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# OFFICIAL REPORT

(HANSARD)

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# NORTHERN IRELAND ASSEMBLY

## MINISTERIAL STATEMENT

### Outcome of the December Fisheries Council Meeting

Monday 12 January 2009

*The Assembly met at 12.00 noon (Mr Speaker in the Chair).*

*Members observed two minutes' silence.*

### ASSEMBLY BUSINESS

**Mr Adams:** On a point of order, Mr Speaker. I wish you and other Members here a happy new year.

A Cheann Comhairle, is cosúil nach féidir pointe ordaithe a thógáil maidir le cúrsaí idirnáisiúnta.

It appears that under Standing Order 24 — “Matters of the Day” — Members are not allowed to raise international issues. Given many Members’ deep interest in events in Gaza, and given the desire to have a focus and a discussion on the matter, will the Cheann Comhairle investigate a means by which procedures could be changed to allow such issues to be discussed in the Chamber? Go raibh maith agat, a Cheann Comhairle.

**Mr Speaker:** I understand what the Member is saying. I am happy to refer the issue to the Committee on Procedures.

**Ms Anderson:** Further to that point of order, a Cheann Comhairle, when you are considering that issue, it should also be noted that plants in the North are engaged in making the guided-missile systems that are being used in Gaza.

**Mr Speaker:** That is not an appropriate point of order. When the Committee on Procedures was deliberating on what would constitute matters of the day, it felt strongly about the need for Members to be able to raise issues in the House that they could not raise elsewhere. Therefore, I am happy for the Committee on Procedures to reconsider the matter.

**Mr Paisley Jnr:** Further to that point of order, Mr Speaker, is not the most appropriate way in which to deal with the matter for Members to table a motion, thus enabling the Assembly to have a full debate on the subject? The situation in Gaza provokes interest across the Chamber.

**Mr Speaker:** I understand that notice has been received of a motion on the subject, and a debate could be heard fairly soon in the House. I ask the party concerned to raise the matter at Tuesday’s Business Committee meeting.

**Mr Speaker:** I have received notice from the Minister of Agriculture and Rural Development that she wishes to make a statement regarding the outcome of the December Fisheries Council meeting.

**The Minister of Agriculture and Rural Development (Ms Gildernew):** Go raibh maith agat, a Cheann Comhairle. I join my party leader in offering my best wishes to the Chamber for 2009, and I also acknowledge the suffering that is occurring in Gaza.

With your permission, Mr Speaker, I will make a statement on the outcome of the Fisheries Council meeting in Brussels on 18 and 19 December to determine our fishing opportunities for 2009.

Fishing opportunities involve a combination of two elements: the amount of fish that the fleet can catch, or “total allowable catch” (TAC), and the amount of time that the fleet can spend fishing, which is referred to as “fishing effort”.

Members will be aware that our fishing industry experienced significant difficulties in 2008 because of the high cost of fuel. I was able to commit to providing some financial assistance for costs incurred by the industry in relation to the satellite vessel monitoring system, and that was worth some £100,000 over two years. Further assistance was not possible at that time because of other funding pressures. I am, therefore, pleased that the Executive were recently able to agree to my proposal for a £700,000 hardship package for the industry, involving relief from light dues and harbour dues. My Department is working on the arrangements for making payments to fishing businesses; these payments will be treated as de minimis under state aid rules.

I want to stress that the approach to the Council is a team effort with other Administrations. There has been regular contact throughout the year between Ministers and departmental officials, and there have been several meetings with Commissioner Borg and his team in the European Commission. During the Council meeting, I had meetings with my Southern counterparts, which ensured that we took a strong, consistent approach in the negotiations with the Commission about Irish Sea issues.

I take this opportunity to thank my colleague Conor Murphy for taking up the reins in October and November when I was on maternity leave. Conor met fisheries Ministers on two occasions, attended the Agriculture and Fisheries Council in November and

had a meeting with Commissioner Borg to press home my priorities in the negotiations.

As always, our negotiating priorities were discussed and agreed with the local industry. For key stocks, those priorities were to get a rollover in the nephrops quota; to secure an increase of 15% for haddock; and to resist the cuts proposed by the Commission on Irish Sea herring, cod and plaice.

The other element of fishing opportunities concerns the number of days that fishermen get to fish those stocks. At the Fisheries Council on 19 November, Ministers agreed a revised cod recovery plan. For the Irish Sea, that plan aims to restore the cod spawning stock biomass to at least a precautionary level of 10,000 tons. The stock is considered to be in a critical state if it is below 6,000 tons. The current estimate is that the cod spawning stock biomass in the Irish Sea is below 2,000 tons, which is well below the critical level. The plan states that where the spawning biomass is below the critical level, the fishing mortality rate — the amount of fish killed by fishing — should be reduced by 25% and the TAC should be set to help to achieve that. With Irish Sea cod in such a poor state, that implies further reductions in the cod TAC of 25% per year in the short to medium term.

Under the revised cod recovery plan, each member state is allocated an amount of effort for various groups of vessels using a certain type of fishing gear in a particular sea area; for example, our vessels using nephrops gear in the Irish Sea are one such group. Fishing effort is measured as the vessel's engine power in kilowatts times the number of days that it fishes, or kilowatt days. At the November Council meeting, we negotiated successfully for effort to be calculated on the basis of the annual average kilowatt days used by the fleet in the period 2004-06. We did that because our analysis showed that that period would give us the largest amount of effort to begin with.

That overall effort figure will be adjusted annually, depending on the state of the cod stock, and it has been decided that where the cod stock is below the critical level, the reduction in effort will be 25%. Under that new system, a member state can decide how it allocates fishing effort to its vessels in particular groups. I believe that there is significant scope to exempt a large proportion of our nephrops fleet from the new effort regime, if it can be demonstrated that the cod by-catch of those vessels is less than 1.5% of their total catch.

To do that, we need new and better information about the nephrops fishery. In particular, we will need a robust and random discard-sampling programme to satisfy the Commission about the accuracy of overall catch figures.

This is an important point — we can exempt a sizeable proportion of our fleet from restrictions on their fishing time if we can prove, to the satisfaction of the Commission, that they are making little impact on cod mortality. However, that will require the full co-operation of the industry to assist the Department and its scientists in their gathering of the information that they require to prove their case. Fishermen who are not exempt from effort controls can still receive extra effort if they agree to adopt measures that significantly reduce cod mortality, such as more selective fishing gears

I assure Members that my explanation of the arrangements is a lot less complex than the detail in the regulation. My officials are participating in a series of meetings with their counterparts in England, Scotland and Wales to agree the principles that will apply to the allocation of effort to vessels, and they will consult the local industry on the available options. Our aim will be to ensure that we take the steps necessary to reduce cod mortality and to rebuild stocks, but also to ensure that there is sufficient fishing effort available to enable the fleet to fish their quotas. That is urgent work that must be completed before the introduction of the new regime on 1 February 2009.

In the run up to, and during, the December Council meeting, we worked closely with stakeholders, and I am grateful for the support that they gave me and my officials. Members know that nephrops — prawns — are by far the most important species for our local fleet, which operates out of Ardglass, Kilkeel and Portavogie. Over 90% of the fleet fish for nephrops, and many jobs in the catching and processing sectors depend on that species.

The situation looked very gloomy in June 2008 when the International Council for the Exploration of the Sea (ICES) published advice, which suggested that there could be cuts of up to 30% in the nephrops quota for two reasons. First, there was uncertainty about the methodology used to estimate the nephrops population, which involves towing TV cameras over the seabed and counting the number of burrows made by nephrops. ICES scientists disagree on how that information is extrapolated to estimate the total population of prawns in the area being surveyed. Basically, there is disagreement over the figure that is used for the occupancy of burrows, and some ICES scientists think that the approach taken in recent years overestimates the nephrops population. That is an issue that affects the calculation of biomass for all nephrops fisheries in the North Sea, the west of Scotland and the Irish Sea. There are plans for a benchmarking exercise this year and to provide further advice on the matter.

The second reason stems from the way that the TAC is calculated for area 7, which is a huge sea area that encompasses the Irish Sea, the Celtic Sea and the

Atlantic waters along the west coast of Ireland. That sea area is subdivided into functional units for stock assessment. Not all of those functional units are surveyed as thoroughly as those in the Irish Sea, and other approaches are used to estimate nephrops stock. There has been concern that fishing effort on nephrops has increased in some areas, in particular on the Porcupine Bank to the west of Ireland. Despite that increase in effort, the nephrops landings from some areas have decreased, which may indicate that stocks may be depleted.

The combination of those two issues led ICES to recommend a precautionary approach, in which the TAC is based on average landings for area 7 in the period 2006-07. We argued that that approach was unjustified, because the quota was considerably underfished in some parts of area 7. Any approach that bases the overall TAC on average landings would unfairly penalise our fleet, which fishes almost exclusively in the Irish Sea, where landings have been at a consistent level for at least 10 years. Furthermore, our scientists told us that, based on a range of stock indicators, Irish Sea nephrops stock was being fished sustainably. My officials and I pressed those points with the Commission in the run-up to, and during, the Council meeting to support our case for a rollover in the TAC pending the outcome of a benchmarking exercise on the stock assessment approach.

The Commission published its initial proposals on 10 November 2008 and recommended a 15% cut in nephrops fishing in all sea areas, which was in keeping with its policy on TAC movements. Nephrops is one of the negotiating priorities that I agreed with our fishing industry and, as I said, over 90% of our fleet fishes them.

I am very conscious that job losses in other sectors as a result of the recent economic downturn have hit fishing communities hard, making them even more dependent on income from fishing. The strength of our opposition to the Commission's line was made abundantly clear, and its second compromise proposed an 8% cut across all sea areas. All fisheries Ministers agreed that that was still not acceptable, and we sought a further meeting with the Commission and its presidency in the late stages of Council.

*12.15 pm*

At that meeting, the Commission offered a 5% cut across all sea areas, but I continued to push for a smaller decrease for the Irish Sea given the dependence of our industry on nephrops. The final outcome of the negotiations resulted in a 2% cut for the Irish Sea, which was a fall of 165 tons. The Irish Sea is the only area that has had a 2% cut, whereas the west of Scotland and North Sea stocks were each cut by 5%. The Commission has acknowledged the

difference between the Irish Sea and other areas, and we will continue to expand on that in future councils.

That experience confirms the importance of having devolved Ministers at Council in order to articulate the needs of their respective fishing industries.

With regard to other stocks, the position on Irish Sea cod stocks is critical, and a 25% cut was made in the TAC in line with the recently adopted cod recovery plan. The Commission was pressed to agree a lower cut, but it made it clear that there was no flexibility to do so. That represents an 86-ton drop in our TAC. Discussions are ongoing with authorities in the South to swap in Irish Sea cod to increase fishing opportunities for our fleet.

With regard to haddock, at Council in 2007, we persuaded the Commission to bring forward proposals for a separate TAC for the Irish Sea for 2009. The Commission did so and established a TAC of 1,424 tons, of which our fishermen's share is 681 tons. That represents an increase of 15%, or 89 tons, that our fishermen can take in the Irish Sea. In addition, the Commission agreed to a rollover in the TAC for the rest of area 7. That provides a lifeline to our small, hard-pressed white-fish sector, which has seen its fishing opportunities dwindle year on year.

With regard to other white-fish stocks, the Commission stood fast on its proposal to reduce the Irish Sea plaice TAC by 23% in order to move towards long-term management arrangements for the stock. There were cuts of 25% in Irish Sea whiting and sole. Those cuts are unlikely to have much impact, because the available quotas are significantly underfished. The Commission was persuaded to abandon its proposal for an 8% cut in the herring TAC and agreed to a rollover. That, together with a rollover in the Clyde herring fishery, means that our small pelagic industry will maintain its present fishing opportunities in those areas.

The negotiations are over for this year and the fishing opportunities have been set, but there is still considerable work to be done to establish and bed in arrangements that will flow from the cod recovery plan. For the foreseeable future, our fleet will remain dependent on nephrops stocks. Although action is needed to rebuild cod stocks, it must be done in a way that does not threaten the future of the nephrops fleet. However, significant changes in fishing methods and practices and in data collection will be needed this year and for future years if the fleet is to avoid severe effort restrictions.

My Department will continue to work in partnership with its scientific advisers and with fishing organisations to ensure that we have a sustainable, profitable, effectively managed fishing industry, which maximises the contribution to the economies of the communities in which it is based, go raibh míle maith agat.

**The Deputy Chairperson of the Committee for Agriculture and Rural Development (Mr Elliott):** I thank the Minister for her statement on the fishing industry and the difficulties that it faces.

I welcome the £700,000 hardship package for the fishing industry – as has the Committee – and I hope that it is not too little too late for an industry that has, for quite some time, been decreasing in size and numbers, and in allowable catches.

The Minister acknowledged that 2008 was a difficult year for the fishing industry. In light of what she said about the discussions and negotiations at European level, I am keen to know whether she believes that 2009 will be any better.

We have heard — and it is clear — that there will be sizeable reductions in quotas, especially for cod. If that situation continues over the next few years, I assert that the Northern Ireland fishing fleet will no longer be allowed to catch any cod. The quota for nephrops, the species that represents the biggest catch for our fishing fleet, is also being reduced. Does the Minister see that trend continuing over the next few years? Will such a reduction have the same effect on the white-fish fleet as that experienced by cod fishermen, given the year-on-year decrease?

**The Minister of Agriculture and Rural Development:** I thank the Member for his comments and his question. In an attempt to help sustainability, the main cod-spawning grounds in the Irish Sea are protected from direct cod fishing by the spring closure. The current total allowable catch for cod in the Irish Sea is only 8% of the level that it was 20 years ago. That level of catch permits mainly the landing of small by-catches of cod by the prawn fleet. A zero-catch level would result in those small by-catches being discarded.

Although the by-catch levels are low, with the help of the industry, my Department will continue to carry out research into selective gear that will further reduce by-catches. Our fishing industry effectively recognises that the level of available cod is not what it was 20 years ago. As a result, it has diversified out of white fish — there are only two full-time white-fish boats left, and the majority of our fleet depends on nephrops. Although the headline figure might sound swingeing, we will see further cuts in quotas, and we will have a lot of work to do in order to raise our cod-spawning biomass levels from the current 2,000 tons to the critical level of 6,000 tons and then to an acceptable level of 10,000 tons.

Every year in the Assembly we will hear about cuts in cod quotas. The cod stock must recover, but it is not doing so at the rate that we want. Therefore, we must ensure that our fishing industry has the quotas available to it that will help to maintain sustainability and profitability. Many fishermen diversified from

white fish into nephrops because that sector was much more sustainable. We will have to get used to continued cuts in cod quotas. A zero by-catch level will only lead to further discards, but fishermen want to work with the Department in order to obtain more selective fishing gear that will help them to increase the biomass levels of the spawning stock.

**Mr Poots:** On the basis that decisions about these matters are made using the science behind them, does the Minister recognise that there should have been a 0% cut in the nephrops catch quota? If she is to make the argument that would allow for a continued reduction in cod quotas, should there not also be scientific arguments for continued increases in the quotas for other species? Does she recognise that the sustainability of the fishing industry is being eroded continually through the quotas that fishermen are permitted to catch being eaten away every year?

**The Minister of Agriculture and Rural Development:** First, I argued very strongly for a 0% decrease in the nephrops quota. That was our position; however, that was a matter for negotiation, not a shopping list, and we do not always get what we want. The fact that we achieved a 2% cut while all the other areas were subject to a 5% cut acknowledges our dependence on nephrops. I will use that point in further discussions with the European Commission in order to highlight the fact that we are different. I have made the point consistently that although our fishing communities are small, they are socially, culturally and economically important to the towns of Ardglass, Portavogie and Kilkeel. We want to create sustainability in the fishing industry through which we can maintain and enhance the livelihoods of the fishermen in those areas.

We have been pressing for increases in quotas for other sectors; indeed, the Member made that point. The haddock quota was increased by 15%, but I was sorely disappointed last year that we did not get as big an increase as we wanted. As I said, however, it is not a shopping list, and we do not get everything that we want. We must recognise that differences of opinion exist. The ICES scientists originally advised a 30% cut in the nephrops quota, but our scientists in Agri-Food and Biosciences Institute (AFBI) disagreed with that. A 30% cut would have finished our industry — it would have been lights out for the industry. Therefore, we could not stand over that advice, and we negotiated hard. We made it our key priority to go the Council and reduce the cut from such a swingeing figure down to 15%, then to 8%, and then to 5%. We kept at it until the very last moment when we reached a figure of 2%.

That was as good an outcome as we could have got. The Fisheries Council was not going to agree to a 0% decrease, because it recognised that, in some areas, we did not have enough proof to illustrate the sustainability of stocks and the methodology used for estimating the



prawn population. Therefore, the industry and scientists must work together further to ensure that we can fight science with science, and stand over the methodology that is being used. If they do so, we will be able to argue nephrops fishermen's case at this year's Fisheries Council meetings.

**Mr W Clarke:** Go raibh maith agat, a Cheann Comhairle. I, too, thank the Minister for her statement. She already touched on an issue about which I wanted to ask a question. There appears to be a considerable amount of confusion over the gathering of scientific data and evidence on nephrops. Can the Minister confirm that our prawn sector is fished sustainably? Will the Minister also describe in more detail the hardship package that the Executive obtained for fishermen?

**The Minister of Agriculture and Rural Development:** I thank the Member for his questions. One point that I did not make during my responses to Members' previous questions was that the Department invited AFBI scientists to attend the December Fisheries Council meeting in order to enhance its arguments. That type of collaborative approach proved important in getting the point across that nephrops are fished in a sustainable manner.

In my statement, I highlighted the fact that the decrease in catch on the Porcupine Bank shows that stock may be being depleted in that area. Therefore, the methodology used to count the nephrops population must be robust and able to estimate whether the proper ratio of males to females exists. It is not just about counting numbers but about ensuring that spawning sustainability exists.

I was very pleased that the Executive agreed with the Department's proposal for a hardship package, which included assistance for harbour dues, landing fees and light dues. Those charges vary from vessel depending on its size and, in the case of landing fees, the size of the catch. For example, a 17-metre prawn trawler that lands fish worth £170,000 a year will save harbour dues of £130, landing fees of £3,740 and light dues of £310.

Something that grasped the imagination of Ministers around the Executive table was that those measures will help every single fisherman — each will be included in the hardship package. My Executive colleagues supported the introduction of those measures. I am very pleased that the hardship package is in place. My Department would love to have the resources to do more. We have witnessed the difficulties that the fishing industry has faced, particularly during February and March 2008, when fuel costs were high. Thankfully, the price of fuel is not as big an issue this year as it was last year. However, no one knows when the cost of fuel will start to rise again. Therefore, we accept that the fishing

industry faces challenges, and we will consistently do our best to try to help it meet those challenges.

**Mr P J Bradley:** I thank the Minister for her statement on the December talks. However, the statement spells nothing but further doom and gloom for the industry, and I think that the industry shares that belief. I note that talks are planned with the industry to consult on options. What positive options will the Minister bring to those talks? The Department does not depend on the industry; rather, it is the industry that depends on the Department. The industry will be seeking advice, guidance and help, so what positive angles will the Minister bring to the talks?

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

**The Minister of Agriculture and Rural Development:** In this case, the Department does depend heavily on the industry, because it is the fishermen who catch and land the fish; they are the ones with the technical expertise. I do not know the implications of the difference in net sizes. Therefore, the industry's buy-in to the cod recovery plan, and its experience on the issue, is vital. Fishermen possess that technical expertise and know what the implications are. For example, the Department could introduce measures that the fishing industry would find unacceptable, that are undeliverable and that would not help to bring in better cod-spawning-stock biomass.

12.30 pm

We depend heavily on the industry's experience and expertise on the matter. We will work closely with the industry and over the next week or two, we will engage in discussions with it. I hope to get a further opportunity to outline the details of those negotiations to the House and to answer questions. The Department will look to the industry to ensure that a good collaborative approach is taken and that we introduce measures that are most useful to the industry.

**Mr Ford:** I also thank the Minister for her statement, and I congratulate her for her efforts on the hardship package and the negotiations with the Fisheries Council. Will she provide the House with an estimate of the total economic effects on the fishing industry, taking into account, on the one hand, the hardship package and, on the other hand, the cuts in the quota and the additional economic costs that fishermen must meet? Given that she talked about the need to ensure that sufficient effort is made available to take account of the new arrangements for 1 February, what is the Department of Agriculture and Rural Development doing to ensure that fishermen can maximise their opportunities from that date?

**The Minister of Agriculture and Rural Development:** I am not in a position to provide a figure to estimate that. I appreciate the Member's comments; throughout the year, the Department put

much work into the meeting with the Fisheries Council. The Department is still negotiating swaps with the industry in the South to determine what the fishing effort will be for fishermen this year.

A decrease was made in the quotas for plaice, but the quota uptake on plaice was only 39.5%. A cut would have had an impact on the industry if it had been catching 100% of its quota. Given that the industry was not catching its entire quota, it has less difficulty in absorbing that cut. We want to ensure that the cuts do not have a negative impact on the industry.

The hardship package will have a positive impact on the industry, and the Department will continue to work out exactly what fishermen will be able to catch. Officials are working daily with the industry to implement the cod recovery plan so that it has the maximum effect. On paper, the cuts sound expensive, but, in the case of many of the species that have been subject to cuts, the quotas are not currently met. However, the quota for haddock has been increased by 15%, which results in a net gain for the industry.

As a result of the cut of 2%, 165 tons of nephrops have been lost. That equates to a financial loss of £372,367. The cut in cod quotas equates to a loss of £100,000, and the increase in haddock quotas equates to a gain of £72,831. Added to that is the gain of £700,000 from potential swaps with the industry in the South.

**Mr Irwin:** I also thank the Minister for her statement. The critical level of cod stocks was 6,000 tons, and we are now told that the critical level is 2,000 tons. Does the proposal that cod catch should be reduced by 25% a year while stocks are below that level mean that, in four years' time, there will be no cod fishing in the Irish Sea?

**The Minister of Agriculture and Rural**

**Development:** I will explain those levels again: 10,000 tons is the sustainable level, and 6,000 tons is the critical level. The level is currently less than 2,000 tons, so we are way below the critical level that the European Commission accepts. It must be accepted that, for the foreseeable future, targeted cod fishing will not take place across the industry. There are two white-fish boats, and a certain amount of cod is caught as a by-catch by the nephrops fishermen. A policy of catching zero cod would not work because that would result in that small by-catch being discarded.

Future Ministers of Agriculture and Rural Development will face similar questions in the Chamber year after year. Until the spawning-stock biomass recovers to a level that is acceptable to the European Commission, there will be cuts in the cod quota and we are not going to see a targeted cod fishery. Twenty years ago, cod stocks in the Irish Sea were plentiful and healthy, and the fishing effort reflected that. However, that is not the case now. Cod

recovery in the Irish Sea has not been good, and until it becomes so, we will have to face further cuts.

**Mr Molloy:** Go raibh maith agat. I thank the Minister for her statement. When will the European Fisheries Fund be open for business and how will the money be spent?

**The Minister of Agriculture and Rural**

**Development:** I hope that measures for aquaculture, processing and marketing, and collective benefit, will follow — on completion of the business case — and be open for applications by the end of the financial year. Measures under axis I, which is for the adaptation of the fleet, will not begin until the Department has completed its fleet futures review and has undertaken a vessel modernisation needs analysis. Work on both studies is in hand and, before spending plans are finalised, I want the Fisheries Forum's input to the business case for axis I measures. Therefore, it may be April or May before those measures are open for applications.

