was a need, at the time, to prioritise consideration of leaseholder reform. The most recent reply to that effect was received in September 2008, which is more than a year ago. I hope that our new Minister will perhaps agree that now the time is right to put apartment owners at ease.

Members have had access to the information pack that was compiled by the Assembly's Research and Library Services. I warmly commend all staff who were involved in producing that. All relevant information has been condensed in that pack, including press coverage during the period 2008-09, when the issue seemed to come to the fore.

One media report asked the question:

"Can we get rid of our management firm?...The property management company for our block of flats is shambolic — filthy floors, poor maintenance, rip-off charges".

Those owners are at their wits' end, and it appears that very little has been or can be done, unless and until regulation and legislation is introduced in Northern Ireland.

One apartment owner was told that the property was devalued by 20% because the corridors and gardens of the building were not being properly maintained, despite the fact that the owner was paying a high monthly premium for that work to be done. That cannot be right nor allowed to continue. Another apartment owner who uses a wheelchair came to see me in this Building some time ago and told a similar story. He had paid his service charges, but, on many occasions, the lift at his apartment block was not working. After chasing the management company for a better service, he was finally forced to directly contact the lift company, only to be told that the service contract had not been renewed. That is absolutely

unacceptable. Another owner reported that thousands of pounds were unaccounted for from their apartment block bank account. It was later discovered that efforts had been made by the company to change the records.

The information in the many written testimonies that I have received is truly shocking. In another case, after several years of living in an apartment block, the owners discovered that they were not shareholders in the management company. For some reason, the solicitors never vested the common areas from the developer. Instead, the builder passed ownership to his own accountant, who, in turn, collected thousands of pounds in service charges from the apartment owners, with no work or maintenance to show for it.

Those experiences have convinced me not only of the need for legislative reform in Northern Ireland, but of the precise measures that we need to enact to solve the problem. My research demonstrates that the solution to the problem has an advantage in that it involves changes that are entirely within the competence of the Assembly to bring about.

4.00 pm

As I said earlier, Northern Ireland lags behind other regions of the UK and certainly behind the South of Ireland, where, as recently as May 2009, Minister Dermot Ahern published the Multi-Unit Developments Bill, which will introduce sweeping reforms for the owners of existing and new apartment and multi-unit residential complexes. The Minister said that the Bill will introduce:

"a comprehensive legislative framework to cater for the specific needs of apartment owners in multi-unit developments. Existing legislation under which property management companies operate is inadequate to deal with and resolve the various difficulties being experienced by individual apartment owners."

That Bill will allow apartment owners much more peace of mind and will certainly greatly improve legal protection. That is exactly what is required in Northern Ireland.

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

I hope that the House can unite to vote in favour of the motion so that apartment owners all over Northern Ireland can have confidence in their Assembly to modernise and legislate for some of the serious problems that they have encountered. The issue does not only affect apartment owners, the value of the properties and their level of outgoings; it affects management agents of good standing and repute, to whom I referred earlier. They have asked me to do something because they are sick of being tarred with the same brush as rogue management companies. This is our opportunity to allow apartment owners to see progress and to end their nightmare once and for all.

Mr Speaker, I could spend the rest of the afternoon relating many horror stories from apartment owners of how they have had a raw deal from their management companies, but you would not allow me. Some of those people have even had to go to the courts. It is essential that everything is in place, including proper insurance, proper emergency planning and proper fire prevention policies.

**Mr Speaker:** The Member should bring his remarks to a close.

**Mr McCarthy:** All apartment owners must have up-to-date information. The Assembly has the chance to address the problem, and I ask all Members to support the motion. Unfortunately, the amendment does not offer anything beyond the original proposal.

**Mr T Clarke:** I beg to move the following amendment: Leave out all after 'adequate' and insert

"and calls on the Executive to introduce new legislation that will govern the way in which they operate".

I thank the proposer for tabling the motion, although I am a bit confused by what he said. He said that he spoke to other Ministers about the topic, and he said that the DUP amendment does not go far enough because it relates to the Executive. I have been communicating with the Minister of Enterprise, Trade and Investment on the matter for some time, and she has afforded me an opportunity, with others, to meet some of her officials to discuss the issue. I will read a response that I received from the Minister that refers to a meeting in March 2009.

Before I read that, however, I should mention that my colleague Alastair Ross and I tried to table a motion on the same subject as Mr McCarthy. We thought that the issue was important, and I am glad that it is being debated. Unfortunately for us, Kieran got in before us.

**Mr McCarthy:** I was quick off the mark, Trevor.

**Mr T Clarke:** I would not describe it that way.

The Minister's reply referred to the fact that the Office of Fair Trading had evidence relating to the issue, and I understand that there were similar problems in Scotland. She said:

"I understand that the Commonhold and Leasehold Reform Act 2002 (which applies to England and Wales and which is primarily housing legislation) seeks to protect the tenancy rights of occupiers of the kind of developments you have discussed".

That response refers to an issue that comes under the remit of DSD, as opposed to DFP.

The Minister also pointed out in her letter that the Department of the Environment has an interest through its Northern Ireland planning policy OS 2, 'Public Open Space in New Residential Development'. When my colleague and I were formulating a motion on this subject, we felt that it should be directed at the

Executive, rather than simply at DFP. I thank Arlene Foster for the meetings that we have had.