**Mr Shannon:** I thank the Minister for her statement. This year, fishermen are more encouraged by the efforts of the Department than they have been in previous years. However, many fishermen are questioning their industry's viability. Does the Minister agree that the discussions that seem to take place in November, in hurried preparation for December's meeting in Brussels, should start now?

The fishermen of England and Scotland have suffered a decrease in the numbers of days allowed to be spent at sea but have won an increase in their cod quota. Will the Minister tell us what she is doing in relation to that for the Northern Ireland fishing industry?

The Minister mentioned plaice. Scientists and fishermen agree that there are large numbers of plaice in the Irish Sea. Therefore, it is ludicrous to introduce a quota that decreases the amount of plaice that can be caught when stocks are clearly sustainable. The question is how there can be a situation in which scientists are saying one thing and the fishing industry is saying something else. What will the Minister do to ensure that the fishing industry here remains viable; that quotas of sustainable fishing stocks in the Irish Sea are fished; that there will be increases in the number of days that fishermen are permitted to spend at sea, and that the cod quota will be increased?

**The Minister of Agriculture and Rural**

**Development:** There was a lot in that question and I will try to address the Member's concerns as best I can.

The effort put in by the Department and my officials does not decrease from year to year. Last year, we put in a huge effort but did not get the outcome that we had hoped for. That does not in any way reflect upon the Department's effort. This year, our effort remains consistently high.

The Member asks why negotiations do not start now; they do. Last year, I met Joe Borg on 1 February 2008, as a lead-in to the December meeting of the Fisheries Council. We work on this matter for 12 months; we do not leave negotiations until the last minute or until the Council meeting.

The Member asked about an increase in cod quotas for English and Scottish fishermen. Stocks of North Sea cod have recovered and, as a result, the cod quota has not decreased to the same level as that of Irish Sea cod fishing. The Commission considers the areas where stocks have recovered, and the levels of recovery achieved in the North Sea have been much higher than those in the Irish Sea. It is not practical for our fishermen to travel to the North Sea to catch cod; therefore, we must concentrate on what is feasible for our fleet. Cod stocks in the Irish Sea have not recovered as well as those in the North Sea.

The Member spoke about plaice. Although there has been a 15% increase in the quota for haddock, our fishermen either do not catch fish in the other categories that have had their quotas cut or they do not fish their entire quota. The impact on the industry is not as harsh as it appears on paper.

The Department continues to work hard at this. I accept that it is a terrible way for the industry to do business. It is difficult in that, every year, we must go through this whole rigmarole of the Fisheries Council, and it is hard for the industry to plan.

That is a very difficult way in which to operate. However, it is based on the levels of stock, particularly spawning-stock biomass, and the Commission does that year on year. Occasionally, a move to a three-year Council is mentioned, but that has not happened yet, and we must live with the system that we have.

The Member mentioned the difference of opinion between the fishing industry and scientists. Our scientists primarily agree with the industry, and the disagreement is instead with international scientific opinion. Therefore, we must ensure that we find more robust ways of demonstrating that our methodology is reliable and base our quotas on those figures without leading to a decrease in stocks. One thing that we can do — and I have mentioned it in my statement — is to ensure more co-operation between scientists and the industry. That will help us to fight on all levels of the argument. Our scientists require better information on by-catches of cod, and so on, which we can then present to ICES and make our arguments. However, by and large, we do have a good, collaborative working relationship between the Department, the industry and the scientists, and it is only through such a relationship that we can achieve a satisfactory outcome.

We achieved a relatively good outcome with the Council this year. However, next year the Council may

have some idea or plan that will impact heavily on our fishing industry. We must continue working to ensure that our industry has what it needs to continue to be sustainable, and we cannot predict what the Commission will do or let us away with. I assure the Member that in all the meetings at the Commission, and those meetings leading up to Commission, the Department is very robust in its arguments for what we need to maintain a sustainable fishing industry.

**Mr Savage:** I thank the Minister for her statement. Will she outline what assistance, financial or otherwise, her Department will offer to help fishermen to deliver — as she has put it today — significant changes in the fishing methods and practices in the Irish Sea?

**The Minister of Agriculture and Rural Development:** The Department wants to support the fishing industry. It also wants support to be made available under the European Fisheries Fund to modernise vessels, improve the quality of the catch, the working conditions on board and health and safety, as long as the vessel's fishing-effort capacity is not increased. That fund should be used to help to modernise the fleet and to assist crews to fish sustainably in order to ensure that their days at sea are not wasted and that they can catch what they need to fill the quota.

Ultimately, what is required is a balance between the quota and the amount of days that crews have to fish that quota, ensuring that one is not out of kilter with the other. The Department must work closely with the industry, and we hope that the modernisation methods under European Fisheries Fund will further enable it to do that.

**Mr A Maginness:** I thank the Minister for her very full statement. There has been considerable discussion this morning — to which the Minister has contributed — about cod stocks, and, clearly, there is a critical situation with those stocks. Will the Minister agree that by the time the stocks have recovered, there will be no cod fleet left? What does she propose to do in the meantime to assist fishermen in maintaining the fleet in preparation for the future?

**The Minister of Agriculture and Rural Development:** I agree with the Member. If cod stocks do not improve, the cod fleet will be a thing of the past. In reality, that has already happened, as two full-time white-fish boats and over 90% of the vessels are now concentrating on nephrops. That is recognition that the cod is not there to be fished.

There are also difficulties with other white-fish species such as whiting, because those types of fish are not of a marketable quality and are not targeted as much by the fishing industry as a result. When those are landed and brought to market, fishermen are not getting a decent enough return.

Our fishermen must fish what is available to them; that is, they should fish close enough to home that they are not expending huge amounts of effort or fuel in going to places such as the North Sea in order to catch stock that is no longer viable in local waters.

12.45 pm

Cod represents a big red light for the European Commission and has been cut in every fishing area. Ultimately, we do not know whether cod stocks will come back in time to ensure that there is still a fleet left to catch it, or whether it will come back at all. We do not know what impact climate change is having on cod, for example, or whether cod are moving to other sea areas. We cannot look into the future and see what cod will do.

The Commission has been determined to introduce a more effective cod-recovery plan, the broad principles of which were not open for negotiation in November. Instead, we were faced with trying to argue for flexibilities within the plan that would maximise the opportunities available to our fishing fleets — that was all that we were able to do.

Conor Murphy attended November's meeting of the European Fisheries Council and he, along with other fisheries Ministers, was successful in securing some important flexibilities that will benefit our fleet. Those include a more favourable reference period for calculating the fleet's starting-effort pot, which will have some cushioning effect on the proposed cuts in 2009; flexibility to transfer effort between fleets and sea areas; the scope to earn extra effort through cod-avoidance measures; and the use of selective gear. Therefore, we have secured some flexibility, but the fact that the broad principles of the plan were not open for negotiation shows how strictly the Commission views cod fishing.

As I have said, fishermen have diversified — they have begun to fish for nephrops and will continue to do so while that stock is sustainable. However, they will return to cod fishing if stocks recover to the extent that it is profitable for them to do so. We are considering the size of the fleet and may, possibly, want to decommission the fleet further to ensure that, ultimately, the fishing industry remains profitable.

I do not want to see the fishing industry continually being depleted to the point where it no longer has a critical mass or a processing sector and is no longer viable. My ultimate objective is to reverse that trend and to enhance fishing opportunities for the communities that depend heavily on the fishing industry.

## EXECUTIVE COMMITTEE BUSINESS

### Financial Assistance Bill

#### First Stage

**The deputy First Minister (Mr M McGuinness):** I beg to introduce the Financial Assistance Bill [NIA 4/08], which is a Bill to enable the making by Northern Ireland Departments of schemes for financial assistance in certain circumstances.

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

**Mr Deputy Speaker:** That constitutes the Bill's First Stage, and it will shortly be distributed via Members' pigeonholes.

### Public Authorities (Reform) Bill

#### Further Consideration Stage

**The junior Minister (Office of the First Minister and deputy First Minister) (Mr Donaldson):** I welcome this opportunity to debate the Further Consideration Stage of the Public Authorities (Reform) Bill. As Members will be aware, there have been previous discussions in the Chamber concerning the Bill. There are no ministerial amendments at this stage, and I am not aware of any other amendments having been tabled by the Committee for the Office of the First Minister and deputy First Minister or by any Member.

**Mr Deputy Speaker:** I remind Members that under Standing Order 37(2), the Further Consideration Stage of a Bill is restricted to debating any further amendments tabled to the Bill. As no amendments have been tabled, there is no opportunity to discuss the Public Authorities (Reform) Bill today. Members will, of course, be able to have a full debate at Final Stage. The Further Consideration Stage is, therefore, concluded. The Bill stands referred to the Speaker.

### Health and Social Care (Reform) Bill

#### Final Stage

**The Minister of Health, Social Services and Public Safety (Mr McGimpsey):** I beg to move

That the Health and Social Care (Reform) Bill [NIA 21/07] do now pass.

I am pleased that this important Bill has reached its final stage. I introduced the Bill to the Assembly on 23 June 2008, and I believe that the subsequent process of scrutiny and debate has been extremely productive. I will reiterate the main purposes and aims of the Health and Social Care (Reform) Bill, and I thank the Health

Committee and other Members for their careful and detailed scrutiny.

In the 60 years that have passed since its introduction, the National Health Service has had to adapt constantly in order to meet the many and varied changes in society. Today, the health and social care system still faces — and will continue to face — the ever-increasing demands and expectations of a changing population who rightly expect services to be responsive, safe, effective and efficient. I believe that the Bill will equip the health and social care system with the infrastructure necessary to tackle the challenges of the twenty-first century, and I will summarise its main features.

The proposals in the Bill are exciting. We are not just tinkering around the edges. The proposals open doors that may have been closed and offer a real opportunity to do things better: to promote innovation and creativity; develop new services; improve performance across the full range of service provision, and create a renewed focus on prevention and equality. My perspective on those opportunities is that, as a result of the reforms, we will have a smaller Department that is more clearly focused on its core responsibilities.

The new health and social care board will have a clear and explicit focus on its core functions of commissioning, performance management and improvement, and finance; with devolved responsibility to five local commissioning groups that will have strong, professional leadership and genuine public accountability and engagement, with the authority to deliver real change. I look to the board to build on existing good practice and move to new levels of commissioning and performance management, driving innovation, evidence-based practice, quality and safety, with strong performance that results in more responsive and effective services.

Our new agency will be genuinely innovative and will give a clear focus to public health and social well-being in a way that was simply not possible under the previous arrangements. This is not just about the money that the Department will allocate to the agency directly, it is also about the influence that the agency will have on the overall expenditure of the £4 billion per annum budget on health and social care. It will also offer opportunities to develop real partnership with other stakeholders — including local government — to plan and implement comprehensive action plans and address all of the determinants of poor health and well-being.

That is not just wishful thinking. As soon as practical after April 2009, I intend to have pilots in place to take forward such partnerships and begin the process of effecting real change on the ground.

I also want to take this opportunity to emphasise the importance that I ascribe to the regional business services organisation. The successful operation of those services is vital to the success of the health and social care system, and the organisation's work stretches right into the wards, day-care centres, health centres and offices to support those who provide services directly to patients and clients.

The regional business services organisation is therefore an essential and fundamental part of the health and social care system. I look to it to provide good value for money; I expect it to be responsive to customers; I expect it to use new technology in order to improve efficiency and effectiveness. As with every other health and social care body, I expect patients and clients to be at the centre of all that it does.

For the first time, through the patient client council, there will be a demonstrably independent body representing the views of users. That body will have a visible local presence and a strong, coherent regional voice on the major issues of policy and strategy that will inform the future.

I was pleased with the level of consensus that the Bill enjoyed in the Health Committee and in the House. In addition to a widespread acceptance of the principles of the legislation, there was a detailed and rigorous scrutiny of the 35 clauses and 7 schedules.

I thank the Chairperson and the members of the Health Committee for their extensive and considered evidence-taking, their helpful suggestions for amendments, and their comprehensive report, which was published on 13 November 2008. I thank Members for their valuable input and useful suggestions during the various Stages of the Bill.

Soon we will be past the stage of planning for and talking about the structural reforms; it will be time for doing. I believe that the new arrangements should excite Members as much as they excite me. That excitement should be communicated to staff so that they can deliver on the promise of the Bill and exploit the opportunities to build on the best, to tackle problems and to look to the future.

**Mr Easton:** I congratulate the Minister, and the Health Committee, on the Bill. I hope that the Minister accepts that any concerns that the Committee had were genuine concerns; he did do his best to try to reassure the Committee.

Can the Minister give me any extra information on the local commissioning groups? Will those groups have the power to get to the bottom of issues and the teeth to make changes on the ground? Can the Minister further reassure me that those groups will be based on local council boundaries?

**Ms S Ramsey:** Go raibh maith agat, a Cheann Comhairle. In common with Mr Easton, I am a member of the Health Committee. I welcome the Minister's commitment to the Bill and the fact that it has reached its Final Stage.

From the outset, the Minister has said that he is taking forward, and will continue to take forward, reform of the health and social services. For a long time, Members have been crying out for such reform and have been engaged in the argument of efficiency savings versus ensuring that front-line services are not affected.

During the Committee Stage of the Bill, as Alex Easton said, a number of genuine concerns were raised by the Committee. I am glad that the Minister and his officials took those concerns on board and, where possible, brought forward the necessary amendments as discussed prior to Christmas.

On paper, a Bill may appear to be the best thing since sliced cheese; however, we live in the real world and we have to look at how it is going to work out on the ground. Over time, I hope that the Committee can work with the Minister and his officials to address any issues, or arguments for tweaking the Bill, that may arise. I know that the Minister will give that commitment and that he will be easily accessible to the Health Committee.

I welcome the opportunity to be part of the Bill and hope that it has a positive impact on the people that we represent. Go raibh maith agat.

**Mr McCallister:** I congratulate the Minister of Health on this Bill, and on the manner in which it has progressed through the legislative Stages. There are notable achievements in that. During the brief time that he has been Health Minister, he has taken the direct rule proposals and adapted them to best suit Northern Ireland's needs. That has been a tremendous success.

*1.00 pm*

The regional agency for public health and the level of focus that it will provide must be welcomed, despite the DUP's criticisms and votes against. It will set Northern Ireland on a good course for years to come. Only by engaging truly and meaningfully with public health will success be achieved.

Like Ms Ramsey, I am pleased to have been involved with the Bill during its Committee Stage. I welcome the fact that it has reached its Final Stage. I look forward to working with the Minister to iron out any issues that arise as the new structures bed down.

**Mrs Hanna:** I also welcome the Bill. Certainly, I want to put it on record that the Health Committee proposed several changes in order to strengthen the Bill's provisions. Indeed, the Department — the

Minister and his officials — worked through the Committee's concerns.

I want to mention the setting up of local commissioning groups. I understand that the Minister supports the groups being local. I look forward to more detail on that matter and, indeed, on the make-up of those groups.

The establishment of the regional agency for public health and social well-being is extremely important because health inequalities must be tackled. The focus must be on prevention of illness — keeping people healthy and encouraging everyone to take more responsibility for their own health — rather than on picking up the pieces. There is also a sound economic argument for that.

Finally, I want to mention staff morale. The process has been extremely long. Indeed, Agenda for Change is only being concluded now. I am sure that the Minister will take on board staff's stresses and strains.

**Mr McCarthy:** The Alliance Party continues to have certain reservations about the Bill. However, we are where we are. I certainly hope that the exercise will be beneficial to everyone in Northern Ireland and that expected efficiency savings will be directed towards the provision of a better Health Service for the entire community.

I must say, however, that many people — particularly elderly people and their relatives, who are faced with residential-home closures — will, at present, be somewhat sceptical about the exercise in which we are engaged. I hope that the Minister can overcome those problems.

We must remind ourselves that in order to reach this stage of reform of the health and social care programme, many Health Service staff — as my colleague Carmel Hanna said — have had to endure a painful few years of uncertainty about the security of their employment and other matters. Now, it is up to the new regime to prove that those reforms were, indeed, worthwhile.

I want to put on record my party's gratitude to the many staff who have served the Health Service extremely well during the past 60 years. In particular, I want to mention the Health Promotion Agency, among many other bodies. I hope that those staff can carry on with their excellent work. I also hope that the new patient and client council will represent the local population and ensure that all patients receive a first-class service.

I sincerely hope that the Bill will live up to expectations.

**Mrs McGill:** Go raibh maith agat, a LeasCheann Comhairle. Like other Members, I want to congratulate the Minister and, indeed, everyone who has been

involved in bringing the Bill to its Final Stage — the Committee members and the secretariat staff who worked on it.

At the Bill's Second Stage in July 2008, the Minister put in context the need for change in health structures.

He said that major surgery was required. It will be a positive result if the Bill does what it is intended to do when it is made law.

The Minister set the context in July when he talked about less bureaucracy and said that the legislation was intended to eliminate duplication. The patient and the client are to be central to everything that happens in the health system. No one can dispute the validity of those aims or the validity of implementing them.

As Sue Ramsey said, the Committee debated whether a particular body should exist; we also had a debate about that body's name. It was agreed that officials would return to the Committee to explain further what function that body would carry out. I was heartened by the assurances and reassurances that were given by those officials and the Minister. I supported the request — from Members on the opposite Benches and other Committee members — for confirmation that that body will focus on health inequalities. Everyone will be satisfied if that is the role that that body is given.

Mr McCarthy mentioned consultation and the possibility of homes closing. In July, the Minister said that the provisions of the Bill were informed by what he had heard when he was out on site. It is important that responses be heeded on issues such as the closure of homes. Indeed, it is helpful that the patient and client council, and other bodies, will be charged with listening to people's responses.

I congratulate the Minister and everyone else who has been involved in bringing the Bill to this stage. Go raibh maith agat.

**Mr B McCrea:** Hear, hear.

**The Minister of Health, Social Services and Public Safety:** I thank Health Committee members and other Members for their contribution to today's debate. The Bill's progress has been greatly assisted by the informed and constructive input of Members of both the House and the Committee.

Alex Easton talked about the need for local commissioning groups to be able to make changes. It is the plan that local commissioning groups will play the central role in determining the health needs of the population of their local area. That responsibility will be devolved to local commissioning groups, which will be an essential part of the board.

We are coterminous because trust boundaries are coterminous with clusters of councils. As I have said in

the House and in Committee meetings, we will reassess the situation if that changes. I am as keen as any Member to achieve coterminosity, but we must wait to see the shape of councils before further steps can be taken.

Sue Ramsey referred to efficiencies. The general efficiency target is for restructuring to bring about a reduction of 1,700 administrative jobs and thus will save £53 million per annum. I have confirmed on several occasions that we will meet that target.

Furthermore, I assure Ms Ramsey that I am committed to working with the Committee. She is right; there is many a slip between cup and lip. Every plan changes during implementation. We will not get it exactly right from day one, and we will have to discuss the plans and make adjustments through experience.

As John McCallister said, the proposals represent a radical departure from the direct rule model of a giant Health Service authority with more than 2,000 jobs. As Members are aware, the Bill will substantially reduce the number of health bodies and will dissolve four health and social services boards, the Mental Health Commission, the Central Services Agency, four health and social services councils, the Health Promotion Agency and the Regional Medical Physics Agency. Those bodies will be replaced by the new board, the new agency, the regional business services organisation and the patient and client council. Moreover, the size of the Department will be reduced and it will refocus on policy.

Carmel Hanna mentioned local commissioning groups, which, as I said, will comprise 17 members. The direct rule model prohibited local elected representatives from achieving membership. I considered that a major missed opportunity, and I know that colleagues agreed. Each local commissioning group has been reconstituted to ensure that four elected representatives will serve on each body. Furthermore, local elected representatives will play the key role in the patient and client council and will play important roles in the public health agency by building partnerships with local government. I accept Mrs Hanna's point about staff morale. Times of change bring concern for staff, and the Department has strived to keep staff informed. We must complete the planning process now and implement the proposals in order to ensure that staff know the details and location of the new bodies.

As Claire McGill said, there are major health inequalities in Northern Ireland. The public health agency's main focus will be on addressing that problem. Northern Ireland society is not uniformly well; there is a differential in life expectancy between individuals in the most deprived areas and the Northern Ireland average. A man who lives in a deprived area will live four years less than the average

life expectancy and seven years less than a man who lives in the most affluent area. The figures for females are no less stark. Deaths among children under the age of one are 30% higher in the most deprived areas — that issue strikes particularly hard. The public health agency's central drive will be to take that agenda and effect a change in partnership with local government and other stakeholders. The single-body approach has existed for 20 years and, frankly, the progress has been disappointing.

The Bill — on which the Assembly will vote — provides further evidence that Government and local democracy are working. Furthermore, the Bill's progress demonstrates how a Minister and a Committee have worked together successfully with a shared aim of improving the health and social well-being of Northern Ireland's population.

I will continue to work with the Committee as we make proposals for the implementation of the Health and Social Care (Reform) Bill and the consequent regulations.

In conclusion, I thank all Members who debated the Bill, in the Committee or in the House, for their substantial contribution, their considered advice and their positive attitude towards this major and essential reform of the health and social care system in Northern Ireland.

**Some Members:** Hear, hear.

*Question put and agreed to.*

*Resolved:*

That the Health and Social Care (Reform) Bill [NIA 21/07] do now pass.

1.15 pm

## COMMITTEE BUSINESS

### **Inquiry into the Development of a Museums Policy for Northern Ireland**

**The Deputy Speaker:** The Business Committee has allocated up to one hour and 30 minutes for the debate. In accordance with the Business Committee's agreement to allocate additional time to Committee Chairpersons when moving, and making a winding-up speech on, a motion on a Committee report, the Committee Chairperson will be allowed up to 15 minutes to propose the motion, and 15 minutes to make a winding-up speech. All other Members who are called to speak will have five minutes.

**The Chairperson of the Committee for Culture, Arts and Leisure (Mr McElduff):** Go raibh maith agat, a LeasCheann Comhairle. I beg to move

That this Assembly approves the report of the Committee for Culture, Arts and Leisure (7/08/09R) on its inquiry into the development of a museums policy for Northern Ireland.

Before commenting on the substantive matter that is before the House, as a Cheann Comhairle — or Chairperson — of the Committee for Culture Arts and leisure, I extend my appreciation to all who contributed to the inquiry. Ba mhaith liom mo bhuíochas a ghabháil leo uilig. I also offer my appreciation to the Committee secretariat, led by the Committee Clerk, for its work in arranging the evidence sessions for the inquiry, and drafting the report. I thank, too, the Assembly's Research Services and Library Services for the high-quality research and analysis that they provided to the Committee, and Hansard, for its patient and accurate reporting of the evidence sessions.

The Committee is grateful to all who provided written and oral evidence during the inquiry. I thank my 10 MLA colleagues on the Committee for their individual commitment to the inquiry, and for the constructive and collective approach that we all adopted in trying to understand the dynamics of the museums sector here, and the impact that the development of a museums policy could have on the sector.

Museums are one of the key spending areas for the Department of Culture, Arts and Leisure (DCAL). At present, however, the Department does not have a museums policy in place. In undertaking the inquiry, the Committee sought to address one key question: is there a need for a museums policy here? The answer was a resounding "yes". There was overwhelming support for a museums policy from those who gave evidence to the inquiry. In fact, a significant number of stakeholders took the view that the current situation, whereby the Department does not have a museums policy, is having a major detrimental effect on the museums sector here. For example, they pointed to the



difficulty in making strategic plans, to fragmentation of the sector and to a lack of focus. As one witness put it:

“With no vision for the development of the sector, and no strategic framework through which the potential of the collective effort of the sector might be unlocked, are we not bereft of a route map?”

As I have said, the Committee came to the firm conclusion that a museums policy needs to be developed. There was overwhelming support from those who gave evidence along those lines, and the consensus was that major opportunities are being missed because of the failure to develop such a policy.

The key themes that were identified by the Committee for the development of a museums policy — many of which will be further developed by individual members of the Committee — include: the need for greater integration among independent, council-run and national museums to create a cohesive museum sector; the potential to strengthen the museum sector as a whole; and the need to move it higher up Government agendas.

A cross-departmental approach to museums is needed so that the links between museums and education, tourism and the creation of a shared and better future for all of us can be reinforced. The review of public administration must ensure that the future functions of the Northern Ireland Museums Council are carried out either by that council or by a successor body that will follow on from the council’s professionalism. That organisation seemed to receive great validation from all the stakeholders. People felt that they had been well supported by the Museums Council down the years. The key elements of a museums policy were also considered. In order to develop the policy in a timely manner, the Department would need to draw on the expertise of the Northern Ireland Museums Council and National Museums Northern Ireland.

There are three types of museums: independent, council-run and the five museums that come under the auspices of National Museums NI. All three kinds of museums play an important role in the museum sector. As the inquiry progressed, however, it became clear that there is a lack of integration among the different types of museums. In particular, the independent museums often felt that they were on the periphery of the sector. When they have contact with the larger, well-established museums, it tends to be on an ad hoc basis rather than being co-ordinated by any central body. That lack of cohesion in the sector results in opportunities being lost for museums to share skills and resources.

Stakeholders told the Committee that there is a need to ensure that museums do not duplicate resources as a result of simply not knowing what others are doing. They also said that there needs to be a greater pooling of resources and expertise among museums — for example, in relation to staff training or collections management.

The Committee also learned that the lack of formal integration in the museum sector results in similar missed opportunities for joined-up marketing among museums that work in the same geographical or even thematic area. Given the current economic climate, the idea that resources could be being spent unnecessarily — simply because of a lack of co-ordination of the museum sector by the Department — is of particular concern to the Committee. It is our view that a museums policy would lead to a more integrated, joined-up museum sector, which can only be positive.

I will now consider the need to maximise the potential for museums to contribute to tourism and to the economy. When doing so, I will make reference to a contribution to the Committee by the Minister on 23 October 2008. I will also make reference to a high-quality museum facility in my own constituency of West Tyrone. The Ulster American Folk Park was named visitor attraction of the year at the 2008 tourism awards. In the past financial year, 165,000 people passed through its gates — the highest number in its 30-year history. I commend everyone who is involved with the Ulster American Folk Park, and, indeed, I commend all our museums for the success that they have achieved.

As well as pointing to the need for more integration and sharing among the different types of museums, stakeholders also told the Committee that the museum sector as a whole needs to be strengthened. One way to do that is simply by developing a proper museums policy. Without a policy in place, it can appear that museums are low down the list of Government priorities. Given the level of expenditure on museums, that should not be the case.

Museums are a key spending area for DCAL, which allocates some £22 million each year to museums and has plans to invest £18.3 million in capital for museums in the period 2008-2011. Yet, stakeholders told the Committee that there is an impression among the public and in Government that museums are not high on the agenda, and that perception is reinforced by the fact that there is no museums policy. Indeed, some stakeholders pointed out that the lack of a formal policy makes it more difficult for them to attract external funding.

Furthermore, the absence of a policy means that opportunities to increase links between museums and other areas of Government are not being fully realised, and that other Government Departments may not consider museums to be an important priority. In fact, many witnesses outlined ways in which museums can link in with the work of other Departments, including the Department of Education, the Department for Employment and Learning, the Department of Enterprise, Trade and Investment (DETI), the Department for Social Development, the Department for Regional

Development and the Office of the First Minister and the deputy First Minister. One witness said:

“The policy will put museums right at the heart of Government; it will allow DCAL and other bodies to more obviously recognise the broad contribution that museums make across a range of agendas.”

Considering one aspect of that — how museums link in with tourism — it is clear that museums are key tourist attractions and, as such, they can generate much-needed revenue here. Stakeholders were clear that a museums policy would facilitate the creation of formal links at a strategic level with the Tourist Board, and that is particularly relevant to the successful marketing of museums to a wide international audience. Therefore, the Committee recommends in its report that a museums policy should be developed that addresses how links between museums and tourism can be strengthened and progressed at a departmental level. In order to do so, DCAL should establish formal links with DETI. In the case of the Ulster American Folk Park — and other museums — there is already a sound foundation upon which to build.

With regard to the next steps that should be taken, the majority of witnesses from whom the Committee took evidence said that a museums policy could, and should, be developed by the existing non-departmental public bodies in the field, namely the Northern Ireland Museums Council and National Museums Northern Ireland. Witnesses were quite clear that there is no need to employ consultants to create a policy, and my colleague Francie Brolly reinforced that point when he said:

“Will the Minister allow the Museums Council to formulate the policy? NIMC could send him a bill that would be commensurate with that which outside consultants would charge, and that sum could keep NIMC going for several years.”

So, one Committee member — indeed, more than one — are not the biggest fans of consultants.

Witnesses were clear, therefore, that there is no need to employ consultants to create a museums policy and that in-house expertise exists. If consultants were to be brought in, they would simply approach bodies such as the Northern Ireland Museums Council to obtain the necessary information and statistics. During its inquiry, the Committee attempted to show concern for the effective and efficient deployment of public resources, and that is one area in which savings could be made.

The Minister told the Committee that his main objection to developing a museums policy is the cost of doing so, and it should be noted that of all the witnesses who gave submissions, the Minister was the only one who suggested that there is no need for such a policy. Everyone else said that there is a need for a policy. Therefore, one suspects that everyone except the Minister is out of step on this matter.

The Minister told the Committee that his main objection is based on cost. However, the Committee would point out to the Minister that the relevant expertise exists and should be utilised. He may not agree, but that is the Committee’s considered opinion. The Minister cited cost and a lack of resources as obstacles to developing a policy. In response, the Committee says that, given the positive impacts that will result from the creation of a museums policy — not least by improving the contribution that museums make to the tourism industry and, therefore, to the economy — the Minister and the Department simply cannot afford not to develop a policy.

Therefore, I commend the report to the House, and I seek its support for the motion. In addition, I call on the Minister to read, study and implement its 28 recommendations.

1.30 pm

**Mr McCausland:** The Committee’s inquiry into the development of a museums policy for Northern Ireland highlighted the importance of museums to society. The Committee noted that there are already some excellent museums in Northern Ireland and that the number of museums has grown considerably in recent years. They are an important element in the cultural infrastructure of Northern Ireland and are custodians of much of our cultural wealth. They hold not only artefacts, but other items such as the tape recordings in the Ulster Folk and Transport Museum.

In view of the importance of cultural infrastructure and cultural wealth to society, there is a role — and a need — for a policy in that field. Museums are important for the people of Ulster, because they preserve and protect our cultural wealth; they give people a sense of place and community; they help us to understand who we are; and they play a valuable role in education. Furthermore, museums help to create mutual understanding and, thus, contribute to the creation of a shared and better future.

Museums help to explain Northern Ireland to the rest of the world. As the previous Member who spoke said, museums are a major element of the cultural tourism product, which brings much benefit to our economy. Such an important sector deserves and requires a strategy.

The museums sector comprises National Museums Northern Ireland, the independent museums and those that are provided by local authorities. Any effective strategy must involve each of those sectors so that there is a meaningful and integrated approach to museum development. The independent museums are keen to be integrated into the sector and the strategy, and that is welcomed.

There is a good geographical spread of museums in Northern Ireland. Furthermore, we have a variety of themes and collections that complement each other,

and, as I said, the number of museums is increasing. It is imperative that the entire museum sector is looked at strategically, in order to avoid a situation in which one museum is competing against another; rather, we want to see a situation in Northern Ireland in which one museum will complement another and where there is, therefore, an adequate and appropriate provision.

One might ask what the key elements in a museums policy should be. There are questions to be asked around that. What are museums for? What purpose do they serve? I have provided some answers, but that is a question that should be teased out more fully. It was teased out at some length in the report, but more could be done. It was obvious that the people from whom the Committee received evidence had a lot of information at their disposal.

One might ask also how museums can play a more central role in society in the future. Those are the sorts of questions that must be addressed in any future vision and strategy.

There are also questions to be asked about increasing access to museums. How can they be made more appealing? How can more people be encouraged to visit museums? How can more income be generated? Those questions could be addressed in a strategy or policy.

There should be more engagement with local communities, and the links with education and lifelong learning should be increased. The more contacts that there are in those areas and sectors, the more people will go through the doors and the gates of museums. Ultimately, that will mean that museums will be more effective and generate more income.

The development of a museums policy for Northern Ireland is an important issue and one that should be developed by way of a partnership approach. There are three main players in the sector. The Department of Culture, Arts and Leisure is at its heart, because, ultimately, it has financial responsibility for museums, and it is responsible for the oversight of culture in our society. There is, therefore, a central role for the Department in developing a policy in the sector.

It is clear that National Museums Northern Ireland must have a role to play, because in that organisation and spread across all of its sites, each with its own ethos, there is a lot of expertise, experience and knowledge — both inside and outside Northern Ireland — on which to draw.

The same is true of the Northern Ireland Museums Council and the folk who represent that sector; they have a tremendous wealth of knowledge. I suggest that, working together, the Department, the Northern Ireland Museums Council and National Museums could produce an excellent strategy or policy for museums in Northern Ireland.

**Mr K Robinson:** In commending the report of the Committee for Culture, Arts and Leisure to the Assembly, I also take the opportunity to thank and congratulate the Committee staff on the diligence and patience that they demonstrated in bringing the excellent report to fruition.

I particularly want to draw Members' attention to recommendation 21 of the Committee's 28 recommendations, which deals specifically with how the military and maritime sectors can be developed. The report points out that the absence of an opportunity to expand the industrial heritage diaspora of Northern Ireland has a profound effect locally and in the wider world. Not one Member in the House, or a single member of the audience who may be listening to the debate, will not have heard of the Titanic. That is only one example of the workmanship that went into constructing aircraft, ships and other industrial heritage, such as the engineering elements of the linen industry and the rope works, all of which, sadly, now sit idle.

I specifically draw the attention of the House to the large and comprehensive series of archives, materials and artefacts that is in limbo and some of which lack a home. More importantly, however, those who hold those treasures feel that they have been excluded from the museums process over many years. To quote from paragraphs 129 to 131 on page 28 of the report, one group stated:

“we have been left to operate on our own initiative and to find our own sources of funding”.

Another group said:

“There is a need for a museum of the history of war and of peace”.

A third group stated:

“We have met with ... all sorts of people, who agree that it is a good idea, but do not know how it should be pulled together.”

I suggest that that is the role of the Department and its officials, and I hope that the Minister will take that on board.

I also place on record my appreciation of the work that has been carried out by such bodies, including the Somme Association, the Royal Irish Regiment Museums Group and the HMS Caroline Committee. Their work has raised the profile of the services and their place in society on this island over many centuries. In its report, the Committee recommends that a museums policy cover all museum sectors, and the overwhelming body of evidence from disparate groups that gave presentations to the Committee supports that approach.

A museums policy could address two issues that would facilitate the removal from storage of the unique collections here and in GB. First, an early decision on a potential site to house a comprehensive display of

military history, and the associated social history of many generations, would allow the material to be presented in a much more appropriate manner. The tourist potential of taking that step is self-evident.

Secondly, HMS Caroline is the second-oldest commissioned warship that remains afloat in the world; only the USS Constitution is older. The Royal Navy's oldest commissioned warship still afloat is HMS Victory, which is in dry dock at Portsmouth. HMS Caroline was the first warship to be fitted with turbines — as designed by Parsons from Birr Castle in the Irish Republic — which enabled her to achieve unbelievable speeds as far back as the period 1914-16.

Those turbines remain intact, and HMS Caroline is the sole survivor of a First World War battle-class ship and, indeed, of the Battle of Jutland. She sits in the Alexandra dock in Belfast beside the Thompson dock, where the Titanic was based, and beside the pump house, which is a listed building. She has been slap bang in the middle of the Titanic Quarter, opposite where the cruise liners dock, since 1924. However, should the Royal Navy wish to commission her, she could end up in Birkenhead, Portsmouth or another port across the water.

Together with the Titanic memorabilia and the SS Nomadic, they form the nucleus of a maritime sector. If I add to that the Result, which sits forlornly under a tarpaulin in the Ulster Folk and Transport Museum, barely in sight of water, and the Sir Samuel Kelly, the lifeboat that brought survivors from the Princess Victoria into Donaghadee, Members will see the potential to tell a story of worldwide interest.

The Department of Culture, Arts and Leisure, and other Departments, must realise that, in addition to putting in place a policy and conducting an audit of the material held in trust, and in situ, by such bodies, there must be a vision. Both it and the policy must be progressed energetically.

In its report, the Committee has drawn together 28 recommendations that it is hoped will focus minds. It has a set timetable, and it is now up to the Minister and his officials to set the process in motion, so that the educational and economic potential is maximised and another element of the shared vision process is put in place.

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

**Mr K Robinson:** Sadly, Mr Deputy Speaker, I will.

**Mr P Ramsey:** Along with colleagues, I commend the report to the Assembly. I thank all the Committee staff for their diligence and patience over recent months — not forgetting all those community groups across Northern Ireland that contributed to the inquiry.

I will talk about the development of a museums policy from the perspective of independent museums. I understand that there are 34 accredited local museums, half of which are run by voluntary and independent bodies. As an Assembly Member from Derry, I rely heavily on the non-National Museums sector, given that there is no national museum in Derry. However, Derry City Council runs a first-class museum and heritage service, which includes the Tower Museum and the Harbour Museum.

Derry also has two independent museums — the Museum of Free Derry and the Apprentice Boys Museum in the city centre. Those independent museums tell the stories of their communities from the perspective of those communities and in their own words. That sector has been successful, showing a 61% growth in attendance rates in the five years up to 2007. In that year, the Museum of Free Derry had over 14,000 visitors, and I understand that the figures for this year will be much higher. Each Member here today can illustrate the importance of museums both in and for their own constituencies.

From evidence that was presented to the Committee, it became clear that independent museums across Northern Ireland are important in helping us to understand our history. They allow communities to tell their stories, and they preserve aspects of our heritage that are nationally and internationally significant. Such museums are also important in understanding the impact on communities of events that happened over decades and centuries. They also contribute to tourism and to international understanding, and they are well run. They will be vital components in any future museums policy.

Museums are important, as they tell national, regional and local stories. They are educational — they help us to gain a better understanding of our history and of ourselves, and they are of interest to us and to the many visitors who come here. Museums also contribute to our economy, particularly through tourism, and they are essential in maintaining local identity. They also contribute to better community relations and to building a better society.

Museums are so important that, over the past decade, we have invested capital developments of over £40 million in them, and the national museums alone have a revenue spend of over £20 million a year. Bearing in mind the importance of museums, the public money that is spent on them, and the time and effort that are put into running and improving them, it is essential that a policy is put in place that will ensure that our national, local and independent museums are run in strategic alignment in order to achieve goals that are agreed and set by custodians of the public interest, in partnership with various sectoral interests and experts.

I want to spend a few moments considering the role of the Museums Council, because its role is critical to the work of the independent sector. The local and independent sectors are united in praising its work and emphasising its importance in providing expertise, networking opportunities and advice. If the powers and responsibilities of the Museums Council were devolved to local councils, surely each of those councils would have to replicate the work of the Museums Council. Worse still, they would be starting from a near-zero knowledge base and would have to gain the expertise that currently lies with the Museums Council. I understand that the Museums Council has only four members of staff, which is remarkable, given the work that it has done.

What savings can be expected from devolving the work of the Museums Council? I welcome the Minister's attendance today; perhaps he can tell us what those expected savings will be. Will the Minister inform the House of the additional costs that councils across Northern Ireland will incur in taking on the role of the Museums Council?

Were the Museums Council to be dissolved, it is likely that there would be a net increase in cost to the public purse, a loss of expertise and a loss of a key centre for networking. Should the Museums Council go, the main losers would be the independent museums, as they would be left without any means of collective support. Therefore, I ask the Minister: who would take on the responsibility for the development of the independent museums sector?

1.45 pm

The Museums Council and National Museums Northern Ireland work well in a complementary fashion. I ask the Minister to reconsider the Department's position on the formulation of a museums policy and to reconsider retaining the Museums Council until such a policy is put in place.

**Mr McCarthy:** As a member of the Committee for Culture, Arts and Leisure who took part in the inquiry into the development of a museums policy, I, along with other Committee members, thank everyone who helped us through the inquiry. I include all the Committee staff, both past and present, and all the groups that gave evidence and answered questions. I also thank the Chairperson and Deputy Chairperson for their excellent direction and guidance throughout the inquiry. I also want to put on record my party's support for, and appreciation of, everyone throughout Northern Ireland who has worked, and continues to work, in the museums industry.

Museums and areas of historical interest have always been places that people want to visit in order to explore their origins and to understand how we got where we are today. Everyone who works in the

museums sector should take pride in their work. I hope that they will get behind the recommendations contained in the 'Report on the Committee's Inquiry into the Development of a Museums Policy for Northern Ireland' and the development of a museums policy. I also hope that a museums policy will provide a better and more modern way of bringing matters together for everyone's benefit.

It will be noted that the report shows that all the organisations that contributed to the inquiry were in total agreement that there is a need, at this time, for a policy that will give leadership and direction. Most certainly, the lack of a policy was said to be detrimental to the efforts that are being made to advance the aims and objectives of all the groups. The Northern Ireland Museums Council was appreciated by all those groups that gave evidence to the Committee, as my colleague Pat Ramsey mentioned.

The report sets out clearly some 28 recommendations. Other Committee members have talked about certain issues, and I will concentrate on how a museums policy can contribute to a shared future agenda, which is supposed to be top of the list in the Programme for Government. The Alliance Party is fully committed to implementing an agenda for a shared and better future, and, as I understand it, other parties have the same objective. Our present concern is the time that it is taking all Departments to put a shared future on to a full-steam-ahead schedule.

Recommendation No 15 says:

"the museums policy sets out a strong vision of the role which museums can play in our society going forward. The policy must be clear about what museums do and who they are for, including both the needs of the local communities in which they are situated and the needs of tourists."

No doubt the increasing number of visitors and tourists to Northern Ireland will mean that museum facilities and easy accessibility will be vital.

Many of those who gave evidence to the Committee's inquiry spoke about the potential of museums to contribute significantly to the shared future agenda. Museums can provide a shared space for people to explore their history and to address what, for some people, are the difficult issues of our recent past.

One submission stated that a museums policy should acknowledge that people can explore in museums difficult issues of heritage and identity. Therefore, museums play a fundamental role in creating a better society. The strategy should recognise the importance of developing major exhibitions that can explore difficult territory objectively and relevantly.

My party and I support fully the report's findings and recommendations, and we look forward to the Department and the Minister accepting all the report's

contents. I am glad that the Minister is in the Chamber to listen to all our exciting contributions.

Recommendation 28 —

**Mr Deputy Speaker:** Will the Member draw his remarks to a close, exciting as they are.

**Mr McCarthy:** Recommendation 28 states that a first draft of the museums policy should be produced within six months. Let us hope that it does not gather dust on a shelf somewhere.

**Mr Shannon:** I asked those girls in my office who are the mothers of young children how many museums there are in Northern Ireland. They knew of the Ulster Folk and Transport Museum and the Ulster American Folk Park in Omagh. After that, we searched Google for museums in Northern Ireland and found a list of 10, which did not include the ones that I knew.

Am a' guid suppoarter o' pittin fort tha rich histry an fowk-gates o' tha proavince tae tha wied woarl. Whun ye tak intae accoot tha nineteen American presidents er desendit frae Ulster-Scots lineage, oor historical links er iver aw an intrestin, an shud be luk't intae mare tae help oot tourism. An yit if oor ain fowk irny aw aware o' whut we hae, hoo caun we expect ithers tae ken. It is fer this raisin that a' baleev ther must be a policy lukin intae museums an pittin fort those museums tae tha people o' tha Proavince an farther afield.

I am an avid supporter of promoting to the world the rich history and culture of the Province. Given that 19 American Presidents have Ulster-Scots lineage, our historical links are vast and interesting and should be explored fully in order to enhance tourism potential. However, if our own constituents are unaware of what we have, how can we expect others to know? It is for that reason that there must be a policy that focuses on museums and their promotion to the people of the Province and further afield.

Although they are often — wrongly, I must say — regarded as dusty, crusty and uninteresting, museums are vibrantly alive with the history of days gone by. That must be shown to people of all ages and classes throughout the Province. It is hoped that a museums policy will initiate a new beginning for museums. It is a superb idea to co-ordinate museums that have similar themes in order to encourage people to visit more than the one or two that they have been to. It is clear that that must be examined strategically, and the museums policy seeks to bring that about.

I recognise that my interest in the history of the Province and my deep sense of cultural identity were shaped by the influences that certain people had on me when I was a child. Those people sparked an interest and fanned the flames of desire in me to know what shaped me and my nation. In the same way, it is imperative to have a system through which our young

children are inspired and intrigued to learn at school about their roots.

Most children in the Province visit a museum at some stage with their schools, and most of them will say that they enjoyed it. Regardless of whether they dressed up to spend a day at the Ulster Folk and Transport Museum to see how children lived in previous centuries or whether they saw how engines have developed since the industrial revolution, children love to feel and experience the past. Why does that not transcend to adolescent learning? Why is there no firm link between the Department of Education and museums to promote visits to the many different types of museums in the Province? The strategy will address that, and it is imperative that that happens so that future generations do not succumb — as many of my generation have — to the image of museums as somewhat dry places.

I make it clear that our museums are doing a brilliant job to make history interesting and applicable to all — from the bread-making classes in the folk museums to the historical walks on the walls of Londonderry with the Apprentice Boys. There is something for everyone, but people are simply not yet aware of it, and they should be told.

My council area of Ards is beautiful and historically rich and is one of 11 council areas that supports or provides museum services. I am proud of that, because there is no doubt that the promotion of those venues rests with all public bodies. The choice that my council made for its area is one that I would like to see repeated throughout the 26 council areas and, eventually, the 11 super-council areas.

We all have a duty to encourage people to expand their horizons and to learn more while they are enjoying their day, and councils that do not support museum services need to reconsider what they are depriving their constituents of. I hope that the policy will examine the post-RPA councils and provide guidance on how best to develop the museum sector in those areas.

In my area, we have the Somme Heritage Centre, which highlights the bravery and dedication of the men from Ulster who gave their all for freedom and democracy. We are proud of the attraction, and it is another attraction for people who wish to visit the most beautiful constituency in the Province — Strangford.