Mr McCarthy has given good examples of the problem. No one will disagree that there is a problem. We all recognise it. The issue is how the Assembly deals with it.

I was first introduced to the problem when residents from the Victoria Road in Ballyclare visited my office. In common with all buyers of new properties, they were signing up to an arrangement with a management company and putting the matter in the hands of a solicitor. They were concerned that they did not understand the arrangement with the management company. They knew that they had to pay an annual amount of money but did not know what it was for. With the contracts signed, sealed and delivered, they were caught in a trap. At their AGM, the residents discovered that they had no voting rights and could not appoint directorships to their own management company.

As Mr McCarthy said, not all management companies are unscrupulous, but, unfortunately, some do exploit people in Northern Ireland, and they are the subject of today's debate. There must be protection for consumers against them.

In the situation that I described, the managing agent holds so many shares that there is no intention of completing the development, which would allow its management to be transferred to another company. In a sense, it is a closed shop: other companies are prevented from taking over that company's duties and there is no input from people who live in the development. That situation is totally unacceptable and must be changed. Regulation is needed for those reasons.

I make no apology for naming the management company that is involved in that case: Brackenwood Property Management Ltd. It appoints all its own internal interests. Residents should get best value for the money that they pay to the management agent for their development. I believe that, in that instance, the agent used its own internal grounds maintenance and other similar services. Therefore, there is no clear trail that can demonstrate that best value was sought for the consumer.

People who have been present at meetings that I have had with DETI officials have told horror stories, which get worse, about other developments. We heard about a recent case that involved a development in Belfast where residents had paid money in good faith to the management company only to find out that insurance for the apartment block in which they lived had been withdrawn. That is an absolute horror story — a nightmare scenario — for those residents, who paid money in good faith to an unscrupulous company, which is prepared to take that money for its own gain and is not interested in the people whom it is there to serve.



Around 2006, the property management company, DMS, went bust. Although that was probably fortunate for the residents of an apartment block in Belfast in the longer term, initially, it was unfortunate because, due to the company's non-payment for electricity, for which, I believe, a case was taken against it, those residents had to pay service charges twice. Those residents paid money in good faith to an unregulated management company. That company went to the wall, leaving those individuals to pay twice for electricity. That is absolutely unacceptable. For those reasons, protection measures must be brought in.

Mr McCarthy said that the situation with management companies is new. It is not new; it has been ongoing for a few years. The problems are starting to arise. I am worried that people pay money in good faith to management companies. People who live in apartments are probably the most vulnerable. After a few years, when problems have started to develop, an unscrupulous agent can pull out and leave no money for residents for the upkeep of their properties. The opportunity has been created for agents to leave residents in dire straits. They can take money out of a sinking fund and leave residents in no position to enhance or repair their properties to a good state.

**Mr Ross:** The Member said that the situation has been going on for a few years. He talked about DETI's role, referred to DOE's responsibility for planning, and suggested that the Minister of Finance and Personnel might be able to act. Does the Member agree that it is now imperative that all those Departments get together to ensure that they bring forward relevant legislation to address the issue? Is that not preferable to the original motion, which aims to persuade one Minister to act, and would not result in the collective action that is required?

**Mr T Clarke:** I appreciate the Member's intervention, and I agree wholeheartedly with him. I was trying to highlight that need for collective action in the Minister of Enterprise, Trade and Investment's response. She was more than happy to facilitate meetings on more than one occasion. The Minister accepts that her Department has a responsibility, and does not shun that. In her response, however, she identified that DSD and DOE also have a responsibility. A collective decision is required, and that is why the amendment calls on the Executive to act. I hope that, when we reach the end of the debate, Kieran and his party will accept the amendment.

**Mr McLaughlin:** Go raibh maith agat, a LeasCheann Comhairle. While listening to the proposer of the motion and, subsequently, to the proposer of the amendment, I was struck by how much common ground there is between them. My party also shares that common ground, and it is a pity that the Assembly has not yet developed a mechanism whereby such commonalities could be advanced to the point of an

agreed motion. As has been explained in some detail, the current procedures mean that the determination on which motion came before the House was simply a matter of timing.

**Mr Ross:** For the Member's information, my party approached the Alliance Party to try to agree wording to which we could all sign up. Unfortunately, however, that did not happen, because Mr McCarthy was keen that it remain a purely Alliance Party motion.

**Mr McLaughlin:** I have no doubt about that, because I have been in a similar situation in the past. Given the impact on the Assembly's time and effort, I suggest a formal mechanism whereby the Business Office and, perhaps, the Assembly Commission should attempt to facilitate discussions when there is such a united front as exists in this case. I agree so strongly with Members who have spoken that I do not intend to rehearse their arguments. I simply put on record that they have ably stated the case.

Good and best practice is available elsewhere. Every party will testify to having heard similar complaints from tenants in their constituencies. People who share common facilities need to be protected from unscrupulous contractors. As Mr Clarke pointed out, that does not, by any means, apply to all contractors. However, there are sufficient grounds for concern and, therefore, sufficient grounds to put in place legislation to address the issue. Some practices are clearly unscrupulous, and many tenants do not have a clear idea of the degree and quality of services for which they pay. They do not know how they can hold people to account or insist on a better service.