That said, Northern Ireland is so rich in history that every area should, and does, have something to promote it, and it is up to each council, each Government body, each elected representative to exploit the potential for all that it is worth.

There is a museums strategy in place, and it is a signpost that is pointing the way. However, a museums policy must be developed.

I support the motion, and I urge everyone in the Chamber to join —

**Mr Deputy Speaker:** Hou! yer whisht nae mair. Time is up.

**Mr Shannon:** I urge everyone to join with the Committee in recognising the need for a museums policy.

**Mr Brolly:** Go raibh maith agat, a LeasCheann Comhairle. I will simply reiterate what Mr Shannon said: Mr Shannon who is from that most beautiful part of the world — Carlingford.

During the presentations to the Committee, we were amazed by the number of people who presented from independent museums. I am not surprised by Jim's discovery that most museums are not even listed and nobody knows anything about them. However, if a museums policy will do anything, it will cure that ill, and it will make people aware of those hidden treasures. Some of those museums were very interesting and their variety was amazing. The practical strategy that will flow from a museums policy will help with all those issues.

In many ways, museums seem hidden, as some people do not know about them. There is a certain hiddenness about them. Indeed, the general public do not go to museums unless they are going on a school trip, or, like me, they are an old-age pensioner who is going on a day out. Hopefully, a policy and strategy will make museums a more vibrant part of tourism Northern Ireland.

I do not wish to say much more about the matter, because it has all been said already. However, I wish to reiterate a point that the Chairperson made, which relates to the work of the Museums Council and the proposal in the early stages that private consultants should be brought in to formulate a policy. If ever we wanted to waste money, that would be the way to do it, because private consultants would simply meet representatives from the Museums Council, pick their brains and come back and hand us a substantial bill for their work.

I will conclude by advocating that the Museums Council should be put in charge of the proposal. Go raibh míle maith agat.

**Lord Browne:** I declare an interest as a director of the Somme Association and as an elected member of Belfast City Council.

As previous Members who spoke said, museums are a key spending area for the Department of Culture, Arts and Leisure, and almost 20% of the Department's annual budget is spent on museums.

I am sure that Members will agree that it is essential to have a well-developed policy in place if a business or service is to run successfully. The key issues about

the development of such a policy include the need for greater integration between councils and national and local museums. That is essential if the museum sector is to be an effective, efficient organisation.

2.00 pm

One of the Committee's recommendations is that museums policy should set out how national, local and independent museums can best work in partnership in order to maximise the potential of all museums to create a cohesive museums sector. As the Chairman of the Committee said, those people who gave evidence to the inquiry highly valued the Museums Council and its work, and expressed the view that the Museums Council is crucial to the provision of specialist training and accreditation for the staff of independent museums.

The museums sector has major concerns about the transfer of the functions of the Museums Council to central and local government under the RPA. Continuity of service is vital, and there is a strong consensus that the Museums Council should not be dismantled until a museums policy is in place.

The Committee also recommends that museums policy should address how the current functions of the Northern Ireland Museums Council will be carried out after the RPA comes into effect. There is no doubt that there is a need for the high-quality services that are currently being provided by the Northern Ireland Museums Council. It is essential that those services continue, particularly for the non-national museums, which often have to rely heavily on the support and guidance of the council. I ask the Minister to consider the strong support that exists for the continuation of the Museums Council in its current form or as a successor body.

The Committee further recommends that museums policy should include a strategy for the administration of the accreditation scheme after the RPA comes into effect. The policy should also provide local councils with guidance on how best to develop the museums sector in their areas.

It is also imperative that the policy include strategic thinking and planning with regard to the military and maritime museum sectors; I know that Ken Robinson has mentioned that. The Committee heard evidence from the Somme Association, the Royal Irish Regiment and the HMS Caroline committee, which made it abundantly clear that the Government have failed to give guidance with regard to the development of the military and maritime museum sectors. Those sectors comprise a collection of diverse organisations which work on their own, with, apparently, no joined-up approach. It is, therefore, essential that the policy should encompass a co-ordinated approach to maritime, aviation and military history.

It would be of immense benefit if all those attractions could be included on one site. Furthermore, I suggest that they should be incorporated into the Titanic Quarter along with the signature project, so that Belfast, and Northern Ireland, would have a world-leading visitor attraction. Without the support of a museums policy, military, maritime and aviation history will not be able to fulfil their true potential. It is essential that those interests be included in the policy.

Museums policy should also consider themes that are not currently covered by museums, such as our sporting history. Northern Ireland has many famous sporting figures, and we should consider that issue at a later date. I support the motion.

**Mr D Bradley:** Go raibh maith agat, a LeasCheann Comhairle. It is clear that our museums and, particularly, their artefacts are a tremendous educational resource, which should be available to the pupils in our schools to the greatest extent possible. Unfortunately, however, that is not happening at present, which is clearly reflected in the Committee's report.

When Mr Chris Bailey of the Northern Ireland Museums Council gave evidence to the Committee on 29 May 2008, he was asked about the vision for education and learning as it related to museums.

In his response, Mr Bailey said:

"I am convinced that museums have not yet got the capacity to exploit the full potential of education and learning. That is illustrated by the flatlining of the number of schoolchildren who attended museums over the past five years. That is partly due to difficulties with school transport, but it is also due to museums not having rooms available or the necessary staff expertise."

It is very unfortunate that the lack of co-operation between the Department of Culture, Arts and Leisure and the Department of Education is denying pupils one of the most interesting resources available to them.

In that same evidence session, Mr Bailey spoke about museums' potential to affect learners. He said:

"My personal vision is to see museums being able to engender those life-changing experiences that people get from visiting museums. I have witnessed examples of that through people handling the actual objects ... Such experiences can give nine-year-olds, for example, an understanding of previous generations."

**Mr K Robinson:** The Member raises a very valid point. Does he agree that an organisation such as the Railway Preservation Society of Ireland currently fulfils that role despite its limited resources, because, as the Member said, it gives children the opportunity to experience a bygone age that they can smell and almost taste? The Member said that introducing children to museums will make museums an inter-generational prospect, because children who experience them will carry those experiences with them. They will also inherit all the skills, and so forth, from a previous generation.

**Mr D Bradley:** I thank the Member for his intervention. I live along the Belfast to Dublin railway line. During the Christmas recess, I heard the noise of a steam train and saw a long plume of smoke through my back window. I certainly experienced the steam age with all my senses on that day. Therefore, I agree with the Member's point.

I now return to the issue of education in the report. In this day and age, it is incredible that museums do not have the proper facilities, or the trained staff, to exploit fully the education and learning potential that they can offer. Museums are a huge educational resource that should be providing learning, research and inspiration to pupils. However, that resource is far from being fully utilised.

It is equally incredible that difficulties with school transport prevent pupils from accessing the wonder of our museums. My points underline the importance of recommendation 7 in the report. It recommends that a museums policy should address:

"how the links between museums and education can be strengthened and taken forward at a departmental level."

It also recommends that DCAL establish formal links with the Department of Education and the Department for Employment and Learning on that issue.

I like to think that such links will ensure that museums have the capacity and the staff to provide curriculum-based programmes to enable pupils to develop their skills and knowledge in an interesting and stimulating environment, which museums can provide.

It would be appropriate for a service-level agreement to be established between the Department of Education and DCAL to ensure that our museums' potential is fully exploited and so that they can contribute to the education of our young people. I welcome the report, and I congratulate the Committee staff, as well as the witnesses who attended the Committee meetings. I also congratulate the Chairperson, who directed the compilation of the report. Go raibh míle maith agat.

**Mr McCartney:** Go raibh maith agat, a LeasCheann Comhairle. Ba mhaith liom mo thacaíocht a thabhairt don tuairisc. I begin my adding my voice of thanks to the Committee Clerk and her staff for their exemplary work and, indeed, patience that resulted in the publication of the report. It is a comprehensive report, and many valuable and welcome contributions assisted the Committee in arriving at its 28 recommendations.

Throughout the inquiry, it was evident that the absence of a museums policy has curtailed the sector's ability to maximise its impact, and the impact that museums can and should have in our community. Museums' tourism potential helps the economy, and they also help to promote lifelong education. Those are important linkages that help to broaden museums' impact.



Therefore, the inquiry is timely and, now that stable political institutions are in place, its recommendations can lay the required foundations for a vibrant and strategically focused museum sector and provide an opportunity for the Minister. The need to introduce a museums policy should be seen in those terms, and doing so would allow the sector to build on its undoubted strengths.

Building on what we have was a common theme from all of those who made oral and written contributions to the Committee. A museums policy would underwrite and ensure a strategic approach to all aspects of work in the sector. The current lack of a strategic approach means that there is no body to co-ordinate or review how museums are developed with regard to their geographical spread or their funding, or in relation to issues such as themes and collections.

Joint or collaborative ventures are often the result of local initiatives or are set up on an ad hoc basis. To maximise the richness of our heritage, a more strategic approach is required. A number of the inquiry's recommendations highlight the importance of a vibrant independent sector, the contribution that is made by the independent museums and how that contribution can be built upon.

During an evidence session in Derry, the Committee heard evidence from the Museum of Free Derry — I declare an interest as a trustee of that museum — and the Apprentice Boys of Derry. Both organisations made the point that independent museums must maintain their own identities; in other words, they should be allowed to tell their story from their perspective. That does not prevent either of them from working in partnership with others to tell the story of Derry. Undoubtedly, both museums have played a worthwhile role in increasing the number of visitors to our city in recent years.

A museums policy would greatly assist those in the independent sector to benefit from the understanding and capabilities of more-established museums. That point was echoed in the evidence provided by the Heritage Lottery Fund. Sinn Féin supports the Museums Council, which has played a pivotal role to date. Its role was acknowledged by those in the sector who have benefited immensely from its work.

I commend the report to the Assembly. I hope that the Department and the Minister will take note of the report's recommendations and come to the conclusion that a museums policy is not only necessary but that it should be forthcoming in the near future, and that the cost of, or lack of, resources should not be the cover-all reason for the status quo to remain. Go raibh maith agat.

**Mr G Robinson:** Undoubtedly, Northern Ireland people have a fascination with history. Indeed, history

is part of everyday life in Northern Ireland, and a museum is one way in which that fascination can be put into perspective. Many people from all parts of the world visit here every year to discover their ancestors' birthplaces, to find out about their living conditions and to enable them to put into perspective the journeys of people who emigrated to every part of world. The obvious delight of discovering relatives has been witnessed on many occasions. As part of their search, people often visit local museums and those that take a Province-wide perspective. People may wish to see the impact that the famine had on a particular area, or they may wish to understand the hows and whys of change in society.

In the last session, the House debated the 1859 revival. Without a museum, how would such a society-changing event be remembered or be put into perspective at a local level? Locally, it is essential that young people appreciate the sacrifices of previous generations and the struggle that they went through to build the society in which we live today. Museums are also places in which gifts of boroughs and pieces of great local significance can be displayed, restored and protected for the benefit of future generations.

With that in mind, I support in principle the development of a museums policy for Northern Ireland, but I am doubtful that the time is right. At the present time, we should all be well aware of the economic climate, and I urge caution in developing such a policy. Undoubtedly, there will be a rush by some people to use such a policy to develop new museums. However, I remind Members that budgets are extremely tight.

2.15 pm

I also urge the Minister to give specific and detailed attention to the costs and which bodies would incur them. Later today, the Assembly will debate the penny product, and I fear that a large proportion of the cost of the proposed museums policy would fall on local councils. At present, councils cannot afford such a luxury and, in the current economic climate, a museums policy is a luxury. It might be better to wait until the Minister has had the opportunity to examine carefully every aspect of such a policy.

I support the motion.

**The Minister of Culture, Arts and Leisure (Mr Campbell):** I thank the Committee and the Assembly staff for the time and effort that they have put into the inquiry and the detailed report. I also thank the organisations and individuals who contributed to the process in written and oral evidence.

I welcome the debate and the contributions of all the Members who participated. It was Mr McCarthy who, I believe, indicated that the debate is important and

exciting. I certainly agree that it is important. —  
[Laughter.]

We have many fine, interesting and unique museums in Northern Ireland that tell the story of our social and industrial heritage, and preserve important artefacts for future generations to observe, experience and enjoy. I am committed to ensuring that they maintain their exceptionally high standards. Our museums have great development potential, for example, in promoting tourism and lifelong learning. We need to exploit those assets fully.

The report indicates that the way to achieve those, and other, objectives for the sector is through a museums policy. In my evidence to the Committee, I said that a policy route is not necessarily the only route to achieve that. However, I also said that I was willing to listen to alternative views, and that I looked forward to receiving the report.

I received the report last Tuesday, 6 January, with a letter from the Committee Chairperson inviting me to respond to the recommendations by 13 March 2009. I want to give the report the attention it deserves and I will provide a considered response to the recommendations by that date. That will involve discussions with a range of bodies and other Departments mentioned in the report, some of which were not involved or consulted as part of the process. Therefore, it would be premature for me to offer any detailed comment on the report or its recommendations at this early stage.

We have a common understanding of the great potential offered by our museums and we share a common aim to improve, realise and build on that potential. As the Minister with responsibility for the museums sector, I will consider carefully the case put forward by the Committee for the development of a museums policy, taking into account other priorities and resources.

The House should note that if it approves this report it will do so on the understanding that neither the Department nor other key stakeholders have had adequate time to assess whether the recommendations are deliverable. In the light of that, I cannot at this stage give an unequivocal response, nor do I believe that anyone expected that I was going to do so.

I refer to comments made in the introductory part of the debate by the Chairperson of the Committee, who indicated that everyone who came before the Committee was in favour of a policy. He indicated that I was the only one who was not in favour, and that I was out of step with everyone else. I draw Members' attention to page 189, paragraph 1757 of the report, in my evidence to the Committee:

“I am conscious that the development of a policy could be costly. If I were able to acquire the costings to allow a policy

decision to be taken — which did not impinge or impact on the delivery of a high-quality museums service — I would be prepared to consider developing a policy.”

That was my response to a question that was posed by the Chairperson of the Committee for Culture, Arts and Leisure.

**Mr Deputy Speaker:** As Question Time commences at 2.30 pm, I suggest that Members take their ease until that time. This debate will resume at 4.00 pm, when the Chairperson of the Committee for Culture, Arts and Leisure will be called to make a winding-up speech.

*The debate stood suspended.*

2.30 pm

## Oral Answers to Questions

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

**Mr Speaker:** Order. It is time for questions to the Office of the First Minister and deputy First Minister (OFMDFM). I wrote to all Members recently to inform them of a change in Question Time with effect from today. Members wishing to ask a supplementary question should rise in their places as the Minister finishes the response to the lead or supplementary question. I remind Members that supplementary questions should be short and should very much relate to the original question — which has been a problem in this House sometimes in the past — and, as far as possible, should not be read out. If that is clear, we shall proceed.

#### Older Persons Commissioner

1. **Mrs M Bradley** asked the Office of the First Minister and deputy First Minister what plans it has to change the current legislation to allow for a full-time Older Persons Commissioner. (AQO 1658/09)

**The First Minister (Mr P Robinson):** I wish you well with the new process, Mr Speaker.

The Office of the First Minister and deputy First Minister has a Programme for Government public service agreement target to create a strong, independent voice for older people. After examining all the options, and having received the commissioned independent report, we decided that the best way to fulfil this commitment was to have a full-time older persons' commissioner. In order to ensure that the commissioner would have a sufficiently strong power-base in line with the expressed wish of the sector, we decided that the office should be underpinned by new primary legislation.

We received the second part of the Deloitte report, outlining the possible roles and responsibilities of a commissioner, in May 2008. Officials in the Department have since prepared a timetable for the legislation, and are conducting the necessary pre-legislative stages. I assure the House that we are moving forward with this timetable without delay.

In order to ensure that the sector has a direct voice to Government in the period until the commissioner is

in place, we have appointed Dame Joan Harbinson as the Older People's Advocate for Northern Ireland. She will have the role of advising Government, vocalising the issues and concerns of older people, and acting as a liaison between the Government and the sector.

**Mrs M Bradley:** I thank the Minister for his reply. What resources have been given to the Older People's Advocate, and what are the terms of reference?

**The First Minister:** The purpose of having the advocate is to maintain the momentum leading towards the commissioner's being in place. The seriousness of the Executive is shown by the placing of the older persons' spokesperson as part of our Programme for Government. The fact that we are putting in place primary legislation shows our belief in this role being a priority, because we do not believe that an amendment to any existing legislation would give sufficient powers to the person who would act as commissioner.

The resources are there because there is currently no statutory basis for the advocate to operate on at a lesser level than will be there when we have the new legislation, but there is the administrative back-up. We are still looking for a permanent adviser at a higher level to assist the advocate.

**Rev Dr Robert Coulter:** Thank you, Mr Speaker. *[Laughter.]*

Will the First Minister explain why an interim appointment for an old people's commissioner was deemed necessary, and why we did not move to a substantive appointment? Will the First Minister indicate whether he has made any progress in age-proofing all legislation in the Northern Ireland Assembly?

**The First Minister:** There is no existing legislation that would allow us to appoint a commissioner, and it is, therefore, necessary for us to put in place new legislation. As Members are aware, by its very nature, it takes between one and two years to have the substantial kind of legislation that needs to be drafted and brought before the House. Rather than wait for that period of time before there would be someone advocating for pensioners and other senior citizens, we have appointed the advocate on an interim basis.

I think that that was a sensible thing to do and it is appreciated by the sector. However, we want to move on and put a commissioner in place.

**Mr Shannon:** I did not know whether to wave my hand or flash a piece of paper to attract your attention, Mr Speaker.

Apart from a commissioner for old people, will the First Minister explain what other actions the Executive have taken to help elderly people in society?

**The First Minister:** Mr Speaker, I am sure that it would be difficult for you not to see the Member for Strangford; he is prominent in the Chamber.

The Executive and the Assembly have made it a priority to deal with issues affecting senior citizens in society. The number of people eligible for free fares on the transport system has been increased. Previously, that scheme was open to people over 65 years of age. Under the new arrangements, senior citizens over 60 years of age — a category which I have joined within the past few weeks — will be able to enjoy that facility.

Rates increases were frozen for the whole of the household base, and a discount was introduced for senior citizens over the age of 70 and who live on their own. Following information provided to us by Age Concern and its sister organisation, a number of further issues have been raised, and we are looking at ways in which to increase the benefits uptake among senior citizens.

A whole range of activities are taking place to increase the ability of senior citizens to benefit from available Government funds and to be better able to liaise with others in the community.

## Victims Commissioners

2. **Mr Attwood** asked the Office of the First Minister and deputy First Minister for its assessment of the impact the delay in agreeing the work plan for Victims Commissioners will have on implementing its strategy for Victims Commissioners. (AQO 1657/09)

**The First Minister:** I assume that in his question the Member meant to refer to the strategy for victims and survivors. We anticipate that the continuing discussions on the Victims' Commission's work programme will have no impact on the implementation of the strategy for victims and survivors.

On 31 October, consultation on the draft strategy concluded and a copy of the summary report has been sent to the Committee for the Office of the First Minister and deputy First Minister for its consideration. Shortly, we will forward to the Committee a draft consultation document on victims' and survivors' services for consideration prior to publishing. We have agreed almost all aspects of the commissioners' first work programme, and the commissioners continue to work on all their areas of responsibility in the interests of victims and survivors.

Before last summer, the commission drafted an initial work programme to facilitate a series of consultations. The commissioners amended that work programme to take into account the feedback from those consultations. The work programme outlines the goals and targets for the commission until the end of

March 2009, and will be regularly revised and updated. All the areas of work have been agreed and only administrative issues remain under discussion. We anticipate that the remaining issues will be resolved before the end of the week.

**Mr Attwood:** I thank the Minister for his reply, and I note what he said. Is it or is it not the case that there has been a delay by the Office of the First Minister and deputy First Minister to sign off on a work programme for the Victims' Commission? That delay has stretched out for six months now.

Given that delay, will those organisations for victims and survivors, which have had funding, now require interim funding from the First Minister's office in order to ensure that that funding does not stop? If that is the case, what interim arrangements will be put in place to ensure that those groups get funding and do not have to cease to exist?

**The First Minister:** I am sure that if the Member examines the role of the victims' commissioners more closely, he will discover that it is not to administer funding in the first place. The only outstanding issues are merely administrative and relate to the work programme. As I have mentioned, it is expected that those will be resolved shortly.

**Mr Kennedy:** I am grateful for the opportunity to ask a supplementary question. What specific issues remain outstanding with the deputy First Minister?

**The First Minister:** The only issue is staffing. At present, the matter is under discussion between our Department and the victims' commissioners.

**Lord Browne:** Will the First Minister explain the measures that the Executive have taken since the return of devolution to deal with serious problems that are faced by victims?

**The First Minister:** The deputy First Minister and I have raised significantly the amount of funding that is available to victims and survivors in our own budget — £36 million is available. Of course, under Peace III, there is up to £25 million of funding. Therefore, significant resources are available. The victims' commissioners will be best able to indicate which other steps can be taken to assist victims and survivors. Through the junior Ministers, the Department has constant contact with victims' groups.

**Ms J McCann:** Will the Minister explain the Victims' Commission's achievements to date?

**The First Minister:** First, the Victims' Commission was responsible for producing a work programme for the initial period until the Office of the First Minister and deputy First Minister prepared the strategy, and progress was made from there.

Secondly, the commission has had to make contact with all the victims' organisations. It has had several public meetings with those organisations and has also met several individuals. It is also in the position of having to seek new premises, on which it is making progress. Therefore, the commission carries out a range of work as well as having regular consultations with our officials.

### Rapid Response Capacity

3. **Mr K Robinson** asked the Office of the First Minister and deputy First Minister to detail how the new Rapid Response Capacity, announced on 15 December 2008, will be fast tracked through the Assembly. (AQO 1645/09)

**The First Minister:** Following our announcement on 15 December 2008 that we would bring forward legislation early in the new year to respond quickly to any crisis or hardship situation, the deputy First Minister and I are pleased that we introduced the Financial Assistance Bill in the Assembly earlier today.

The Bill's aim is to provide the Executive with flexibility in the allocation and distribution of resources across Departments, so that they will be able to respond quickly, effectively and decisively to deal with exceptional circumstances or to tackle poverty, social exclusion or deprivation.

We have tabled a motion for tomorrow's plenary sitting to ask the Assembly to approve the Bill's proceeding under the accelerated-passage procedure. Subject to the Assembly giving its approval to the use of the procedure, the Bill's Second Stage debate will follow immediately. We expect that the Bill will pass all its Stages, with the Assembly's approval, by the end of January 2009.

**Mr K Robinson:** I thank the Minister for his comprehensive answer. Will he give an undertaking that the use of that rapid-response mechanism by OFMDFM will, first, be tabled at and agreed by the Executive, and, secondly, will not be used to undermine Ministers' individual departmental responsibilities?

**The First Minister:** The legislation's purpose is to assist Ministers with their departmental duties and to provide a statutory basis for taking action where none presently exists. The deputy First Minister and I have agreed that there should be a change to the ministerial code, which will ensure that all the schemes that flow from the legislation go to the Executive for approval before they can proceed.

**Mr Easton:** Will the First Minister tell the House how he believes devolution has helped to tackle fuel poverty?

2.45 pm

**The First Minister:** That is almost self-explanatory in that we are the only part of the United Kingdom that has produced this scheme. Indeed, I suspect that some of the other devolved institutions will look at us with considerable envy. The scheme shows the benefit of devolution because it simply would not have been introduced under direct rule. It shows that the Executive are able to react and consider the interests of the people whom we represent. Even if the means are not immediately at our disposal, we are prepared to take the necessary steps to act on the decisions that we take.

**Mrs Long:** Given the urgency of the situation and the speed with which things are moving, have the First Minister and the deputy First Minister had time to consider the issues raised in correspondence with them about this matter last week? Will they be able to consider those issues before tomorrow's debate?

**The First Minister:** We deliberately opted for accelerated passage as opposed to the suspension of standing orders, which we had originally considered, to allow for more debate and more Assembly involvement. It gives us an opportunity to listen to the views of the Assembly tomorrow and before the Executive meet on Thursday.

I have read the correspondence and I am aware of the points raised. There are some easy answers to the issues that the honourable lady and others have raised in respect of the legislation. However, I put it to her that it would be wrong for us to give all the answers before we meet our Executive colleagues on Thursday. We are proceeding with the legislation as provided today. We do not have a closed mind, and we are open to any sensible amendments that will improve the legislation.

### Gifting of Former Military Sites

4. **Mr Craig** asked the Office of the First Minister and deputy First Minister what discussions have taken place with the UK Government on the gifting of former military sites. (AQO 1725/09)

**The First Minister:** We have corresponded and held meetings with the United Kingdom's Government on a regular basis to progress the gifting of former military sites; our officials also maintain regular contact with the Ministry of Defence on the matter. We will continue to press the Prime Minister directly, and we are hopeful of a favourable outcome on the issue. We will ensure that the Assembly is kept informed of progress.

**Mr Craig:** I thank the First Minister for that answer. Will he outline the implications of the recent fall in property values on the transfer of former military sites?

**The First Minister:** The preference of both the deputy First Minister and me is for the sites to be gifted. Property values will not matter if the sites are gifted, except to the extent that it may be less of a problem for the Ministry of Defence to hand the sites over if they are of a lower value.

However, if the Ministry of Defence does not gift the sites, or gifts only some of them, and the Executive decides to purchase the remaining sites, we would be able to purchase them at a considerably lower rate than would have been available 18 months ago. However, it must be recognised that the constructions necessary to develop any site that may be gifted, or purchased, would represent a cost that has not yet been taken into account in the Finance Minister's Budget.

**Mr McElduff:** Go raibh maith agat, a Cheann Comhairle. Will the Minister provide an update on the situation regarding the Lisanelly and St Lucia sites in Omagh, particularly OFMDFM's efforts to secure the transfer of those sites for the purpose of empowering and enabling the education campus, the village of post-primary schools?

**The First Minister:** Mr Speaker, neither you nor I expected that this question would pass without mention being made of St Lucia and Lisanelly. The deputy First Minister and I have made our views very clear. We want those two sites, or a single combined site, to come into the Executive's possession.

I have noted the scheme that has been produced and, as a similar scheme operates in my own constituency, I recognise the value in campuses where several schools are amalgamated. However, we must acquire the site. The deputy First Minister and I have raised the issue with the Prime Minister and the Secretary of State on several occasions, and we will continue to do so.

**Dr McDonnell:** I thank the First Minister for his answer so far. What impact has the delay in the decision on the regeneration of the Maze/Long Kesh site had on the gifting of the Lisanelly barracks site?

**The First Minister:** It has had no impact. I do not think that the Government's reluctance to hand over other military sites is related to that matter. They may use that issue as an excuse, but Members know that the Ministry of Defence attempted to use the sale of military sites to augment its own Budget. That would be understandable were it not for the fact that Her Majesty's Government published a commitment to provide the Executive with a number of those sites.

I do not accept remarks by the Minister of State responsible for security that we have embellished the generosity indicated in the framework document, which included a clear commitment to provide us with additional military sites. The Government must keep their promises, and we will continue to press them on that matter. In recent contacts that the deputy First

Minister and I had with the Prime Minister and the Secretary of State, the matter has not been without hope.

## USA Investment

5. **Mr Gardiner** asked the Office of the First Minister and deputy First Minister to detail any new potential investment leads opened up following its visit to the United States of America in December 2008.  
(AQO 1647/09)

**The First Minister:** The main purpose of our visit to the United States in December was to promote investment opportunities in Northern Ireland. Our participation at meetings with prospective investors and those who influence investment decisions helped to strengthen the message that Northern Ireland still provides an excellent investment opportunity. We used those meetings to explain the Executive's commitment to growing the economy and to encourage prospective investors to choose Northern Ireland as their preferred European location.

**Mr Gardiner:** I thank the First Minister for his reply. Will he further enlighten the House about the achievements of the Emerald Fund that was announced at the investment conference last year?

**The First Minister:** During our visit to New York, we met with the New York City Comptroller and New York State Comptroller to discuss further investment, and we are in continual contact on those issues. It is not for the Executive to be involved in those individuals' arrangements, but they indicated that they were proceeding and that they have established personnel and an office in Northern Ireland. I hope that those schemes will soon be realised.

The deputy First Minister and I not only met those involved with investment funds, but we had the opportunity to address a Fortune 500 dinner about the benefits of investment in Northern Ireland. We also met 20 leading businessmen from Wall Street, visited the Stock Exchange and had breakfast with the chief executive and directors, and met Mayor Bloomberg. Those meetings were follow-ups to the very successful US/Northern Ireland investment conference. Although the conference has passed, Invest NI and our Ministers continue to contact those who attended.

**Mr Spratt:** I thank the First Minister for his answer. Will he provide further detail about which firms, individuals or groups he met during that visit?

**The First Minister:** There were around 250 leading company directors at the Fortune 500 dinner. The deputy First Minister had leading businessmen around his table, as did I, and they all showed a considerable interest in Northern Ireland. Although many people

think that it is difficult to get businesses interested in investing in Northern Ireland due to the current difficult economic times, we found that the high skills and lower production and labour costs in Northern Ireland are very attractive, especially to chief executives who are considering their cost base.

**Mr A Maginness:** I thank the First Minister for his answer. The list of people whom he met is impressive, and progress is certainly being made. However, I recently met a senior official of the US Administration, who emphasised the importance of the transfer of policing and justice to the devolved Assembly in Northern Ireland, because it is an indication of the maturity, stability and confidence of the Assembly and this Administration.

**Mr Speaker:** I encourage the Member to ask a question.

**Mr A Maginness:** Does the First Minister agree that the transfer of policing and justice powers will give that confidence to outside investors, particularly Americans?

**The First Minister:** I have spoken to hundreds of investors, many of whom have had good reasons for looking towards Northern Ireland, but the prospect of policing and justice powers being devolved has never been at the top of their list. Policing and justice powers should be devolved to Northern Ireland in the right circumstances and at the right time. I want to see it happen without any delay. If Northern Ireland is seen to be stable, if our Assembly is seen to be working well and if confidence is built in our community, all those things help to foster an atmosphere that is beneficial to business in Northern Ireland — not only to those investing from outside of Northern Ireland, but to our own business people.

## ERINI Review

6. **Ms Anderson** asked the Office of the First Minister and deputy First Minister for an update on the review of the Economic Research Institute of Northern Ireland. (AQO 1690/09)

**The First Minister:** The KPMG report on the review of the Economic Research Institute of Northern Ireland (ERINI) was received in October 2007. It is a very important report, with potentially wide-ranging and significant implications for ERINI, its staff and the Department. It is reasonable and proper, therefore, that we take the necessary time to fully consider each of the report findings and canvas all relevant views to determine the best way forward.

The report is critical of ERINI. It indicates the need for remedial action across a range of areas, and offers a number of options on how that might best be achieved. The Department was challenged to consider how an

effective economic research and policy challenge function might best be delivered. We have established an interdepartmental working group to assess how that function is currently delivered by Departments. We are also examining how that function is discharged in other jurisdictions. We plan to have final recommendations on the way forward by the end of this month.

On 4 December 2008, representatives from the board of ERINI met the head of the Civil Service to put forward some outline views on the way ahead for the institute. They are refining the detail of their proposals, and we will meet with ERINI representatives before the final decision is made.

**Ms Anderson:** Go raibh maith agat. The report was scathing, and it referred to the fact that economic research was, at times, carried out too late to influence policy. The First Minister said that a report will be produced at the end of the month. Will that report include the review's findings, and will those findings be brought to the Committee for the Office of the First Minister and deputy First Minister for discussion?

**The First Minister:** We will always keep the Committee up to date with the issues that relate to its, and our, responsibilities. The report was critical. There is a further issue of principle that we, as elected representatives, must decide.

If a body is to provide an independent challenge function, is it sensible for that body to be almost entirely paid for by Government? That is one of the issues that must be considered. Clearly, there are also administrative issues of which the report was critical.

3.00 pm

All of that requires us to take action. The decisions will be taken in the best interests of the Executive and our economy. In light of all of the work that ERINI did — including the very considerable work that it did for the political parties in the run-up to devolution — we should be grateful for the assistance that it provided to us.

## AGRICULTURE AND RURAL DEVELOPMENT

**Mr Speaker:** I remind Members that, although I have a list of Members who want to ask questions, it is vitally important that they stand in their place if they wish to ask a supplementary question. The only way that other Members will be able to ask a question is if they rise in their places.

## **Gildernew Engineering/Gildernew Environmental**

1. **Mr Paisley Jnr** asked the Minister of Agriculture and Rural Development what is her relationship with Gildernew Engineering and Gildernew Environmental of Dungannon, and what is that company's relationship with O'Neill's Engineering and the recent pig-meat sector scare. (AQO 1726/09)

**The Minister of Agriculture and Rural Development (Ms Gildernew):** I have no relationship with either company, but I have family members who are involved in both businesses. I have no knowledge of any relationship between those companies and O'Neill's Engineering. Any enquiries with regards to those companies should be directed to the businesses themselves.

**Mr Paisley Jnr:** I thank the Minister for her answer. Is it possible for the Minister to update the Assembly on any investigation into the pig-meat or red-meat sector; to assure the House that she has no knowledge of the workings of any of the companies that were mentioned; and to explain whether she believes that it is appropriate that the company in question uses the Minister on its website to promote its activities?

**The Minister of Agriculture and Rural Development:** As the contaminated-feed issue is being investigated by the Garda Síochána and the PSNI, it is not appropriate for me to get into the details of the investigation. Indeed, I am not privy to the details. However, I am content that whatever dealings those businesses have are their business. If the Member wants to know more about those dealings, I suggest that he contacts those businesses directly.

**Mr McCallister:** Further to that reply about the scare in the meat sector, what work has the Department carried out with regards to compensating farmers? What discussions has the Minister had with farmers and their representatives? Her ministerial colleagues south of the border are partly responsible for the cost of that scare, so what work is being done with those colleagues to secure funding for the farmers?

**The Minister of Agriculture and Rural Development:** The Executive wrote to the authorities in the South and sought access for farmers and businesses in the North to the South's scheme of exceptional support measures, and we will continue to press that case. The deputy First Minister spoke, and subsequently wrote, to the Taoiseach in similar terms.

We have had a great deal of engagement and contact with farmers who were involved in the scare. A meeting between my Department and those farmers will take place shortly, but there has been ongoing individual contact with each of the farmers involved. Farmers have also been encouraged to consider

alternative sources of compensation, including insurance; applications to the Department of Agriculture, Fisheries and Food (DAFF) scheme; and legal action against the providers of contaminated animal product or feed.

In the circumstances, we are doing all that we can. However, I am not yet sure what the outcome will be.

**Mr O'Loan:** Will the Minister detail the method of identification for locally raised pigs? Will she tell us how our method of traceability differs from that in the Republic of Ireland, and can she make any useful comparisons?

**The Minister of Agriculture and Rural Development:** Hopefully, the pig sector is over the worst of the scare. As no locally born and bred pigs were affected, the indications are that there were no direct costs to primary producers, although some lower prices were paid in the week immediately following the discovery of the contamination.

Eleven pork processors indicated that they incurred substantial costs in respect of contaminated pork and pork products received from the South. Those costs are estimated at approximately £12 million. The advice from the Food Standards Agency — that retailers and caterers remove our pork products from sale — caused damage to consumer and customer confidence, which will have resulted in some stock losses for our processors. Such losses are estimated at £1.5 million.

In addition, there are the costs of measures required to restore customer confidence in export markets; that leads me to the responsibility for general food labelling, which rests with the Food Standards Agency (FSA). My Department is responsible only for the implementation of the EU-wide beef-labelling regulations, which require all operators in the supply chain — down to retail level but excluding food service — to label their beef with traceability and origin information. The FSA is responsible for pork products, so I am not in a position to answer the Member's question in the manner in which he would like.

## **Rural Poverty**

2. **Mrs McGill** asked the Minister of Agriculture and Rural Development what progress has been made in addressing poverty in rural areas. (AQO 1761/09)

**The Minister of Agriculture and Rural Development:** My Department is developing a policy framework for addressing poverty and social exclusion in rural areas. The framework will be used to disperse the £10 million that was awarded to the Department of Agriculture and Rural Development (DARD) from the Programme for Government in order to address poverty and social exclusion in rural areas.



Several priority areas for action have been identified, including rural fuel poverty, rural childcare, rural transport, rural community development and a challenge fund for projects that address poverty and social exclusion in rural areas. In the coming months, consultation with stakeholders will take place, and various impact assessments and business cases for each priority will be completed. It is my intention that priorities under the framework will open for applications in late spring or early summer.

**Mrs McGill:** Go raibh maith agat, a Cheann Comhairle. I thank the Minister for her response. Will she provide further details about some of those priorities, such as those concerned with rural transport?

**The Minister of Agriculture and Rural Development:** Work on rural transport has been ongoing with the Department for Rural Development (DRD); we are examining ways to maximise the success of rural transport fund partnerships, and we are exploring ways to ensure more equitable access to transport for rural dwellers.

Details of our priorities concerning rural childcare include: supporting pilot, or demonstration, projects from community or regional bodies to tackle problems with access to childcare services; early-years integration; the quality and safety of provision; and the sustainability and affordability of services.

With regard to fuel poverty, we have been working with the Department for Social Development (DSD) and have contributed to the warm homes scheme up to the end of the financial year. Further discussions are planned to investigate other measures that might be appropriate.

A priority for community development is to support the creation of the capacity of, and leadership in, rural communities to identify and develop measures to alleviate poverty and exclusion. The rural challenge fund will address specific poverty and exclusion matters in a more locally or regionally driven project-based manner. That priority welcomes project-based proposals that directly address the poverty and social exclusion being experienced by farmers and farm families and which provide support and signposting to address rural stress and those that address the need of section 75 groups in rural areas.

**Mr Shannon:** I thank the Minister for her response. In the area that I represent, some people have expressed concerns about how funding to address rural poverty will be allocated. Will the Minister assure Members that funding will not be directed mostly to the west of the Province rather than to the east, and that it will go to unionist areas, because some people suspect that it will go to nationalist areas?

**The Minister of Agriculture and Rural Development:** Such funding, like other matters, will

be allocated on the basis of equality impact assessments (EQIA) and objective need. Where dwellers in rural areas have need, we will attempt to address that need, and that is what anyone would expect my Department to do.

**Mrs D Kelly:** I support the Minister's assertion that poverty should be addressed on the basis of objective need and not on whether funding should be for Catholic or Protestant cows.

Given that recent post-project evaluations demonstrate that DARD is behind on delivery in more than 20 of its projects — including the rural development programme, the rural housing estates programme and the natural resource rural tourism initiative — does the Minister agree that such lengthy delays are unacceptable and do nothing to address rural poverty, and what actions will she take to ensure their conclusion?

**The Minister of Agriculture and Rural Development:** My Department strives to avoid lengthy delays, and I want all projects in which my Department is involved to be completed within the timescale envisaged. Before becoming Minister, and in my capacity as an MLA representing a rural constituency, I often lobbied the Department on projects that were held up because of issues relating to planning permission, for instance, or other reasons that were outside the control of the Department. It is incumbent on the Department to ensure that any project under its auspices is completed in the timescale envisaged and that the relevant money is spent in that financial year.

### Farm Modernisation Scheme

3. **Mr Beggs** asked the Minister of Agriculture and Rural Development what progress has been made in providing farmers with more information regarding the farm modernisation scheme. (AQO 1716/09)

6. **Mr Doherty** asked the Minister of Agriculture and Rural Development how and when the farm modernisation programme will be opened. (AQO 1770/09)

**The Minister of Agriculture and Rural Development:** With your permission, a Cheann Comhairle, I will answer questions 3 and 6 together. The farm modernisation programme will open on 20 January 2009, and the documentation required for the application pack is being printed. The opening of the programme will be advertised widely, and application packs will be available on the DARD website and in DARD offices from that date.

The date for the receipt of applications will be from 17 February, and they can be submitted only through the eight DARD offices in Ballymena, Newry,

Downpatrick, Armagh, Coleraine, Omagh, Dungannon and Enniskillen. Alternatively, applications can be posted.

**Mr Beggs:** I thank the Minister for her answer. I declare an interest as a landholder, and my parents have a small farm business. Does the Minister accept that the delays have been disappointing to many in the farming community? Will she ensure that there will be no further delays and that money will begin to flow and benefit the farming community as soon as possible?

**The Minister of Agriculture and Rural**

**Development:** I accept that people have been disappointed about the delays. However, the delays arose because I wanted to ensure that the methodology for delivery was as effective and efficient as possible and that the list of eligible items covered all sectors, because there was disquiet among some groups of farmers who felt that one sector was being more heavily promoted in the farm modernisation programme than another. I wanted to ensure that those measures are open to as many farmers as possible and that we get the delivery mechanism right, because those concerns provided much food for thought over the past couple of months. I wanted to ensure that the farm modernisation programme was as good as it could be when it opened and that it could be tapped into by as many farmers as possible.

**Mr Doherty:** Go raibh maith agat, a Cheann Comhairle. I thank the Minister for her answer. When applying to the farm modernisation programme, are applicants required to provide quotations for any purchases that they want to make, such as machinery.

**The Minister of Agriculture and Rural**

**Development:** No. We have adopted a simplified procurement process for the farm modernisation programme for which quotations are not required. However, applicants may wish to seek quotations for their own business planning purposes and to maximise the opportunities that the programme may present to their business, if successful. The Department has tried to keep bureaucracy to a minimum. We are using reference prices, and it is hoped that that will speed up the process and enable as many farmers as possible to avail of the scheme.

**Mr Speaker:** No other Members have expressed a wish to ask a supplementary question, so we will move on. I call Mr P J Bradley — sorry, I call Mr Poots.

### DARD Direct: Lagan Valley

4. **Mr Poots** asked the Minister of Agriculture and Rural Development what consideration is being given to cover the Lagan Valley area with a DARD Direct office. (AQO 1754/09)

**The Minister of Agriculture and Rural**

**Development:** Go raibh maith agat, a LeasCheann Comhairle. We are flying through the questions today. As the Member is aware, DARD customers in Lagan Valley access various DARD services from several locations. Most Lagan Valley customers fall into the Larne and Newtownards divisional veterinary office (DVO) catchments, but a small proportion fall into the Newry and Armagh DVO catchments.

Customers who require face-to-face access to veterinary services must travel to their appointed DVO to carry out some transactions. However, those customers — depending on which county they live in — have to go to Ballymena or Downpatrick to receive grant and subsidy assistance. There is a small DARD office in Lisburn, but its main purpose is to accommodate staff from a limited number of DARD branches who work in the area. The office is opened to the public for a half a day only on a limited service, and it is fairly inaccessible.

To illustrate those examples, Members should be aware that for 90% of a normal working week a Lagan Valley constituent farmer from Glenavy must go to Larne for veterinary transactions and to Ballymena for advice on grants and subsidies, and a constituent farmer from Ballynahinch must go to Newtownards for veterinary services and to Downpatrick for advice on grants and subsidies.

The DARD Direct proposal replaces that variable approach with a series of one-stop shops that will provide office access to all farmer-focus services five days a week. We arrived at our proposed locations for DARD Direct offices after considering the recommendations arising from the equality impact assessment and the public consultation exercises.

3.15 pm

The Lagan Valley area will be covered from the proposed locations of Newtownards and Downpatrick in the east and south-east, Newry in the south, Armagh in the south-west and Antrim in the north. The two farmers to whom I referred will be able to carry out all their transactions from the location that is most convenient for them.

During the stages of pre-consultation and public consultation, bodies representing the industry identified an improved quality of service provision as much more important than the location of the office.

**Mr Poots:** Does the Minister recognise that, when circles are drawn around the offices denoting the 25-kilometre zone, Lagan Valley is the only constituency in Northern Ireland that is wholly excluded? Just because Lagan Valley previously received a poor service does not mean that the Minister should continue that discrimination against the 1,000 farming families in that constituency.

**The Minister of Agriculture and Rural**

**Development:** I have already outlined the complicated service provision that is currently available to farmers in the Lagan Valley constituency, which, I hope that the Member will agree, is less than ideal. The DARD Direct proposals replace that variable approach with one-stop shops providing office access to all farmer-focused services five days a week.

The pilot project, which was based at Inniskeen House in Enniskillen, proved that farmers are happy with the level of service. They do not mind travelling a wee bit further in the knowledge that they will receive a one-stop-shop service that covers all their needs. Farmers can avail themselves of a range of services in one visit, and their feedback on the model has been positive. I hope that farmers in Lagan Valley will be equally impressed by the better service that will be delivered there and in all 18 constituencies.

**Mr Molloy:** Will the Minister outline the main issues that have arisen from the public consultation so far?

**The Minister of Agriculture and Rural**

**Development:** The consensus of those who responded was that they were supportive of the concept of DARD Direct. One of the main issues raised was accessibility for customers and staff. People wanted to know that they will be able to park at the offices. As the Member knows, there are parking difficulties for farmers at the current location in, for example, Dungannon. Farmers sometimes need parking space for a Land Rover and trailer rather than a car, and proper access for such vehicles is required. Sixteen miles is a reasonable distance to travel, and offices should be easily accessible and also cater for disabled customers and staff. The office must be designed to suit customers, staff, disabled people and children, and public transport links should be taken into consideration when identifying office locations.

A second issue raised was the flexibility of service delivery. People welcome offices being open from 9.00 am to 5.00 pm, but sometimes they need out-of-hours services. The new concept makes it easier for the Department to deliver those services as required. Alternative channels of service delivery must be well promoted, and appropriate training could increase the uptake of online services.

The importance of maintaining good relationships between customers and staff and focusing on a high quality of service delivery was highlighted. The Department also felt that it had to take cognisance of disruption to staff, and the potential impact of relocation to new offices will be greater for non-mobile grades.

Those were the headline issues to emerge from the consultation, and I will take all of them into account in formulating a final proposal.

**Mr K Robinson:** Does the Minister accept that large sections of the Larne area and its hinterland are more than what her Department describes as a “reasonable distance” from the nearest DARD Direct office? Under the current proposals, is a DARD Direct office in Larne not a necessity?

**The Minister of Agriculture and Rural**

**Development:** I have not yet made a final decision on the location and number of offices. I will do so after I have fully considered the EQIA, the views expressed at the meeting of the Committee on 2 December 2008 and the various correspondence that I have received to date. In implementing DARD Direct, I am seeking to deliver an improved and value-for-money service, and I am conscious that additional offices will incur additional expense.