Often, when the leases of apartments are passed on, or new tenancies in the private rented sector are passed on to a second or third generation of tenant, the detail of the original contracts is lost in the mists of time. That is a recipe for the abuse that now exists. Sinn Féin is comfortable with supporting the motion as amended or the original motion, because they draw attention to an issue that must be addressed.

It seemed from the speech of the motion's proposer that there may be resistance to the motion. That is disappointing, and I cannot comprehend the reasons for such resistance; perhaps the Minister will elaborate. I imagined that the Executive would be keen to address the matter. They could do that with the minimum of fuss and effort, and they should.

The issue cries out for us to support people who are, in some instances, manifestly the victims of unscrupulous business practices. We should be prepared to confront that unscrupulousness. Go raibh míle maith agat.

4.15 pm

**Mr Deputy Speaker:** I call Mr Danny Kinahan.

**Mr Kennedy:** Did you call Danny Kinahan or Danny Kennedy, Mr Deputy Speaker? I am Danny Kennedy.

**Mr Deputy Speaker:** I am aware of that. I called Mr Kinahan, but if Mr Kennedy wishes to speak first, that it is OK.

**Mr S Wilson:** He ranks higher than Mr Kinahan.

**Mr Kinahan:** I am very happy to let my colleague speak first. *[Laughter.]*

**Mr S Wilson:** He is pulling rank.

**Mr Kennedy:** Mr Wilson would do so, too.

I am grateful for the opportunity to contribute to this important debate and to my esteemed colleague Danny Kinahan for allowing me to speak before him.

I thank the Members who tabled the motion. As has been mentioned, more and more people in Northern Ireland are choosing to live in apartments and flats. It is apparent that the regulations that surround the management of communal spaces are not as robust as they should be and, as the motion states, that they fall short of those that exist in Great Britain and the Republic of Ireland.

**Mr T Clarke:** I asked the Member to give way because I know that he has enjoyed standing up and sitting down during the debate.

Mr Kennedy referred to the issue of apartments. Does he accept that the regulations relate to developments other than just apartments? People sometimes get confused, but given the open space element, the regulations cover houses, town houses and apartments.

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

**Mr Kennedy:** I thank the Member for his contribution, and I accept the important difference.

I note that the Northern Ireland Law Commission has consulted on whether reform of that area of law should form part of its first work programme, and I understand that it is to report on the content of that programme this month. I hope that the report will contain proposals for reform.

Weak regulations can lead to two main problems for owners, particularly apartment owners. First, they are not given the guarantees that are needed. The money that they pay to a management company should be used appropriately to do the work necessary to maintain the structure and aesthetic integrity of communal spaces and buildings. However, I am particularly concerned that many agreements do not have a sink-fund option, which means that apartment owners in particular may be left with a significant bill for non-planned or irregular maintenance work. That problem has been somewhat exacerbated during the recession, with many management companies going

under or not completing their work, thereby leaving owners in great difficulty.

The second problem for owners is that the lack of regulations surrounding management companies, to use the words of the Law Commission:

“creates a complicated web of legal relationships”.

That means that, unless competent solicitors put in place a competent conveyancing agreement from the beginning, the sale of a flat can be prejudiced if lenders, such as banks and building societies, indicate unhappiness with the legal arrangements. The housing market is still in serious difficulties, and any further burdens would be unwelcome. The apartment market is often attractive to first-time buyers, and any complications that limit their ability to get on the property ladder must be addressed as soon as possible.

The provisions that have been introduced in Great Britain and in the Republic of Ireland vary. For example, there is more flexibility in English and Welsh legislation to allow owners to establish their own management companies than appears to exist in the legislation that was recently introduced in the Republic of Ireland.

However, both jurisdictions allow for much greater accountability and input into the management of buildings by owners, which creates greater accountability and better financial and maintenance management. It is good for the individuals involved and, ultimately, it will be good for the housing market, which, rightly or wrongly, has formed a significant part of our economy in recent years.

The Minister of Finance and Personnel has already stated publicly that he is in favour of addressing the issue. The Minister said:

“It’s the only situation I know where people pay money and there is no guarantee of service.”

Therefore, I hope that the Minister will look at the motion and take into consideration the views of the House.

I note the Law Commission’s work programme, and I hope that the issue will be brought forward. If it is not, I hope that the Minister and the Executive will make it a priority. I support the motion.

**Mr O’Loan:** The motion must be one of the more mysterious to appear on the Order Paper. When it initially appeared, there was a great deal of head scratching among Members and researchers — including the Assembly’s Research and Library Service — as to what the motion referred. Although a little bit more clarity has emerged, the initial reaction says something about whether tabling a motion was the best mechanism by which to bring the issue forward. I will say more about that later.

It appears that there is a significant issue — in certain places, at any rate — in relation to people in apartments paying heavy charges and not getting the proper benefits in return.

In England and Wales, the issue was addressed way back in 2002 with the Commonhold and Leasehold Reform Act 2002. In Scotland, the issue has been much studied with what are referred to as “cowboy” property managers being the central issue. It is not clear what exact remedies they have come up with in Scotland. However, reference has been made to creating a register of property managers and to easier remedies for residents.

The biggest changes that I have seen are in Ireland, where, following the great growth in apartment dwelling, the issue has been perceived as a huge problem. In May 2009, the Minister for Justice, Equality and Law Reform introduced the Multi-Unit Development Bill to improve the regulation of multi-unit developments.