**Mr Speaker:** Question 5 has been withdrawn, and question 6 was combined with question 3. I apologise to Mr Bradley for my earlier mistake.

**Safety of Schoolchildren on Rural Roads**

7. **Mr P J Bradley** asked the Minister of Agriculture and Rural Development what discussions she has had with the Minister of Education about the safety of schoolchildren who use rural roads when going to and from country schools. (AQO 1672/09)

**The Minister of Agriculture and Rural**

**Development:** I am particularly concerned about the safety of schoolchildren in rural areas, especially in light of the tragic accident in my constituency before Christmas. I have discussed the issue informally with my colleague Cairtriona Ruane, and my special adviser has been discussing potential initiatives with his opposite numbers in the Department of Education and the Department for Regional Development. My Department has already been involved in some initiatives to address child safety on rural roads.

In particular, £1 million was given via the Building Sustainable Prosperity scheme to Sustrans towards the implementation of the Rural Safe Routes to Schools project. That project involved two school-travel officers working with 18 schools to develop and implement school travel plans aimed at reducing the use of the car for the school journey, increasing walking or cycling to school and, most importantly, improving safety. The project was implemented in partnership with DRD Roads Service, the Department of Education and the Department of the Environment’s road safety unit. I have also highlighted transport issues for rural children through my membership of the ministerial subcommittee on children and young people, and will continue to do so.

**Mr P J Bradley:** I welcome the fact that the Minister shares my concern about the safety of

children on our rural roads. Given her rural brief and, more importantly, given the fact that she is the parent of small children, does she share my concern that no child should be forced by Government to walk to school along a road that is serviced by transport paid for out of the public purse?

**The Minister of Agriculture and Rural**

**Development:** I accept that a fine balance must be struck. As the Member has pointed out, I am the mother of young children. I live in a rural area without any footpaths or street lighting, and the road between my home and my children's school is not safe for them to walk, so that is an issue. I raised the matter of the problem in Fermanagh with the previous Minister of Education, Martin McGuinness, when he was in post. He said that he wanted to spend more money in the classroom. Therefore, a balance must be struck.

I welcome any proposals and thoughts on how to reduce the cost of getting children to school and on the safety issues involved. However, for me, safety is paramount. I would rather drive my children to school than have them walk along an unsuitable road on dark evenings. It is a conundrum, and we have limited resources. We all want to find a solution, but it will not be easy.

**Mr Savage:** Does the Minister agree that although the Sustrans project is of great benefit, much work must be carried out on safety measures — even in existing projects — to ensure better protection for children, and does she see that as an added advantage?

**The Minister of Agriculture and Rural**

**Development:** Absolutely; the Sustrans project has been fabulous. I visited several schools that have benefited from the project, including a school in the Member's constituency. It is wonderful to see the enthusiasm that the children have for cycling and walking to school, and I welcome the fact that they can do so safely. Eighteen schools benefited from the Sustrans project in the first round, and, if further funding is available, I will be delighted to see my Department involved. However, at this stage, we were able to fund 18 schools, which was fantastic. Nevertheless, I recognise that not every school can benefit because of the infrastructure in different areas, and I have described that challenge in my earlier answer.

**Mr Speaker:** No other Members have indicated that they wish to ask a supplementary question.

## Fallen Animals

8. **Mr Kennedy** asked the Minister of Agriculture and Rural Development what action has been taken to ensure that farmers are fully aware of arrangements for the collection of fallen animals. (AQO 1720/09)

**The Minister of Agriculture and Rural**

**Development:** When on-farm burial of fallen stock was banned under the EU animal by-products regulation, the Agriculture Departments in England, Scotland, Wales and the North introduced the National Fallen Stock scheme in 2004, which provided farmers with a legal, bio-secure and subsidised method of disposing of fallen stock. Around 11,000 of our local farmers are members of the scheme.

Information on the lawful options for disposal is provided by local veterinary offices, Department officials, the DARD helpline and the National Fallen Stock Company (NFSCo). Information is also available through the Department's and NFSCo's websites. Press releases have been published notifying changes to the scheme, such as changes to the subsidy rates. Collectors for the scheme also advertise in the local farming press.

On 18 December 2008, I announced by press release that the BSE testing age would increase to 48 months and over for all bovines from 1 January 2009, and that I was providing extra funding of £65,000 to the National Fallen Stock scheme towards farmers' collection and disposal costs for fallen 24- to 48-month bovines that no longer require BSE testing. On 19 December 2008, my officials wrote to approximately 26,000 herd keepers advising them of the increase in the BSE testing age and how to dispose of fallen cattle between 24 and 48 months that no longer require BSE testing.

The Member made a comment earlier. I am sorry if I am boring him with my answers, but if he asked more interesting questions, I could give more interesting answers.

**Mr Kennedy:** I thought that it was a very interesting question and a fascinating answer. *[Laughter.]*

Has any progress been made on establishing who was responsible for dumping the dead animals, including large number of chicken carcasses, that were found last week near Sixmilecross? Will the Minister confirm that she and her officials are actively co-operating with the PSNI in its investigation into the incident and will continue to do so?

**The Minister of Agriculture and Rural**

**Development:** Unfortunately, there will always be a small number of unscrupulous people who will dump carcasses unlawfully. I have committed funding for a scheme to help farmers to adjust to the costs of disposal and to encourage compliance with the European animal by-products directive, which prohibits burial.

As regards the incident last week in Altamuskin, membership of the National Fallen Stock Company is open to poultry farmers, and collection through the scheme is subsidised until the end of March. DARD currently contributes 20% of the farmers' collection

and disposal costs, and independent collection is also available at farmers' own expense. A representative from the poultry sector is on the NFSCo board. I want to take this opportunity to congratulate Moy Park Ltd, the poultry company that cleared up the recently dumped poultry carcasses. I regret the damage that that one incident has done to the good image of the industry as a whole.

**Mr Gallagher:** The Minister welcomed the work carried out by the food processor Moy Park Ltd. Following the incident, Moy Park Ltd issued a forthright response to say that sanctions would be put in place should it transpire that any of the carcasses came from farms with which it deals. Will the Minister give an equally forthright response to outline what DARD would do should it discover that the carcasses were dumped by farmers who are connected to the Department? The farmers might, for example, be receiving grant assistance from the Department.

**The Minister of Agriculture and Rural Development:** At this point, we do not know that we can identify the poultry farmer in question, but I can assure the Member that DARD carries out stringent enforcement procedures on an ongoing basis. We must protect farming as an industry and the reputation of honourable farmers, and we must ensure that there are no questions about how our farmers do business. It would be appropriate to ask the Environment Agency about this matter, because it has overall responsibility for it. However, DARD will certainly do all that it can to ensure that a small number of farmers are not putting the whole industry at risk.

### Performance of the Executive's Brussels Office

9. **Mr McCartney** asked the Minister of Agriculture and Rural Development for her assessment of the performance of the Executive's Brussels office and how much contact she has had with it. (AQO 1757/09)

**The Minister of Agriculture and Rural Development:** Since taking up office, one of my priorities has been to ensure that the local agriculture, fishing and agrifood sectors have an effective voice in Europe. The Executive's Brussels office has played a key role in supporting my efforts. I have personally lobbied the European Commission on a wide range of issues that have a direct bearing on the livelihoods of many local people. In addition to correspondence and telephone contact, I have lobbied for, and represented, the views of the North on nine separate occasions in Brussels, most recently at the December Fisheries Council, and once in Luxembourg. My colleague Conor Murphy has also represented our local views in Brussels on my behalf.

It is vital that we are seen to engage with European decision-makers in a consistent and coherent manner. That requires not only targeted ministerial intervention but constant personal contacts at official level to ensure that political intervention has the maximum impact. The Brussels office is there to provide advance warning of the most important issues and prepare the ground so that Ministers such as myself can be there to defend our interests when it counts. It is for that reason that my Department has posted an experienced member of staff to the Brussels office, and that person is our eyes and ears in the European institutions. The role has been a positive force for our local agriculture and fisheries industries, which are affected by a host of decisions that are taken in Brussels. I can assure the House that I will continue to press Brussels for the best deal that I can get for local farmers and fishermen, and I am absolutely satisfied with the support that I can get from our Brussels office.

**Mr McCartney:** Go raibh maith agat, a Cheann Comhairle. Will the Minister outline the contact that she has had with MEPs?

**The Minister of Agriculture and Rural Development:** I have offered to have meetings with all the MEPs when I have been in Brussels. As Members will know, MEPs spend one week of every month in Strasbourg, so they are not always in Brussels when I am there on DARD business. However, I have met MEPs in Dundonald House and in Belfast to discuss a range of issues. I am very happy to meet MEPs as and when they need to see me.

3.30 pm

**Mr Poots:** The Minister said that she wanted an effective voice in Europe. Is she suggesting that none of the current MEPs is an effective voice in Europe?

**The Minister of Agriculture and Rural Development:** Absolutely not. We all must work together, and I have welcomed the support that I have received from MEPs on a range of issues, such as the CAP health check. Not all the MEPs will meet with me, but I am very pleased with the level of co-operation and support that I receive from at least two of them.

**Mr Speaker:** That concludes questions to the Minister of Agriculture and Rural Development. I remind Members that they must rise in their places if they wish to ask a supplementary question. Members must rise much sooner and not wait until the Minister is almost finished before indicating that they want to ask a supplementary question. In fact, I am shocked that Members are shy about rising to indicate that they want to ask a supplementary question.

## CULTURE, ARTS AND LEISURE

### Private-Sector Contributions to the Arts

1. **Mr Cree** asked the Minister of Culture, Arts and Leisure what steps he has taken to facilitate the increase of private-sector contributions to the arts since coming into office. (AQO 1688/09)

**The Minister of Culture, Arts and Leisure (Mr Campbell):** I am committed to ensuring the development of the arts in Northern Ireland and recognise that sustainable development of the sector will require funding from a variety of sources — public, private and voluntary.

Although the current economic climate presents a more challenging environment in which to secure private-sector donations to the arts, I have supported, and will continue to support, activities that maximise funding from such sources. For example, my Department has ensured that strategic arts-infrastructure projects, such as the Lyric Theatre, Crescent Arts Centre and the proposed Metropolitan Arts Centre are proactive in seeking funding towards capital-project costs from the private sector. That includes a requirement for such projects to put in place a formal fundraising strategy and, where necessary, appoint a fundraising manager.

In addition, my Department, through the Arts Council, continues to fund Arts and Business Northern Ireland, which aims to promote mutually beneficial relationships between business and the arts in the public sector in order to increase private-sector investment in the arts. I am considering the findings in a recent report, 'Philanthropy and the Arts', which Arts and Business Northern Ireland commissioned on the future of philanthropic-giving in Northern Ireland.

**Mr Cree:** I thank the Minister for his comprehensive answer. Has he considered making an approach to HM Treasury and asking that private-sector arts contributions be made fully tax deductible to encourage the private and corporate sectors to support the arts?

**The Minister of Culture, Arts and Leisure:** I thank the Member for his suggestion. My guess is that HM Treasury and the current inhabitant of 11 Downing Street would take a particular view of his suggestion. However, I will examine his suggestion and respond to him in writing about the possibility of making such a representation.

**Miss McIlveen:** How is the level of philanthropic donations to the arts monitored?

**The Minister of Culture, Arts and Leisure:** I thank the Member for her question. Arts and Business Northern Ireland conducts a private investment in

culture survey (PICS) annually to determine the level of private-sector funding and, in kind, support that non-profit-making arts organisations across the United Kingdom receive. Therefore, there is comprehensive monitoring of philanthropic donations to the arts, and it is right and proper that that continue.

**Ms Lo:** The economic downturn must make it very difficult to entice the private sector to increase its contributions to the arts. Is it more realistic for the Department to seek an increase in public funding to the arts, given that Northern Ireland is way behind the rest of the UK and the Republic of Ireland in providing public funding for the arts?

**The Minister of Culture, Arts and Leisure:** I understand why the Member would make such a suggestion in the current economic climate. However, we will have to be very careful, as years have been spent ensuring that capital projects have robust mechanisms in place to try to assist in bringing in private-sector donations. The last thing that I want to do — and I hope that the honourable Member supports me on the matter — is to set that to one side because of the economic climate and to try to get scarce public resources to replace what has been built up over recent years, and then almost inevitably find that there was a difficulty in replacing scarce private-sector finance with even scarcer public-sector resources.

The public sector has invested in capital projects, and I listed a number of them. The better approach would be to continue doing that and to increase investment where possible, even in the current economic straits, which, hopefully, will pass in the next 12 to 18 months. Then we will be in a better position to ensure that the private sector continues its worthwhile propositions of investing in arts projects in Northern Ireland.

**Mr D Bradley:** Does the Minister agree that the arts provide substantial positive economic contribution both in terms of the economic multiplier and in terms of its contribution to tourism, the attraction of foreign investment and direct arts and creative industry exports? Furthermore, has his Department carried out an exercise to attempt to quantify the economic return on investments in the arts?

**The Minister of Culture, Arts and Leisure:** The Member poses a two-part question. The answer to the first part of his question is an unequivocal yes. I believe that the arts provide a positive contribution, and they benefit society in a number of ways. However, I am afraid that the second part of the question is more difficult to ascertain. It is difficult to come to a precise figure regarding the multiplier. There have been various attempts to try to gauge it, but there is a multiplier effect. It is good and positive to invest in

the promotion of the arts, and it is right and proper that the Department and the Assembly continue to do so.

### European Charter for Regional or Minority Languages

2. **Mr A Maginness** asked the Minister of Culture, Arts and Leisure to outline progress made on implementing the European Charter for Regional or Minority Languages. (AQO 1670/09)

**The Minister of Culture, Arts and Leisure:** Northern Ireland is in full compliance with the European Charter for Regional or Minority Languages. The details of the steps taken by my Department to implement the Charter are contained in a paper entitled 'Northern Ireland's input to the UK's third periodical report to the Council of Europe' which is awaiting Executive consideration. When the paper receives Executive approval, a copy will be laid in the Assembly's Library.

**Mr A Maginness:** I thank the Minister for his answer, but it shows that there has not been much progress in relation to the matter. Does the Minister agree that the best way forward is to introduce an Irish language Act that will secure the language, help in its development and bring it to its full potential?

**The Minister of Culture, Arts and Leisure:** I thank the Member for his supplementary question. He initially said that there had not been much progress. Indeed, he asked a similar question two months ago, in November, and he got the same answer then. We are in full compliance now, we were in full compliance in November, and, hopefully, we will continue to be in full compliance.

With regard to the second part of the Member's question, he knows fully without any equivocation what I have said.

There will be no Irish language Act. That is clear, concise and unequivocal. There was not one, there is not one, and there is not going to be one.

**Mr McClarty:** Thank you for giving me the opportunity to ask a question, Mr Speaker. All this bobbing up and down is the most exercise that I have had for quite some time. *[Laughter.]*

Given the fact that over the past four years, the Government's Irish-language helpline has, on average, had only seven telephone calls a year, is it not time that the Minister set up an audit into the cost and effectiveness of dual, and, indeed, triple-language provision?

**The Minister of Culture, Arts and Leisure:** The Member has raised a relevant point. When the information that he referred to became public knowledge, I noticed that the press placed considerable

emphasis on the lack of calls to the Ulster-Scots helpline, but very little on the Irish-language helpline. The fact is that the combination of both helplines has returned very few responses. Given our current economic climate, it is important and prudent that we monitor the expense, whatever it might be, of providing such telephone helplines. We should also monitor their usefulness, or, in many respects, their obvious lack of usefulness.

**Mrs McGill:** Go raibh maith agat, a Cheann Comhairle. Does the Minister accept that the EU Charter for Regional or Minority Languages contains a greater requirement to promote the Irish language than to promote Ulster Scots, for example? Go raibh maith agat.

**The Minister of Culture, Arts and Leisure:** The Member used the phrase "greater requirement". I suspect that she may be referring to the different stages of development that the two cultural outlooks of Ulster Scots and the Irish language have attained. If that is the case, she is right in that the promotion of Ulster Scots has not yet been developed to the same degree as that of the Irish language. That being the case, a dilemma is created for me in making sure that there is additional funding for Ulster Scots in order that it might reach the same level of development as that which has been attained by the Irish language. If the people who promote the Irish language wish to go down a route that they regard as favourable, I would not recommend that they take the route that the honourable Member has just taken.

**Mr Speaker:** Question 3 has been withdrawn.

### Ulster Orchestra

4. **Mr Burns** asked the Minister of Culture, Arts and Leisure what additional resources have been made available to the Ulster Orchestra to develop its outreach programme to schools. (AQO 1668/09)

**The Minister of Culture, Arts and Leisure:** The Ulster Orchestra provides a range of educational and outreach programmes for early-years through to third-level education. Those programmes help to deliver the curriculum in an accessible, entertaining and informative way.

In 2008-09, the Arts Council awarded the Ulster Orchestra a grant of £2,050,113 towards its core costs and programming. That grant amounted to just over 50% of the orchestra's overall estimated budget of approximately £3.8 million for the year. That core funding enables the orchestra to employ an education officer to co-ordinate education and outreach programmes in which the musicians are involved in addition to their orchestra work.

My Department provided a capital grant of £2 million in 2007-08 towards the complete refurbishment and restoration of the Ulster Hall. That support was dependent on the provision of a permanent home for the Ulster Orchestra at the venue. The refurbished accommodation includes education suites that will assist the orchestra in delivering its education and outreach programmes. The new facilities will open in March 2009 and will enhance the orchestra's education and outreach provision. In addition, the Arts Council has awarded the Ulster Orchestra a lottery grant of £86,860 in 2008-09 for 'The Pied Piper', which is a new musical presentation of the Robert Browning poem.

3.45 pm

In taking forward the project, a team of Ulster Orchestra musicians will work with approximately 260 schoolchildren, including those from socially deprived areas across Belfast, in a series of music and dance workshops. Those workshops will lead to a full orchestral event, developed specifically for families, on 14 March 2009 in the Waterfront Hall.

**Mr Burns:** Has the Minister made any representation to the private sector in an attempt to secure additional funding for the Ulster Orchestra?

**The Minister of Culture, Arts and Leisure:** The Ulster Orchestra attempts to do what all organisations in a similar situation have done, which is to try and access significant private-sector funding. If the Member had been listening to what I was saying he would know that the Ulster Orchestra's overall budget is £3.8 million. As the Arts Council awarded the Ulster Orchestra just over £2 million, that obviously means that the Ulster Orchestra was able to access £1.8 million from other sources, some of which were in the private sector. However, the Member is right to say that we should endeavour to include the private sector where possible and ensure that the Ulster Orchestra, and others, try and access private-sector funding.

**Mr McElduff:** Will the Minister confirm whether those who travel abroad as members of the Ulster Orchestra are contractually obliged to stay in five-star hotels?

**The Minister of Culture, Arts and Leisure:** I have had no advance notice of the Member's question so I am unable to provide a specific response. However, I will ensure that we check whether there are any contractual obligations along those lines and I will let him know the response.

**Rev Dr Robert Coulter:** It is generally accepted that music education is a key way in which to develop pupils' learning abilities and their abilities to interact socially. Will the Minister undertake — perhaps in concert with his ministerial colleague, the Minister of Education — to develop primary music education

using the capacity of the Ulster Orchestra and the Ulster Youth Orchestra?

**The Minister of Culture, Arts and Leisure:** I am familiar with some of the work of the Ulster Youth Orchestra, because I was involved in one of its projects, and most people are aware of the Ulster Orchestra. I am prepared to examine what can be done to assist both orchestras promote musical excellence among the youth of Northern Ireland to try to ensure that we give exceptionally talented young people the best possible opportunity to develop their talent. I am prepared to examine what the Member suggested.

**Lord Browne:** Does the Minister agree that all schools should have the opportunity to access the Ulster Orchestra's excellent education programme? In this modern era, young people listen to all types of music on the Internet, so will the Minister consider providing finance for a scheme that will allow for the free downloading of some of the Ulster Orchestra's recordings? Of course, that would have to be negotiated with a recording company or the BBC.

**The Minister of Culture, Arts and Leisure:** The Member mentioned the possibility of downloading Ulster Orchestra recordings to make them accessible to a wider audience. A few years ago that would have been regarded as quite a novel concept; however, it should not be regarded as such now. I do not know the cost implications; however, I will draw the attention of the Arts Council and the Ulster Orchestra to the Member's comments to see whether it is possible.

Dedicated education suites are part of the ongoing refurbishment of the Ulster Hall, to which, as I said earlier, my Department contributed £2 million. Those suites could be used in the context of what the Member said.

### Arts Sector: Additional Funding

5. **Mr Brady** asked the Minister of Culture, Arts and Leisure to detail his Department's actions to source additional funding for the arts sector.

(AQO 1764/09)

**The Minister of Culture, Arts and Leisure:** As part of the Budget for 2008-11, an additional £9.75 million of revenue funding over three years was secured for arts and creativity, £7.55 million of which was allocated to the Arts Council of Northern Ireland. The Budget for 2008-11 allocated £31.6 million of capital funding to the arts. That is a significantly higher allocation than the £18 million of capital funding that was awarded in the Budget for 2004-07. In addition, my Department has secured £5 million over three years for a new creative industries innovation fund to help support businesses in the



creative industries, which is an important growth sector of the economy.

DCAL has also secured additional funding for the arts through the various monitoring round exercises. For example, an additional £500,000 was secured in the September monitoring round exercise for the re-imaging communities programme. The Department has devolved to district councils the delivery of the £450,000 for the community festivals fund. Each council is required to match its individual allocation, and that provides further support for the arts and the creative sector.

**Mr Brady:** How does the business sector contribute to the development of the arts through investment and funding?

**The Minister of Culture, Arts and Leisure:** I would have to establish the full extent of the business sector's contribution. I do not have that information to hand, but I will endeavour to furnish the Member with a quantifiable and precise figure in writing.

**Mr I McCrea:** The Minister mentioned the creative industries innovation fund. How will that be delivered?

**The Minister of Culture, Arts and Leisure:** The Arts Council is responsible for the delivery mechanism, so I would imagine that it would have the criteria in place and that it would ensure that funding will be delivered to all of the groups that meet those criteria.

### Traditional Arts: Arts Council Assistance

6. **Mr Doherty** asked the Minister of Culture, Arts and Leisure to detail how the Arts Council assists the development of traditional arts. (AQO 1771/09)

**The Minister of Culture, Arts and Leisure:** The Arts Council takes a comprehensive approach to the development of the traditional arts sector, as is outlined in its traditional arts policy. The policy focuses on five key themes: providing assistance to traditional musicians; fostering and promoting our heritage of traditional music; enhancing understanding of cultural traditions and diversity; supporting initiatives in traditional music education; and supporting the showcasing of traditional arts.

The Arts Council provides funding to a range of traditional arts activities, including storytelling, dance, music, architecture and crafts. A number of arts development officers who have experience in various aspects of the traditional arts assist in meeting the requirements of the sector.

Traditional arts are funded from two streams — the Arts Council's exchequer funds and a cultural-traditions grant of £200,000 for 2008-09, which was made by the Department of Education. In total, £670,000 of assistance has been given to the sector in 2008-09 to date. The Arts

Council has granted a total of £3.19 million to that sector between 2004-05 and the current year to date.