When bringing that legislation forward, the Minister referred to purchasers of apartments who may not realise the implications of their ownership and the responsibilities involved in being a member of a property management company. One issue that may not have affected us yet is that when apartment dwellings are new, maintenance issues may not be pressing. However, over the passage of time — as has occurred in England and Wales — significant refurbishment may be required and there may be heavy charges on residents. People need to be ready for that and to recognise their legal responsibilities.

The purpose of the Irish Bill is improved legal protection for apartment owners and an improvement in the management and maintenance of the internal and external common areas in apartment complexes.

I notice that that Bill was preceded by a report on the matter by the Law Reform Commission. That is the right order in which to do things: a problem needs to be studied before proposals can be made to address the issue. As far as I can see, before the motion was brought forward, there was very little examination of the issue in the Assembly. Kieran McCarthy asked the Minister a couple of questions, and, interestingly, the Minister showed little interest in making any proposals.

When the present Minister of Finance was Minister of the Environment, he said, on record, that the matter needed to be addressed. However, his colleague, the then Finance Minister, did not show the same interest. The issue should have been tested at Committee before it was brought before the Assembly.

The amendment should not have been tabled.

**Mr Ross:** The Member said that the issue should have been discussed at Committee. In which

Committee would he like the issue discussed? As we heard, the issue affects DFP, DETI, DSD and, importantly for planning regulations, DOE.

**Mr O’Loan:** I do not know. When Mr McCarthy submitted questions on the matter, they were assigned to the Minister of Finance and Personnel, although I am open to correction. The Minister of Finance and Personnel is here to respond; I presume that his attendance was discussed in the Executive, so he is here for a good reason.

**Some Members:** It was in the motion.

**Mr O’Loan:** Just because the Minister is referred to in the motion, it is not obligatory for him to respond. If it was not appropriate for him to respond, he would not be here.

**Mr T Clarke:** I am confused by the Member’s response. He said that he thought that the issue would be better discussed at Committee, and my colleague asked him which one. The Member came with an assumption that the issue should be discussed at a Committee; all we are trying to find out is which Committee would be best to discuss it.

**Mr O’Loan:** I have already answered that. I do not claim to be an expert on which Department is responsible for the matter. I note that the Minister of Finance and Personnel is here to respond, so I assume that he has accepted some responsibility for the matter.

The amendment is not particularly constructive. The motion calls on the Minister of Finance and Personnel and the Executive to develop proposals on the matter. In proposing the motion, Mr McCarthy referred to legislation. Therefore, it would be sensible for the Department of Finance to research the issue, identify problems that undoubtedly exist, devise some remedies and bring them to the Finance Committee. I have no difficulty with other Committees being involved. I hope that the Members who tabled the amendment will not push it to a Division.

**Mr Shannon:** I support the amendment. I thank the Members who tabled the motion and the amendment for bringing them to the Chamber and giving us a chance to speak on the issue.

With the hike in house prices in the past few years, the attraction of an apartment has grown steadily stronger, and that applies to properties other than apartments. Increasing numbers of young people are finding that a two- or three-bedroom apartment is much more affordable and suitable to their needs. They are branching out in that direction, because their pocket allows them to.

The problem in the Province is that there is no regulation of apartment blocks or housing developments. Legislation on that issue was introduced in the UK mainland, which should be considered for Northern

Ireland. Many who purchase apartments in multi-unit developments do not fully realise the type of ownership arrangement into which they are entering and the responsibilities involved in membership of the property management company.

In some cases, developers have been slow to transfer ownership of common areas to property management companies. Those delays have caused frustration for owners who want to get involved in managing and maintaining their developments.

The National Kinsoomer Assosiation faer fawed tha publishin o' Muckle-Unit Developmunt Bill oan tha maenlan, saein that it haud maed a large step fort fer tha lukin efter o' fowk leevin in apertmunt an muckle-unit developmunt. Wi' mare an mare fowk leevin in muckle-unit developmunt, ther is a cleer need fer bringin tha tither tha industrie.

The National Consumer Council welcomed the publication of a Multi-Unit Development Bill, saying that it represented a major step forward in the protection of consumers who are living in apartments in multi-unit developments. With increasing numbers of people living in multi-unit developments, there is a clear need for regulation of the industry.

Many owners in multi-unit developments have found themselves in difficult positions arising from poor operation and management of their developments. I know of one development in which the management company was taking money from each apartment owner for a maintenance superintendant, yet no one had been appointed and the money ended up — dare I say? — lining the pockets of either the management company or the developers. That highlights the need for legislation to act as a protective barrier. Residents must have protection that will give them a greater say in how their developments are managed.

Developers and builders must protect the ownership rights of people who live in the houses and apartments and ensure that upkeep and maintenance are carried out and that properties do not deteriorate.

4.30 pm

My colleague Trevor Clarke mentioned insurance cover. A constituent visited me last week to say that he does not know how long he has been without insurance cover. I thank the Lord that there has not been a fire or other problems in his property. He discovered that his property has no insurance because he cannot contact the company.

**Mr T Clarke:** Is the Member aware that, when people buy into those types of development, the agent can increase the service charge without explanation?

**Mr Deputy Speaker:** The Member has an extra minute in which to speak.

**Mr Shannon:** That is another complication of the process; it highlights the need for legislative change in Northern Ireland.

In 2006, the National Consumer Council carried out a survey to discover which issues were important to owners. Such matters must be examined in the context of Northern Ireland during any consideration of legislation. Specific issues must be addressed in legislation, such as the transfer of the common areas to the ownership of an owners' management company, changes in voting rights, transparency in the calculation of service charges and the requirement to create a sink fund. All those issues must be taken on board.

As some Members have said, it is interesting that Scotland has regulation. However, some management companies that look after properties in Northern Ireland are registered in Scotland, and we cannot make them accountable. Several of those issues are merely a matter of fair play, yet it seems that legislation is necessary to ensure that fair play is always carried out. For example, it seems obvious that votes should be allocated on a single-vote-per-unit basis. However, that is not always the case. Recommendation 14 of the National Consumer Agency's report in October 2006, which is entitled 'Management Fees and Service Charges Levied on Owners of Property in Multi-Unit Dwellings', found difficulties with the golden votes that are held by developers. We are all aware of the film 'The Man with the Golden Gun'; the people with the golden votes have more power than the man with the gun.

As was mentioned previously, service charges should be clearly itemised, and cost categories should be included in the calculation of a service charge. There should be a formal process, through a general meeting of the owners' management company, for the approval of such service charges.

Other Members have highlighted other areas, and, therefore, I will not mention those at length. However, it is sufficient to say that we need a framework. Now is the time to examine the legislation on the mainland and in the Republic to determine the best way to protect the needs of people in the Province. The regulation of multi-unit developments and the governance of management companies in such developments must be improved.

We can learn much from the legislation that has been enacted on the mainland and in the Republic of Ireland. The amendment tightens and strengthens the motion and calls for the development of proposals; that is the way to approach the issue. I support the amendment, and I hope that the proposers of the motion take it on board.

**Mr Weir:** In supporting the amendment, I will follow my colleague's example and mention a James

Bond movie. I hope that the people with the golden vote will go the same way as Scaramanga in 'The Man with the Golden Gun'. Unfortunately, James Bond cannot rescue us on this matter; we will have to rely on legislation, because that is what will be required. I do not know whether the Minister is playing the role of Moneypenny in the matter.

It is important to have this debate. As others have said, the owners of the vast majority of management development companies are responsible people who provide a service. However, we are all aware — I am certainly aware from my constituency — of situations in which owners of apartments, town houses and other types of accommodation that are controlled by such companies have got a raw deal. They have experienced a situation where charges from management companies have increased without explanation. It is important to provide proper protection, albeit because of a minority of companies.

The proposer of the motion said that some people had sought legal redress. We are not starting out with a blank page in this matter. However, the law needs to be updated.

Our leasehold law, contract law and land law deal with complex situations. In many ways, given the situation in Northern Ireland with regard to the issues at hand, it is not surprising that other jurisdictions are ahead of us. Our contract law mirrors that of the rest of the United Kingdom, but land law on the island of Ireland has always been different from that in Great Britain, and it has diverged to a degree between Northern Ireland and the Republic of Ireland as a result of almost 90 years of partition. We are in a complex situation, but there is clearly a need for action to be taken.

Many relevant points have been covered. Mr O'Loan said that there was not a great deal of difference between the amendment and the motion, and, because he is in favour of the motion, I assume that he will support the amendment and will avoid dividing the House. There is not a great deal of distance between the parties' positions on the motion, but our amendment makes two small steps forward that strengthen it.

First, although it is implicit in the motion that new legislation is needed, the amendment makes it explicit that action should not simply be taken by Departments and that there should be a direct commitment to new legislation. Only new legislation can put such action on a statutory basis and provide a form of statutory protection.

Secondly, as has been indicated, new legislation may require different actions by different Departments in a multi-agency approach. The proposer of the amendment said that DFP should be involved because of the law reform aspect. DETI must be involved because there are planning aspects to consider and,

because there could be a degree of overhang into social housing, DSD might also have a part to play.

We must examine the issue from a joined-up government point of view. The onus should not be on one Department alone, because a single Department may not be able to deal adequately with such a matter. The whole Executive must be involved. I would like to see —

**Mr O'Loan:** I refer the Member to the wording of the original motion, which:

"calls on the Department of Finance and Personnel and the Executive to develop proposals on the matter."

**Mr Deputy Speaker:** The Member has an extra minute in which to speak.

**Mr Weir:** That makes my point perfectly, because, even though it mentions the Executive, the motion singles out one Department, whereas we really need cross-departmental work to bring forward legislation. That could be achieved by way of a cross-departmental working group or an Executive subgroup, because there may have to be several different pieces of legislation. There are different ways of taking action, but the Executive must ensure that action is taken together. To place a focus on one Department is the wrong way forward.

I do not believe that there is great deal of distance between the parties' intentions. The aim of the motion and the amendment is to bring the same thing forward together. The amendment makes an additional half-step forward, and I appeal to Members to back it. I hope that Members will not seek to divide the House. The amendment can be married to the best elements of Mr McCarthy's motion in order to reach an appropriate synergy that will allow us to stand united and give a degree of protection to owners of apartments and town houses. I look forward to a strong commitment from the whole Executive to new legislation.