**Mr Doherty:** Go raibh maith agat, a Cheann Comhairle. I thank the Minister for his response. Does he encourage the Arts Council to employ a full-time traditional arts officer so that the potential of those highly popular art forms can be fully developed?

**The Minister of Culture, Arts and Leisure:** That issue was raised in a question that was posed to me several months ago.

As was the case then, the appointment of any type of arts officer is a matter for the Arts Council of Northern Ireland. The council is reviewing its staffing structure, including its provision for traditional music. It has advised that the new structure is likely to be confirmed by May 2009. The needs of the traditional arts sector will be considered as part of the review. There has been no shortfall in the support of the sector during restructuring, and all requirements have been addressed by the present arts development officers. The post of traditional arts officer was last filled in September 2007. It has existed for more than 20 years as a part-time post; however, it was recently made full-time, due to additional responsibilities relating to projects that have now finished.

**Mr McCausland:** Does the Minister agree that the marching-band tradition is the most popular community and traditional arts activity in Northern Ireland? There are some 600 to 700 bands. Will he encourage the Arts Council to consider enhancing its funding of musical instruments for bands?

**The Minister of Culture, Arts and Leisure:** The Member is right: there are hundreds of bands in Northern Ireland, although I do not know the precise number. They offer thousands of young people the opportunity to acquire and develop their musical talents. Sir James Galway, one of the most famous musicians to come from Northern Ireland, began his musical career as a member of one of those bands.

I hope that young people develop their talents in that sector. The Arts Council lays down criteria and is aware of its obligations on funding decisions. It has funded several bands and, as far as I am aware, those developments have been positive. No complaints or objections have been lodged about them, and I hope that they continue.

**Mr K Robinson:** In my constituency, the Carrickfergus Music Festival provided a beacon of normality and excellence throughout the Troubles. Will the Minister agree to set up a bursary through which musical career pathways may be designed, based on our local musical festivals, for young people who show musical talent?

**The Minister of Culture, Arts and Leisure:** I understand what the honourable Member means when

he speaks of a beacon of normality. I fear, however, that if I were to give an unequivocally positive response to his request, I may be inundated with requests from other equally bright beacons of normality in every part of Northern Ireland. However, in all seriousness, I wish to support such operations and projects, and I will look at what we can do to promote that project and others like it.

### Multi-Sports Facility

7. **Ms S Ramsey** asked the Minister of Culture, Arts and Leisure to explain the extended delay in deciding the location of a new multi-sports facility.

(AQO 1774/09)

**The Minister of Culture, Arts and Leisure:** I had intended to make an announcement on the multi-sports stadium last autumn, following Executive consideration; however, the absence of Executive meetings meant that that was not feasible.

I have made it known in the Chamber and at sports-related events such as the reception that I hosted for Linfield Football Club on 5 August 2008 and the launch of the Macdonalds National Football Festival on 21 October 2008 that I have reviewed all the material available to me in relation to the issue and have come to a conclusion, which I intend to present to the Executive in the very near future.

**Ms S Ramsey:** Go raibh maith agat. I thank the Minister for his answer. I distinctly remember the Minister saying, in response to previous questions, that, once the Executive met, he would be ready to make a decision. He uses the absence of Executive meetings to explain why the decision has not been made. The Minister says he will make a decision in the near future; will he set out a timetable showing when he hopes to make that decision? Can the Minister tell us whether the delay will have a negative impact on the 2012 Olympics?

4.00 pm

**The Minister of Culture, Arts and Leisure:** The Member elaborated on my response. It should be reiterated that the Executive not meeting for five months ensured that I could not physically present a paper to them. The Executive are now meeting, and I am now in a position to present a paper to the Executive, and I will do so in the very near future.

**Mr McGlone:** Go raibh maith agat, a Cheann Comhairle. Perhaps I could refresh the Minister's memory. It was, in fact, on 6 August 2008 when he said that he had not yet come to a conclusion, but was going to in the next few weeks. He went on to say:

"I'm then going to make an announcement in the Assembly in the autumn".

Will the Minister reassure the House that it will be this autumn when we have a decision on this matter, which has been lingering for a considerable time at huge cost to the construction industry and to other investors?

**The Minister of Culture, Arts and Leisure:** The Member will be aware that this is an exceptionally complicated issue. It did not become complicated in recent months; it has been complicated from the outset. There are a number of facets to the issue, most, if not all, of which I am sure the Member is aware. I have endeavoured in discussions with all three sporting organisations and others associated with the project — whatever that project may be — to ensure that we reach as quickly as possible the conclusion that we need to reach. I have been able and ready for the past few weeks to present a paper to the Executive, and I now intend to do so.

**Mr Speaker:** That concludes Question Time.

**Mr Ford:** On a point of order, I understand that at last week's meeting of the Committee for the Office of the First Minister and deputy First Minister, the junior Minister Mr Donaldson, in seeking the Committee's agreement for accelerated passage for the Financial Assistance Bill, agreed to respond to questions from the Committee and from members on certain matters. I am further advised that the draft Hansard report of that meeting bears out that point. I further understand that the Committee and, indeed, Naomi Long personally, wrote to OFMDFM to seek clarification on matters. Yet today, at Question Time, the First Minister indicated that no response could be forthcoming before the scheduled debates tomorrow on the accelerated passage and on the Second Stage of the Bill.

I leave aside entirely the issue of an Executive Bill being presented here without Executive approval, but I ask you, in defence of the Assembly and of one of its Committees, to consider overnight, and rule tomorrow, on whether this lack of proper consideration of the Committee's position is not a breach of Standing Order 42.

**Mr Speaker:** I hear very much what the Member has said. As Speaker, I cannot really get involved in, or comment upon, Committee business. Certainly, I am happy enough to examine the matter and come back to the Member.

**Mr Shannon:** Further to that point of order, my understanding of the meeting that took place last week was that the questions were to be asked and the questions were to be answered, but that it was not going to hold up the process in any way. So, if I may say this — *[Interruption.]* Mr Speaker, I am on my feet —

**Mr Speaker:** Order. I can take only one Member at a time.

**Mr Shannon:** My recollection of that meeting — as those Members who were at the meeting and who are

here now can recollect — was that the questions were asked, but not in any way to hold up the process. That was my recollection of the meeting, which I attended with Naomi Long.

**Mr Speaker:** As I said to Mr Ford, I am prepared to examine the matter and get back to the Member. However, the business of a Committee, and how that business is conducted, is really not a matter for the business of the House.

## COMMITTEE BUSINESS

### **Inquiry into the Development of a Museums Policy for Northern Ireland**

*Debate resumed on motion:*

That this Assembly approves the Report of the Committee for Culture, Arts and Leisure (7/08/09R) on its inquiry into the development of a museums policy for Northern Ireland. — [*The Chairperson of the Committee for Culture, Arts and Leisure (Mr McElduff).*]

**The Chairperson of the Committee for Culture, Arts and Leisure:** Go raibh maith agat, a Cheann Comhairle. I reiterate the Committee's thanks to all who contributed to the inquiry, but especially to the Members who contributed to the debate today.

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

In my opening remarks, I referred to the changed economic realities. Those realities were changing even during the inquiry. During these difficult economic times, we must be innovative in our approach and put the assets that we have — in this case, our museums — to best use. It is clear that there is a huge untapped potential for our museums to help to grow the tourism industry, which could be a vital source of income.

If the vision for museums is to be realised, it must be set out in a policy to which the Government are committed on a cross-departmental basis.

I thank the Members who contributed to the debate. Nelson McCausland, a member of the Committee for Culture, Arts and Leisure, emphasised the need for a policy because there is a need to preserve our cultural wealth. He said that museums contribute to the shared-future agenda and help to explain our local culture to the world. He asked that the sector as a whole be considered strategically, arguing that museums should complement one other rather than being in competition. He further said that the Department, National Museums NI and the Museums Council must take a partnership approach, and suggested that, together, they could produce a policy.

Ken Robinson referred to the Titanic and to the importance of our industrial heritage. He argued that artefacts need a home and that, oftentimes, those in the industrial heritage sector feel left out of the museums sector, and that it is the role of the Department to address that problem. He called for an early decision to be made about a site for military history and he, again, acted as a champion for HMS Caroline. Ken Robinson should be made an honorary member of that committee because he has championed the issue consistently throughout the inquiry — I congratulate him for doing that.

Pat Ramsey referred to the independent museums in Derry that tell the stories of communities in their own

words, and he emphasised the importance of their independence. He stated that visitor numbers to independent museums are growing, and he spoke about how such museums contribute to tourism because they tell local, often regionalised, stories. He said that, given the money allocated to museums, there is need for a policy. Pat also praised the Museums Council for its work, and he questioned the savings that would be expected were its functions to be transferred to local government. He said that such a move is likely to cost the public purse more and could result in independent museums being left without vital support.

Kieran McCarthy said that people go to museums to explore their origins and their stories. He expressed support for all the organisations that give leadership and direction to museums and he, again, highlighted the Museums Council, which has been appreciated by a whole variety of witnesses. He said that museums must serve the needs of local communities as well as tourists and that they have a fundamental role to play in creating a better society. He reminded the Minister, who is no longer with us in the Chamber, that a first draft of a report should be produced within six months, thereby emphasising the timescale, which was helpful.

Jim Shannon referred to a lack of everyday knowledge among the public about our museums. It is not every day that I speak on behalf of Jim Shannon — *[Interruption.]* He said that children enjoy visiting museums, and he asked why there are no firm links between the museums sector and the Department of Education. He wants museums to be made much more accessible, mentioning the need for councils to look at their museum provision and arguing that the issue should be considered post-review of public administration.

Francie Brolly said that people should be made aware of the museums that exist and that a policy would do that. He also emphasised the need for a strategy. He talked about the hiddenness of museums and how they need to become more vibrant. He said there is no call whatsoever for consultants to be brought into the equation, when expertise, such as that of the Museums Council, exists. I think that Francie Brolly's call was for the Museums Council to be put in charge.

Wallace Browne emphasised that museums are a key spending area for the Department, quoting a figure of 20%, which highlights the significance of museums in relation to spending.

Lord Browne also called for the integration of local councils and national museums. He said that they should work in partnership, and mentioned the need for a strategy for administering the accreditation system, which is very important for independent museums in need of this type of support. He emphasised that military and maritime sectors need to be strategically

developed, and he called for a policy to co-ordinate the development of that sector. He also referred to the importance of sporting museums in the overall equation.

Dominic Bradley described museums as a brilliant educational resource. He feels that museums are not fully exploiting their potential in education, and he referred to the flatlining of schoolchildren-visitor numbers. He wants greater co-operation between the Department of Culture, Arts and Leisure and the Department of Education. As a former teacher, he said that children learn from being able to handle artefacts; it opens up a whole new world to them. His educational experience allowed him to observe that there are difficulties with school-transport provision and with the absence of curricular programmes. He suggested that a service-level agreement be developed between DCAL and the Department of Education.

Raymond McCartney highlighted how the absence of a policy has curtailed the development of museums and that we are presenting the Minister with an opportunity not a burden. It is a policy that we need to build. Mr McCartney spoke about the need for joint ventures; not on an ad hoc basis but a strategic approach. He also referred to the independent museums sector, which is very strong in the City of Derry. He said that a policy would help museums to benefit from interaction with national museums.

George Robinson's contribution was welcome, especially as George is not a member of the Committee; it was good that he saw fit to contribute to the discussion. His view was that we need museums in order to recall our history and to inform young people of our past. He supports the development of a policy, but urges caution given the current economic climate and limited budgets.

The Minister responded by saying that we have many fine museums and that he is committed to maintaining high standards; he emphasised the need to exploit tourism and educational potential. He wants to look at the possibilities, which the Committee welcomes. He said that he would consider the report and discuss it with other Departments and relevant bodies and come back to the Committee by 13 March. The Minister said that he would consider the case put forward by the Committee, saying that he has not been able to confirm which particular recommendation would or would not be deliverable.

The Minister queried the remark that I made that all witnesses who gave evidence to the Committee, except the Minister, were in favour of developing a policy. He gave a relevant quote from page 189 of the Committee's report. In the Minister's absence — and I do wish that he were here — I would like to refer him to the next page of the report; he should always read

the next page. On page 190, the Minister said in his evidence to the Committee:

“There is no vast body of opinion that the policy route is the one to deliver.”

The Committee took oral evidence from 25 key stakeholders all of whom said that a policy is needed. Does that not constitute a “vast body of opinion”? How many more people does the Minister need to hear from before he will accept that the consensus in the museums sector is that a policy is required? Is the Minister changing his mind? We will never know, because the Minister has absented himself from the debate.

**Mr McCarthy:** Does the Member agree that all those who gave evidence to the Committee and who answered my questions said that the absence of a policy was detrimental to museums’ activity throughout Northern Ireland?

**The Chairperson of the Committee for Culture, Arts and Leisure:** I thank the Member for that intervention. I am grateful for the additional five minutes, Mr Deputy Speaker; I was labouring under the impression that I had 10 minutes.

Today represents the conclusion of the Committee’s inquiry into the development of a museums policy, but it does not signal the conclusion of the Committee’s interest in the matter.

4.15 pm

The Committee looks forward to receiving a formal response from the Minister before 13 March detailing how he and the Department intend to respond to the Committee’s recommendations. We hope that the report has helped to highlight the contribution which museums can and do make to society.

The Committee calls on the Minister to draw on the expertise which already exists within the sector to develop a fit-for-purpose policy. As Kieran McCarthy pointed out, we must expedite that policy within six months; there is no need for delay. There is evidence of delay on the part of the Minister in other areas, but I will not get into that.

The museums sector deserves nothing less than a fit-for-purpose policy. I commend the report to the House and ask Members to support the motion.

*Question put and agreed to.*

*Resolved:*

That this Assembly approves the Report of the Committee for Culture, Arts and Leisure (7/08/09R) on its inquiry into the development of a museums policy for Northern Ireland.

## PRIVATE MEMBERS’ BUSINESS

### Penny Product

**Mr Deputy Speaker:** The Business Committee has agreed to allow up to one hour and 30 minutes for the debate. The proposer will have 10 minutes to propose the motion and 10 minutes to wind up. All other Members will have five minutes. One amendment has been selected and published on the Marshalled List. The proposer of the amendment will have 10 minutes to propose and five minutes to wind up.

**Mr P Maskey:** I beg to move

That this Assembly calls on the Minister of Finance and Personnel to address the financial difficulties being experienced by District Councils in the calculation of the Penny Product, by initiating a process of consultation involving Councils and Land and Property Services, for the purpose of producing an accurate register of rateable properties.

Go raibh maith agat, a LeasCheann Comhairle. I declare an interest as a member of Belfast City Council, and I am sure that a number of other Members taking part in the debate will be councillors from other areas throughout the North.

I thank the Business Committee for selecting the motion; it concerns what I believe to be one of the most important issues presently faced by all local councillors and one that we hope can be resolved as a matter of urgency.

The motion calls on the Minister of Finance and Personnel to address the financial difficulties experienced by councils in the calculation of the penny product. We believe that the Minister should initiate a process of consultation, involving councils and Land and Property Services (LPS), for the purpose of producing an accurate register of rateable properties that allows councils to professionally plan for the future on the basis of accurate forecasts from Land and Property Services.

In some areas, the domestic rate accounts for approximately 75% of council income, while the regional rate makes up only a very small proportion of central Government income. In recent years, some councils have made efficiencies and put plans in place to achieve further efficiencies in the years ahead. Leading by example in that way enables local government to move into the future in a more sustainable manner. Although efficiencies have been made, there have been no cuts in front-line services or in the many other services for which councils have the remit.

Some councils have kept their rates down against the backdrop of rising costs, particularly in the areas of salaries and increased pension contributions, which can account for 45% of costs. Councils are facing huge financial pressures. Every citizen and business in every city, town and village is affected by the current

economic climate, and that is one of the main reasons why we tabled the motion.

Belfast City Council has experienced a significant fall — £2.6 million — in external revenue as a result of the financial environment in the areas of IT services, building control, business improvement services and investment income. Other revenue areas are likely to suffer due to the current economic climate. That story is replicated throughout all the councils in the North.

Therefore, problems have resulted from the economic downturn and from the estimation of the penny product.

At present, councils face an economic challenge, to say the least. They received the estimated penny product for 2009-2010 on 19 December 2008. For Belfast, that represents growth of 0.8%, which is a disappointing result for the city given the level of investment that has been made in Victoria Square and other major developments in recent times. Although major development has taken place in many council areas, they have not seen the benefit of the rate.

In October 2008, the Public Accounts Committee (PAC), which I chair, produced a report that states clearly that it is extremely concerned that the Department of Finance and Personnel (DFP) had not provided councils with sufficiently accurate information to enable them to undertake their corporate planning. Recommendation 20 of the report states:

“The accuracy of penny product information is essential to the effective financial planning of Council services. While the Committee recognises that forecasting is not an exact science, the Committee is of the view that DFP has not invested sufficient energy into developing systems for calculating the actual penny product and into estimating subsequent year(s) penny product.”

The PAC recommended that DFP places more resources into the system and develops a more robust budgetary model in order to estimate future council revenue. Some of councils' key concerns are rates bad-debt write-offs, valuation appeals, cost of collection, and vacant properties. Land and Property Services has written off some £10 million of bad debt in 2009-2010.

The estimated penny product shows that there has been a significant increase in some councils. Belfast City Council, which is the largest council in the North, is writing off bad debt that costs some £2.5 million. That is an increase of 224% from 2008's estimated penny product. Many councils were only made aware of the matter on 19 December 2008 and, therefore, had no opportunity to build it into their financial planning. The Minister must address that matter.

I accept that the level of debt that was written off in previous years was too low. I acknowledge the Department's responsibilities in respect of bad debt. However, a 224% increase in one year is excessive. It

will put even more pressure on Belfast City Council's ability to keep its rates increase at a reasonable level. All Members want to achieve that for citizens, especially during the current economic downturn. That is why I urge the Minister to reconsider the level of debt write-off in 2009-2010.

Representatives from Land and Property Services must meet council officers in order to discuss debt and to agree on a re-profiled debt write-off programme that will avoid steep increases in one year and will ensure a more balanced approach for the next three years. Working in partnership will help to tackle that and will also inform councillors and officers of key issues that they must deal with at an early stage.

Profiling of bad-debt write-offs should be done in the context of recommendation 23 of the Public Account Committee's Report on Statement of Rate Levy and Collection 2006-07, which was published on 16 October 2008.

Some councils have suffered exceptional rating-valuation appeals from such organisations as the Ministry of Defence (MOD). Transitional relief arrangements must be extended to cover the impact of the re-evaluations of MOD premises. I am sure that councils that are affected by MOD re-evaluations would welcome those costs being absorbed by central Government as they would have a serious impact.

That would result in reduced rateable values which amount to hundreds of thousands of pounds from 2009-2010 onwards and would also lead to backdated refunds that total millions of pounds, which would be included in the 2008-09 estimated-penny-product finalisation.

As I said earlier, due to the late notification of those items on 19 December 2008, councils have had little or no opportunity to respond to the impact of the district rate, with which they must deal. I urge the Minister to consider giving councils full transitional relief for one year in respect of the impact of reduced rateable values of the estimated penny product for 2009-2010 and backdated refunds. The estimated penny product for 2009-2010 demonstrates that some councils' share of the cost of collection will rise to over 40% in 2008-09.

The estimated-penny-product notification from Land and Property Services demonstrates that costs have increased because of investment in the revenue and benefits system and additional staff that are needed to implement several new rate reliefs.

We welcome the investment and the modernisation of the system. However, it seems unreasonable to burden councils with the costs of improving the revenue and benefit system in one year, as the improvements arising from the investment will be accrued over a long period of time. I urge the Minister to consider phasing the increased cost over a number of years.

I also seek assurances that the additional costs are being passed on in the context of recommendation 23 of the Public Accounts Committee's 'Report on Statement of Rate Levy and Collection 2006-07.' The Land and Property Services database has identified many vacant properties in many different areas. In Belfast alone, vacant properties have led to a loss of over £20 million in rates income.

In agreement with LPS, building control staff surveyed 12,100 properties and found that 44% of those properties were occupied. The relevant details have been passed on to LPS so that rates bills can be issued. I call on the Minister to ensure that the details of properties that are found to be occupied are put on the LPS database before a revised estimated penny product (EPP) is provided to the council. That would reduce the amount being lost from vacant properties and, therefore, provide a better EPP for all councils. I sincerely urge the Minister to give serious consideration to that situation.

I note that the Alliance Party has tabled an amendment. Indeed, they are serial movers of amendments in the Chamber. Today's amendment adds to our motion. Therefore, we will support the amendment. Go raibh míle maith agat.

**Dr Farry:** I beg to move the following amendment:  
At end insert

‘; and to consider urgently measures to provide transitional relief to those Councils that are carrying forward a significant loss from the 2007-2008 financial year due to differences between the estimated Penny Product used to calculate the level of district rates and subsequent finalisation figures provided by Land and Property Services’

I declare an interest as a member of North Down Borough Council, and I thank the proposers of this important motion for tabling it; it is very timely. We move amendments whenever we feel that they are appropriate. Obviously, we can support the motion. However, we want to take the debate a step further and, in particular, to consider transitional relief beyond the £400,000 cap.

Councils are seeking to strike their rates before the middle of February, and it is expected that there will be considerable rises in many districts across Northern Ireland. It is worth stressing that those hikes will not be due to more costly provision of goods, facilities and services. Indeed, most councils are seeking to reduce their costs through efficiency savings, the sale of land assets or the re-phasing of capital investments. Rather, those costs are essentially beyond the control of the councils and ratepayers concerned. In simple terms, a considerable slice has been taken off the rates base of several local councils. That was apparent in the penny-product finalisation figures for the 2007-08 financial year, which were only released after the closure of that year's accounts.

As in most years, councils will strike their rates based on the estimated penny product provided by Land and Property Services. EPP figures are usually struck at a very conservative level. Indeed, most councils usually expect to receive a significant financial windfall when the finalisation figures become apparent. That windfall is used to boost investment for subsequent years. In my 16 years' experience in local government, we have always received a positive finalisation figure.

However, many councils are in a clawback situation in which funds have to be found to go back to the centre. For North Down Borough Council, that amounts to about £860,000, which is the equivalent of an 8% rise in rates. That highlights the scale of the problem and puts it into context. I understand that in Belfast the scale of the clawback is over £4 million. The funds to finance the drop in revenue were not factored into the calculations for the 2007-08 financial year or the associated rate. The rates and budgets for 2008-09 were also calculated before the finalisation figures for 2007-08 became apparent.

Councils now have to either run down their cash reserves, pass on the costs, or cut services. That is not a good situation for councils to be in. In many cases, councils have been left to carry those costs through to the rates process for the incoming financial year, which they are considering.

4.30 pm

In some cases, the difference between the estimated penny product and the actual penny product is substantial. The extreme cases include Belfast City Council at -4.94%, Carrickfergus Borough Council at -4.48%, Derry City Council at -2.36% and North Down Borough Council — my own area — at a huge -5.9%. The scale of the swing in income for councils is much greater than those figures suggest, given that most councils expect, on finalisation, to receive a net income rather than experience a clawback situation. It is worth stressing that the regional rate is a relatively small element of the income of the Northern Ireland Administration. However, the district rate provides the major element of council income. In fact, I will go further than Paul Maskey and say that, in some councils, it provides over 90% of income. In some cases, income from services provides a balance.