**Mr Deputy Speaker:** I call Mr Danny Kinahan.

**Mr Kinahan:** Thank you, Mr Deputy Speaker. I will take my chance this time round, and I take note of the —

**Mr Shannon:** Is your name Danny Kennedy?

**Mr Kinahan:** I will be anyone you like, as long as I get the girl and do not get shot or eaten by sharks. When it comes to James Bond movies, I always feel that I am likely to be the latter.

I was not planning to speak, but this is a serious and important matter on which I have been lobbied on several occasions, rather like my colleagues in South Antrim, by people who have fallen foul of regulations or the lack of them.

First, we should praise companies that do their job well, that deliver services on time and correctly and keep apartment and house owners well informed.

However, there are many places where the process is going wrong, and regulation and accountability are required. We have seen today that Members agree broadly on the direction that we should take, albeit that the minor details are not agreed.

When one is buying a house, it is essential that everything is explained to the buyer. I hope that, when the proposals become legislation, owners can have access to such knowledge. A house is probably the biggest investment that someone will make in their entire life. That investment involves the homes that people will live in, and they want to be comfortable with their neighbours and have everything working around them. No one wants a battle when they go home; people want a nice, simple life. I would like there to be a checklist that people go through every time they buy a house.

It needs to be made clear where ownership lies. In one or two cases that I have been involved in, management companies or the original developer still owned some of the houses, and it has been incredibly difficult to get everyone together to resolve the problems, because doing so is not always in everyone's interest. As many Members said, it is important that everything is insured properly and that services are delivered in an agreed and timely way.

We also need to ensure that there is a central point from which to obtain a response. That means that there must be someone who can be contacted by phone, e-mail or text when things go wrong. There has to be some central organisation so that, if something goes wrong, one can go home at night and know that one's problems have been raised and dealt with.

I am in two minds as to whether the regulations should be the responsibility of one Department or spread between Departments. However, such responsibility certainly falls to the Executive. It was left with me that, if the case were well argued, I could choose to vote for the amendment rather than the motion. The argument for the amendment was well made, and it strengthens the motion. We are all agreed that we want regulations enforced in legislation. Therefore, I support the amendment and the motion.

**The Minister of Finance and Personnel (Mr S Wilson):** I thank the Members who participated in the debate. I am not quite clear as to why I am responding, other than to say that, when I lifted the Order Paper, I found that I had been instructed to be here to do so. I have no difficulty with that, although I do not necessarily think that this is primarily a DFP issue. However, I have a particular interest in the subject, which is one reason why I was not unhappy to be asked to respond.

I am glad that Members quoted liberally from my previous ruminations on the subject. I was watching

the clock when Mr McCarthy was speaking, and 10% of his speech was a repetition of things that I said previously on the issue. Therefore, I was very pleased that he offered me that degree of recognition, although I suspect that it was probably a little prod to move me along on the issue.

My natural inclination in many of these matters is not to impose yet more regulation and red tape. There is a misconception in the press that, unless we are passing new laws here every day, we are not doing our work. Sometimes the best thing that the Assembly can do is not to impose and heap on a greater burden of law. However, in this instance, I believe that there is a gap in the regulations and a loophole in the law.

I will not repeat Members' contributions, but it is quite clear that many people who have invested in a house and spent a lot of money on a home face a degree of uncertainty. They may find themselves without recourse to the people who should be looking after the premises, and they may find that, as a result, they are not getting the services and support that they need. In many cases, properties are being devalued by actions that the owners have no control over. We must examine ways to deal with the issue.

4.45 pm

**Mr McCarthy:** The most important thing is to ensure that apartment owners do not go to bed thinking that they are covered only to find, after a fire in the apartment block, for example, that the contract had not been renewed and that they are not insured. It is vital that the Minister, the Executive and all the Departments do what is required to prevent that from happening.

**The Minister of Finance and Personnel:** Beware of Mr McCarthy's interventions: they are always an attempt to make another speech, and he has proved that again. Nevertheless, he has made an important point that Members have already raised.

The complexity of the matter has been indicated by the range of issues that have been raised in the debate. Those issues include land ownership, company law, general contract law, consumer protection law and even planning. There is no easy answer, and that is one of the reasons why the matter has fallen through the gaps until now. The range of issues also means that the matter concerns a range of Departments, and I will come to that later.

Two approaches to dealing with the matter have been mentioned. The first of those comes from Part 2 of the Commonhold and Leasehold Reform Act 2002 in England and Wales. That approach has come in for some criticism because, although it gives people who live in apartments and multi-unit dwellings the right to manage, it does not regulate their management strongly. It is OK to give the people who live in an apartment block the right to manage that block themselves rather

than have it managed by a management company, but there must be some degree of regulation and certainty. There is no guarantee that those people will be competent or that they will do the job well. That is why the Irish Republic is considering instead the regulation and governance of management companies. Consideration of the two approaches again shows that there is not simply one solution.

Members referred to the role of the Law Commission. I know that Mr McCarthy has been involved in discussions with the Law Commission, because he intended to bring this matter forward in a private Member's Bill at one stage. He did not explain why that approach was not pursued, but I suspect that one reason was the complexity of the matter and the fact that there is no easy answer.

The Law Commission indicated that, as a result of representations, it is a possible topic for inclusion in the first programme for law reform; I understand that that is as far as the matter has gone. I am quite happy for the Law Commission to do work on that to highlight the issues, but I suspect that it will consider the matter more from the perspective of land ownership than from that of the other regulation that will be required.

As a range of Departments are involved, I would like a number of steps to be taken. I am happy to get permanent secretaries and Ministers from all Departments — five Departments have been mentioned so far in the debate — to determine who should take the lead on the issue. That is not to pass the buck: we have to be clear about the direction in which we want to go. We need to ascertain whether the matter is essentially one of housing, land reform or the regulation of companies. There will also be peripheral interest from the Department of the Environment because planning is involved, but the first step, which I will take as a result of the Assembly debate today, is to get together all the Departments that may have a legitimate interest in the issue.

A number of issues was raised today, and Members regard some of them as more important than others. Work is required to determine the specific issues that need to be addressed. If the Law Commission makes the matter one of its topics, I have no doubt that it will have an input in identifying some of the issues through the work that it does. Departments can do that also.

Although MLAs seem to have a fairly good grasp of the issues, the process will be done through inviting evidence. As Members pointed out, not all management organisations do a bad job. Indeed, they see the cowboys who operate in the industry and they may have views about the kind of things that they want stopped so that not everybody's reputation is sullied. Equally, residents and those who have to buy the

services of management companies will have an input as well.

Once that work is done, there will be a need to make recommendations. There will probably be consultation on the recommendations because they will inform whatever legislation is eventually brought forward. There is then the issue of analysing any outcome from that consultation until we get to the point at which we have draft legislation, which will again have to be consulted on — that is a requirement — before it gets to the Assembly.

That is some of the work that needs to be done. I thought that I would take some time to outline what needed to be done. I understand the concerns of those who live with uncertainty, but, time and time again, we raise expectations that matters can be remedied swiftly. Sometimes MLAs fuel that notion, especially in relation to complex issues.

**Mr T Clarke:** I know the direction in which the Minister is going. Although we do not have regulation, does he accept that what he said about addressing the issue with Departments is, in its own right, an assurance that we are starting the process, as opposed to what happened over the past number of years when it was not addressed at all?

**The Minister of Finance and Personnel:** I hope that the tenor of my speech indicates that I was not dragged kicking and screaming into the Assembly to deal with this issue today, even though there may be some debate about whether the issue rests mostly with my Department. There are other Ministers who, when it comes to allocating time in the Executive, look for every excuse not to appear in the Assembly to give their views and respond to the issues. That has not been my approach. By outlining the issues and responsibilities and by trying to plot a way forward, I hope that I am giving an indication that I want to see resources devoted to this matter. I want to see this issue resolved because it no longer affects only a small number of people in Northern Ireland. As apartment living has become more prevalent, more people are being caught up in the issues raised in the debate. I hope that what I have said has done three things: first, shown my commitment; secondly, outlined the complexities involved; and, thirdly, shown the way forward.

I hope that Members and constituents who are listening to the debate and who may have a stake in something being done will understand that these things will not be sorted out by the click of my fingers. If that were possible, I would be more than happy to do it. When we go down the legislative route, there is a process that must be followed. There is no point in having half-cocked legislation that does not resolve the issue.

I do not want to fault Westminster, but there has been criticism of the legislation for England and

Wales, perhaps for not looking at the whole range of issues involved. If we are going to do the job, let us do it right. I commit myself to seeking to bring along other Ministers to try to address the matter. It may not be an earth-shattering issue, but it once again illustrates the value of having an Assembly at Stormont to which MLAs can bring their constituents' concerns, to be considered in a sensible manner by those who are responsible for Departments, regulations and legislation with a view to resolving them.

**Mr Ross:** The Minister said it best when he talked about the perception that Stormont needs to produce more legislation, and he was right to say that it is not about getting more legislation: it is about getting good legislation. Some sort of legislation to deal with this issue would be very welcome. That is why my party welcomes the debate and, as my colleague Trevor Clarke said, we tabled a very similar motion and had approached the Alliance Party to see if we could table a joint motion. Nonetheless, we are where we are and we welcome today's debate.

The problems faced by people right across the country are clear from the debate. It is important to say that not all management companies are at fault, but the reports that we hear generally concern the bad ones. That echoes a recent BBC report asking how many of the 1.6 million people throughout the United Kingdom with leasehold property would ask whether they are getting value for money from their management companies, where the money that they pay is going and what it is used for.

Similar issues have been raised with me in my constituency, not least in Castlerocklands in Carrickfergus and in Craigstown Meadow in Magheramorne. Nearly all apartment and many new residential developments require a management agreement because common open spaces need to be maintained, which leads to the creation of management companies to look after the cleaning, maintenance, painting and other work.

However, the experience of many people has been bad. They have found the management companies unresponsive. The companies have gone bust, are not showing accounts or are not meeting residents. As we heard from Mr Clarke and from Mr McCarthy, many residents realise that there is no insurance for their buildings, which puts them at serious risk.

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

**Mr Ross:** I will not give way because I have only five minutes, I do not get any additional time, and I want to make progress.

Mr Kinahan said that there was no guarantee of quality of service for the money paid by residents to these companies, which can be anything from £100 to thousands of pounds annually. The lack of any real scrutiny of those companies must be looked at. Indeed,

as my colleague Mr Clarke again said, in many cases there is no consultation about increases in the amount that must be paid to such companies.

The issue has always been that no specific legislation exists in Northern Ireland to regulate management companies, which, over the years, have been largely self-regulating. In recent years, as we have had more apartments and residential developments, the problem has become more acute.

5.00 pm

As we heard in Mr Weir's contribution, the situation in Northern Ireland is complicated by company law, consumer protection laws and outdated property laws here. In essence, the DUP amendment is saying that not just one but a wide range of Departments have an interest in the subject. We heard about the DOE, and I wrote to the Minister of Finance and Personnel when he was in his former post. He helpfully replied citing PPS 8 policy OS 2, 'Public Open Space in New Residential Development'.

We heard that DETI has a role to play, and, when I contacted the Minister of Enterprise, Trade and Investment, she pointed to some of the legislation about which we have heard, including the Commonhold and Leasehold Reform Act 2002. We know that that legislation has not been very successful because an all-party group on land management has been established in the House of Commons with a view to changing the law. I have communicated with Gordon Banks, the secretary of that group, to discuss the issue.

Although the amendment reflects the fact that it is unclear where responsibility lies, it nonetheless asserts the need for legislation, and that is the important thing that must come from the debate. In fact, when I asked Mr O'Loan which Committee should consider the matter, I was not trying to trick him; I was highlighting the fact that it is not clear which Department should take the lead, and that confirms the need for the amendment.

I welcome the Minister's contribution and his commitment to establishing a cross-departmental subgroup to bring forward legislation. That is very important, and Members from all parties will be able to support the amendment in the knowledge that the DUP is not ducking the issue; rather, the Minister will set up a subgroup to drive the matter forward.

Several Members mentioned the Law Commission, and I know from correspondence with it that it recognises that this is a difficult legal issue that is in need of review. It hopes, with the Secretary of State's approval, to bring forward a review and some suggestions by early 2011. I hope that the Assembly will unite behind the DUP's amendment and that we can get that process moving.



**Ms Lo:** The Alliance Party does not support the amendment, which does not add anything to the motion. I reiterate that the motion:

“calls on the Department of Finance and Personnel and the Executive to develop proposals on the matter.”

That, therefore, includes all Ministers.

Nearly every Member who spoke acknowledged the problems that the lack of legislation and regulation cause, and nearly everyone spoke about cases in their own constituency. Like other Members, I have encountered a lot of complaints on the subject, but I am able to mention one happy story from my constituency, involving a constituent who, through sheer tenacity, managed to unite 100 of her fellow apartment owners against their management agent until, finally, after overcoming many obstacles, they were able to get rid of the agent and hire a new one. Nevertheless, in the process, they lost tens of thousands of pounds, which, obviously, is outrageous.

I shall now summarise Members' comments. First, I thank the Minister for giving a commitment to look at the issue, and I welcome the measures that he put forward to bring the five Departments together to discuss which should take the lead and the range of issues that must be addressed. In addition, before making recommendations, they must talk to other stakeholders. The Alliance Party will certainly be happy to work and co-operate with the Minister on that.

Kieran McCarthy examined the issue over the past year and is preparing for draft legislation.

Mr McLaughlin called for a united front in the Assembly to deal with the problem. He said that there are sufficient grounds to legislate to address the issue and the associated abuses.

Mr Kennedy mentioned the need for a sinking fund. He said that the lack of regulation and a legal framework can also prejudice the resale of houses for some apartment owners. He called for more flexibility to allow owners to manage communal areas.

Mr O'Loan spoke about the Multi-Unit Developments Bill 2009 in the Republic. He commented that there has been little mention of the issue in the Assembly and little interest has been shown by the current Minister of the Environment or any previous Minister. He urged that the proposal be tested in Committee before being put before the Assembly, a suggestion that attracted many interventions.

Mr Shannon said that more young people want to buy apartments. Apartments are more affordable and more suitable for the needs of young people, but there is inadequate regulation so the problem in Northern Ireland must be addressed. He mentioned several cases, and he called for a framework to protect

apartment owners. He also spoke about the costs of upkeep, maintenance and insurance cover.

Mr Weir said that many apartment owners have a raw deal and that they pay increasingly expensive charges but do not receive quality work in return. He called for the law to be updated. He admitted that it is a complex situation and stressed that other jurisdictions are ahead of us and that we need to consider the problem in that context.

Mr Kinahan mentioned other cases and said that, for many people, buying a house is the largest transaction that they would ever make. There must be a checklist, and those buyers need to be protected. He described the difficulties that developers and management companies face. Sometimes, it is unclear who owns which part of the communal areas in apartment blocks. I have seen examples of that in south Belfast.

I turn to the Minister's contribution. I have just been passed a note to say that we want to thank Mr Wilson for his very positive contribution. I thought that I had mentioned that; I do not need to be reminded. Thank you, Mr Wilson.

I am optimistic. Mr McCarthy, my colleagues and I have received written testimony from hundreds of apartment owners and management agents from all over Northern Ireland, and we hope that the draft Bill will solve the problem. I am confident that it will save apartment owners much money and much heartache.

Question, That the amendment be made, *put and agreed to.*

*Main Question, as amended, put and agreed to.*

*Resolved:*

That this Assembly notes that the regulations on multi-unit development management companies are not currently adequate and calls on the Executive to introduce new legislation that will govern the way in which they operate.

*Adjourned at 5.10 pm.*