It is important to avoid making a false comparison between the level of the regional rate and the district rate. It is futile for the Executive to point to the freeze on the regional rate when the district rate is under such pressure. Householders will make little distinction between the two elements of the rates bill when it arrives on their doorstep in early April. Given the economic downturn, we must be sensitive to the pressures that householders are under because of rises

in utility bills and the financial uncertainty arising from employment concerns and other factors. We must take the issue extremely seriously. Furthermore, the artificially low level of the regional rate has contributed to some hikes in council rates because costs have been inappropriately passed on to councils. Moreover, decisions taken in the Chamber have impacted on the local tax base. Ideally, the regional rate and the district rate should rise in relation to the level of inflation.

Several specific factors that are beyond the control of local officers and Members have led to the financial crisis in local government. Several major revaluations have taken place in the UK, most notably that of Ministry of Defence property. The MOD, like other organisations, is under financial pressure, and I understand that the revaluations are affecting Antrim Borough Council, Armagh City and District Council, Ballymena Borough Council, Coleraine Borough Council, Craigavon Borough Council, Down District Council, Fermanagh District Council, Limavady Borough Council, Newry and Mourne District Council and North Down Borough Council — the problem is Province-wide. The potential impact of those revaluations amounts to £390,000 in Limavady, £230,000 in Newry and Mourne and £460,000 in North Down. A similar problem is emerging with British Telecom.

The debate is not about the pros and cons of the principle of rate capping, rather its impact on local councils. The Assembly will soon consider the rates cap of £400,000, and the Minister of Finance and Personnel seems to be committed to introducing transitional relief to cover its first two years. That measure might help in the short term, but councils will still experience a significant shift in underlying baselines. However, no transitional relief was offered to address the impact of the £500,000 cap, which was introduced at the end of March 2007 before the restoration of devolution. More significantly, it occurred after councils had struck their rates for the 2007-08 financial year. Indeed, the impression was given — rightly or wrongly — that the cost of the cap in the first year would be entirely borne by the centre and that no costs would be passed on to the district rate. That proposal was never formalised, and it was only with the finalisation figures that councils were asked to cover the cost of that cap during the first year via the district rate. The net result of that, in cash terms, is that the cost of the cap for two years has to be borne within one financial year. Again, that is a major diversion that impacts on councils.

Furthermore, the effect of the cap is geographically concentrated. Although the overall distribution of the cap in Northern Ireland may seem benign, it is much more acute in some districts. Given that a major slice

has been removed from local rates bases, the costs of local services must be reallocated to citizens who live in that locality.

The effects of the cap, when considered in relation to the regional rate and district rate, are therefore considerably different. In North Down the £500,000 cap adds a cost of around £250,000 to the rates bill — around 2.5%. That amounts to 5% if one considers having to bear the cost twice in the same financial year. Other councils badly affected by that cap include Ards Borough Council and Belfast City Council.

It is clear that some genuine issues in relation to the property market are affecting the level of the estimated penny product. We accept that there are major challenges for Land and Property Services, including the decrease in new buildings, increased vacancies, and the problem of uncollected debt. However, there are issues that are under the control of the Northern Ireland Administration, and there are things that are not being done by Land and Property Services and the Department. The level of vacancies, to an extent, reflects delays in placing occupied or newly-built properties on to the valuation list. Those delays can amount to months, and, in some cases, years. That is clearly unacceptable.

There are also significant costs in relation to collection. It is unacceptable to have a situation in which councils accrue additional costs while providing a worse service. The accuracy of the estimated penny product figures is also an issue.

It is accepted practice that, whenever new policies and practices have a differential impact, some form of transitional relief should be introduced. Councils are facing major hikes in their rates, even if they make efficiency savings and cutbacks. Government must intervene to cushion the blow to households. The councils can go only so far without undermining the integrity of local services.

I appreciate that the Minister has spoken to the Northern Ireland Local Government Association (NILGA) on the matter, and is considering what can be done, but we need to go further than the simple measures that are available under existing legislation and consider fresh legislation, even if it is implemented during the next financial year.

**Mr Hamilton:** I declare an interest as a member of Ards Borough Council. I have been a member of that council for almost four years, during which I have had the dubious privilege of being the chairman of its rates subcommittee. Even if I say so myself, that period in the rates history of Ards Borough Council has been something of a success story. The increase in the percentage rate has been falling year on year — if that does not sound like a contradiction in terms — to the point when, last year, we struck the lowest rates increase



in six years. That was at a time when we were striving to continue to improve services and to get away from the yo-yo rates rises of the past and the uncertainty among rate payers as to whether there would be a double-digit increase — as occurred in some years — or a near-zero increase the following year. That allowed people to financially plan more effectively.

However, the challenge of having steadily diminishing rates increases while improving services will be most difficult in the upcoming rates year. I have certainly found that to be the case, as have my colleagues in the council. It can be seen most starkly where the losses to be borne by the council are increasing — not just increasing moderately, but rapidly and by serious amounts.

One may consider the cost of the losses arising from vacant properties — I will continue the tour of the greater Belfast area, beginning with the capital city, on to North Down, and then to Ards, and probably elsewhere. The losses to Ards Borough Council in respect of vacant properties potentially amount to £1.2 million, at a time when we, along with other councils, are endeavouring to clear some vacant properties. Some £600,000 of rates were cleared, but now the council faces a loss of double that amount. The cost of collection in Ards has increased to almost £385,000. The overall increase, including other costs and losses, amounts to around 68% compared with this time last year. That burden is clearly very difficult for the ratepayers of my local council area, and other areas, to bear.

One might ask why we are in that position. The problem was not created by the current Administration or by Land and Property Services (LPS), which inherited problems. The scale of the merger of four agencies into one, new IT systems, and an entirely new rating system obviously placed a lot of strain on that organisation.

Some one-off problems clearly caused difficulties, such as the revaluations of the MOD and British Telecom (BT). There have also been unanticipated problems, such as the unexpected extreme downturn in our economic circumstances, which — going back to the subject of vacancies — clearly created a substantial amount of additional vacant properties at the time when serious efforts were being made to reduce the number of vacant properties.

We have had to address all those problems, but I seek solace in the fact that the issue was recognised and that work is ongoing to try to resolve it. The Minister, LPS and NILGA met before Christmas to discuss the issue and various working groups have been established. I understand that a forum has been created with local government finance offices, representatives of chief executives and LPS to try to

modernise the system and evaluate how some of the problems can be overcome.

The reduction of the rates cap is an example of how the Department has been sympathetic by allowing transitional relief to be put in place. Knowing the impact that that would have on our two respective local council areas, that was something about which Mr Weir and I strenuously lobbied the Minister's predecessor. A debate that is entitled 'Penny Product' could appear to be an abstract academic debate, but those problems will have an adverse impact on virtually every household and business in Northern Ireland if they are not addressed. Along with others, I urge the Minister to extend the sympathy that he has already shown regarding this subject matter and to do what he can to relieve the burden that ratepayers in Northern Ireland are likely to face.

**Mr Beggs:** I declare an interest as a Carrickfergus Borough councillor. Accurate penny-product estimation is a vital component as it enables councils to have a more stable estimation of their rates base and to set the appropriate level of rates.

Local councils are currently involved in setting their rates for the next financial year. In order to do that, councils must estimate their expenditure over the forthcoming year and estimate the amount of money — which is collected by Land and Property Services — that they are likely to be able to draw in through the rates process. The councils must have an accurate calculation of their rates-raising capacity from the local domestic and non-domestic properties.

Regrettably, Land and Property Services and the Valuation and Lands Agency — its predecessor — both have a poor track record in that regard. Previous inaccurate calculations were discussed in an Assembly Finance and Personnel Committee in 2001. Predicting a rates base must be a difficult process, but the recent variation was way beyond what one would expect, given the detailed database that the Department of Finance and Personnel uses and the expertise that was available to the Department and its agency. Given their mutual interest in having an accurate rates base, there is clearly a need for closer working among the Department of Finance, Land and Property Services and local councils.

In a recent Assembly question, I asked the Finance Minister for a percentage variation among local councils. I was shocked when I discovered that Magherafelt District Council had a variance of +6.27%, North Down Borough Council had a variance of almost -6%, and Carrickfergus Borough Council and Belfast City Council have variances of approximately -5%. Those are huge variations — how on earth could one have an accurate estimation of one's rates? After that fails, local councils receive

unexpected bills during the course of the subsequent year. I understand that Belfast City Council's unexpected bills amounted to some £4 million, and my own council's figure was £300,000 — how are councils supposed to incorporate such unexpected bills?

I was part of the Public Accounts Committee that published the 'Report on Statement of Rate Levy and Collection 2006-07' in October 2008. I urge anyone who wishes to investigate that process further to study that report. It highlights that many of the failings were under the control of Land and Property Services.

4.45 pm

I shall focus largely on vacant property. Despite the fact that people have been living in properties that were listed as vacant, many of them have not been issued with a rates bill, which means, of course, that the cost burden is falling on their neighbours. Therefore, Land and Property Services must answer for those failings.

In 2006-07, Land and Property Services stopped inspecting vacant properties and — surprise, surprise — that was one of the reasons for the inaccuracies in the penny-product estimates. Many properties were labelled incorrectly as vacant: no rates bills were initiated and no funds were gathered. What private-sector business would virtually stop issuing invoices to new customers? It is unbelievable.

I acknowledge that LPS is working closely with councils to address the problem; however, the legacy of that shambles lives on. Consequently, there is merit in the amendment of Stephen Farry and Sean Neeson, which calls for transitional relief. Councils have been attempting to plan; however, through no fault of theirs, additional bills have been landing on them.

As a direct result of the failure of Land and Property Services, Carrickfergus Borough Council checked some of the properties and discovered that 37% of approximately 1,300 properties listed as vacant were, in fact, occupied. No doubt, that figure is replicated throughout council areas in Northern Ireland — a huge amount of money has not been collected, and everyone else must pay for that. Consequently, rate arrears have risen, and bad debts are predicted to rise from approximately £5 million a year to between £8 million and £10 million a year. Guess what? Ratepayers will have to pay for that shortfall as well, because the benefits of collecting extra rates are not being passed on to local councils.

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

**Mr Beggs:** This area must be addressed, Minister: we must bring about improvements and have a consistent rates base on which we can rely.

**Mr O'Loan:** I declare my membership of Ballymena Borough Council, and I state my support for the motion and the amendment.

Land and Property Services collects £1 billion per annum, so it plays an important role in the finances of the Executive and of district councils. Indeed, the implications for district councils are more serious than for the Executive. The regional rate contributes approximately 6% to the Executive's Budget; however, for councils, after income from charges, it contributes almost 100% of the revenue raised. I am not sure whether, as Stephen Farry said, the rates account for as much as 90% of overall council costs but they certainly account for a major proportion of income. Therefore, it is important to district councils that the system works well, and it is clear that a serious situation has arisen concerning the penny product.

We all understand the system, and we know that the penny product is essential information for councils preparing their budgets for the forthcoming year, so it is vital that that information is accurate. Recently, there have been significant errors in the estimated penny product, which, as some Members have mentioned, has resulted in substantial clawbacks and serious distress to several councils.

There is an important side issue concerning the distress that is being caused by the rating system: it is not only councils that are suffering distress; some ratepayers are suffering greatly, particularly the owners of vacant commercial property. Last week, at the Committee for Finance and Personnel, officials demonstrated considerable sensitivity to the problem of imposing rates on vacant domestic properties, and they were considering when and how such rates might be introduced. However, that measure is already in place for vacant commercial properties; it was introduced in good spirit, and it was intended to generate useful movement and activity in the commercial sector. However, when it was introduced, the environment was quite different to what it is now. The measure is creating serious pressure for a particular group of ratepayers, and I ask the Department to pay particular attention to that.

Returning to my main concerns, I am not impressed by the response of the LPS to the penny-product situation. An LPS spokesperson said that it was disappointing that Land and Property Services had been criticised, as many of its estimates were within 1% of the final figure. However, it is the job of LPS to get the estimates right, and too often it gets them wrong.

The 2007-08 figures show that the estimates for 12 councils were within 1% of the actual outcome; the remaining 14 were outside it. For instance, there was a 5% error for Belfast City Council; a 6% error for Magherafelt District Council; and a 6% error for North

Down Borough Council. Those errors are not acceptable; they show that the database and the estimation method are not sound.

I was shocked at one piece of evidence in the PAC report, which stated that LPS had to concede that errors were made in important work by one person whose work had not been checked or verified by anyone else.

Several Members mentioned the Public Accounts Committee's 'Report on Statement of Rate Levy and Collection 2006-07', which refers to "a history of errors" and states that councils expressed their concerns regularly. Furthermore, it contains an assurance from 2001 to the Committee for Finance and Personnel that future calculations would be accurate. That promise has not been realised.

The PAC report concludes that DFP has not invested sufficient energy into developing systems for the estimation of the penny product and recommends that the Department put more resources into the system and develop a more robust budgetary model. I support that recommendation.

I note that it is only now that LPS is developing protocols with councils towards using their substantial local knowledge and databases to improve the information base of LPS. That development is long overdue. The problem with LPS is symptomatic of a wider problem — the most evident being the large rate arrears to which Members have often referred.

The Committee for Finance and Personnel has taken a great deal of interest in LPS and its underperformance, and it has shown interest in my proposal that DFP commission a wide-ranging independent investigation into LPS. That matter was put on hold during the PAC inquiry, but we should return to it now.

I support the motion and the amendment, and I hope that their success will lead to some amelioration in an unacceptable situation.

**Mr Weir:** Like other Members, I begin my contribution by declaring an interest: I am a member of North Down Borough Council and vice-president of NILGA.

As several Members said, penny product is pertinent to the 26 councils in Northern Ireland; it has a different effect on each of them, but it is not restricted to one area. Consequently, the meeting that was held before Christmas between NILGA and the Minister was useful and productive. Representatives from the four major parties and various councils attended the meeting.

The DUP supports the motion; there was little in Paul Maskey's speech with which to disagree. It resonated so much with the position of the parties in

Belfast City Council that it could have been given, verbatim, by almost any of its members.

The DUP has no problem in supporting the Alliance Party's amendment, despite the serial nature of its proposer.

At the time of the Executive's welcome announcement on the freezing of the regional rate some years ago, a message was sent to local councils that they should not see the freezing of the regional rate as an opportunity to increase local rates.

Each council is different, and each has areas in which it can make cuts, but most have acted responsibly since that announcement was made and, for many years, have striven to provide the best possible value for the ratepayer. Considering the pressures faced by councils, I take issue with Dr Farry's hope that there would be some level of regional rates increase alongside the local increase. Given the pressures on local councils, the wisdom of holding back the regional rate and restricting the increases to ratepayers becomes more evident by the day.

I agree with Dr Farry that ratepayers do not differentiate between what they pay as a regional rate and what they pay as local rates. Consequently, the freezing of the regional rate at least eases the burden of ratepayers to some extent. However, whatever local councils have done, they are, undoubtedly, being hit by a range of issues, the common factor in which is that they are outside their control.

Mention was made, for example, that the amount received through rates, particularly in the non-domestic sector, is due to reduce over the next year because of the recession. Unfortunately, we will have to deal with that. What was not mentioned is the continuing pressure caused by the large increases in landfill tax over the past few years. Whatever its merits, and with the best will in the world, that tax is beyond the councils' control.

Furthermore, the mistakes that were made a couple of years ago placed a massive additional burden on Land and Property Services. As Mr Beggs said, there was a ridiculous situation at that time because someone took their eye off the ball on the control of vacant properties. Some of the changes to LPS, such as the computerisation of its system and changes to the rates, will benefit everyone in the long term. Practical efforts have been made to try to rectify the mistakes of a few years ago. A new closer working relationship has evolved between council officers and LPS not only in Carrickfergus Borough Council but in the bulk of councils. Perhaps it was driven by necessity, but it has proven to be a good system of close co-operation. However, the Assembly must put more meat on the bones.

It is clear from the problems in LPS, the trouble with estimating the penny product and the specific

issues that were mentioned in connection with the revaluation of MOD and BT sites that councils face a major short-term problem. If the Assembly is to deliver the best for all its ratepayers, continued efforts are required. The Department must consider sympathetically some sort of assistance or transitional relief to ensure that councils are able to do their jobs properly.

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

**Mr Weir:** I support the motion and the amendment.

**Mr McLaughlin:** Go raibh maith agat, a LeasCheann Comhairle. I declare that I do not have an interest because, in 1998, on my election to the Chamber for the first time, I resigned from Derry City Council.

I have considerable sympathy for the councils. I was a councillor in Derry for almost 20 years, and I am aware of the complex issues that can affect the annual process of striking the district rate. Councils can drive efficiencies only so far before coming up against the difficult choice of raising rates or cutting essential services. Many councils find themselves on the cusp of that dilemma now.

It is only fair that I say that I also have some sympathy with Land and Property Services, which inherited, rather than invented, the problem. It may have been tasked with driving an agenda of change that was too complex in too short a period, as was the considered view of the Public Accounts Committee. The issue, for instance, of retreating from developing the accuracy of the register to include vacant properties, or to establish whether properties are genuinely vacant, has a direct impact on the lack of accurate information on which the calculations are based.

From listening to the contributions from the parties in the Assembly, it is clear that Members have a good understanding of all the issues because they have had to deal with them annually. However, it seems slightly contradictory that the calculation of the estimated penny product is based on information that is out of date as soon as that process begins.

By the time it has been applied in the particular financial year, it is 18 months out of date, which compounds the existing problems.

5.00 pm

When Land and Property Services was established and took over from the Rate Collection Agency, we should, perhaps, have taken the opportunity to abandon the practice of estimating the penny product, and to reduce it to an annual process whereby, at a given point in any year, an agreement could be signed off between the district councils and Land and Property Services as to the valuation list, which would produce a single figure. The variations and the various impacts of the changes that inevitably occur in the built stock

right across the North can be factored into the following year. It compacts the process.

There may be an initial cost implication that would add a dimension to the amendment offered by the Alliance Party, because there may be a need to provide some transitional support to councils in the first year. However, if we were to deal with factual information — at least, information that was agreed to be factual at a given point — and we worked towards the upcoming 12 months before we revisited it, councils and the Department would know exactly the basis on which they were proceeding, and know the expenditure programmes on which council rates would be based. The compensation can be built into the process by regularly amending the valuation list.

An initiative for which I would argue strongly is that we make the necessary investment — again, a collaboration between Land and Property Services and the councils. The work could be carried out by the councils, and it would be a cost-effective operation in reviewing the vacancy list. We all know that therein lies the problem of delinquency, the consequence of lost revenues and the annual conundrum between Land and Property Services and the councils.

In supporting the motion and the amendment, I ask the Minister to give some consideration to reviewing the entire system and questioning the value of having an estimated penny product that so often turns out to be inaccurate and may not be needed at all.

**Mr McQuillan:** I declare an interest as a member of Coleraine Borough Council.

I believe that the Minister had a meeting with NILGA recently to discuss the difficulties councils may have in setting an appropriate rate for 2009-2010, so I congratulate him on taking a proactive approach to the current problem.

I am well aware of the steps that Land and Property Services has taken in engaging with local councils to update and inform them of the current state of play, so that councils can make a fully-informed and well-judged decision when striking their local rate. The bilateral meetings between Land and Property Services and each council has, using the key assumptions, been of value to the councils when trying to estimate their potential needs for 2008-09 and 2009-2010. A useful step will be the inclusion by Land and Property Services in 2009-2010 of quarterly outturns and discussions with councils, so that councils will be able to identify in advance any need to alter spending plans. It will also help to keep the rates bill for every property owner as low as possible.

However, we must not overlook the real financial difficulties that some councils will face as a result of the closure of Ministry of Defence sites. Although I appreciate fully that the Minister has to live within his

own budgets, and that his scope to assist councils is severely limited, I ask him to do whatever he can for those councils affected by MOD site closures and the BT situation.

I support the Minister in his efforts to deal with the issue in this most difficult financial climate. I am sure, too, that he will do all that he can on a practical and cost-effective basis to aid councils. I support the motion as amended.

**Mr Shannon:** I support the motion and the amendment. I declare an interest as a member of Ards Borough Council.

The issue is complex and one of which I am well aware, having been a member of Ards Borough Council for almost 24 years. The issue affects every member of each council area in the Province. The calculation of the penny product is difficult and is undertaken by Land and Property Services — I do not envy it its task.

There is much to be taken on board and considered, and the nature of estimation is such that there must always be some form of guesswork — although it is educated guesswork. I am also aware that the Minister and his Department are examining the process and are attempting to find a way forward that is helpful to all council areas in this difficult financial time.

Although, of late, the estimation in Ards has not been as far out as estimations have been in other council areas, such as the Belfast City Council area, we in Ards are not without a certain amount of fear for the future. Indeed, when I contacted the director of contract services for my council, he expressed several concerns, which I would like to reiterate. The main issue causing a negative impact as regards the penny product and advice to councils on striking the rate for 2009-2010 is the huge increase in the losses figure, which, in turn, dictates the percentage of rateable income. The losses for Ards Borough Council have increased greatly from £1.137 million to £1.342 million in 2008-09, to £2.259 million in this present year. As those figures clearly indicate, the projected losses are being increased by some 68% over the 2008-09 figures. If other Members have made those points already, I apologise for repeating them.

Deferring some of the costs from council to central Government would go some way to addressing the huge loss of funds resulting from a reduced estimated penny product. A forum has been sent up, which represents the Society of Local Authority Chief Executives (SOLACE) and the finance offices, and it is working very closely with LPS to address some of the issues. I understand that the Minister, in his response, will give some indication of where we are headed on this matter, and I hope that the news will be good.

In the interim, we all face the huge problem of the extra losses that we will have in the short term. As aware of those issues as I am, I have every confidence that our Finance Minister and his Department are equally aware of the issues, and I understand from discussions with the Minister that that is the case. They are working towards a solution that will mean as little added burden on the ratepayer as is possible in this time of financial strain and hardship. For some of my constituents, even paying £100 more this year will be a strain, particularly given the job losses and the reduction in working hours that they have experienced.

The Finance Minister has shown a keen mind for improvement in his previous ministerial position as Minister of Enterprise, Trade and Investment. We again look to him to improve on the system that he has inherited and to produce something that will work better for the councils and, subsequently, for the people of this Province. It is my belief that there will be the possibility for more accuracy once the Minister takes the situation in hand. He has already met NILGA and other bodies to show his commitment to getting it right within his Department. While he is in the process of doing that, it is my desire that councils be given a little help to offset the rise in costs. Take Ards Borough Council as an example; a 68% rise is a tremendous loss to offset. Indeed, it is quite crippling. The council will clearly need all the help that it can get from the Minister and his Department, and the constituents whom I represent wish to see assistance given.

I know that Ards Borough Council is not alone in carrying a large financial burden when it comes to the calculation and the variation of the penny product. I support the motion and the amendment, and I call for a review, which I know that the Minister is considering anyway. I have every faith in his ability to work through the problem and find a solution that we in the Assembly and in Ards are looking for. Like most other councils, Ards Borough Council is desperately seeking help. I look to the Minister — without the Santa Claus uniform — to give us some help on this occasion.

**Mr G Robinson:** I declare an interest as a member of Limavady Borough Council, one of the councils about which the press saw fit to speculate recently. I could not help but notice that the proposers of the motion are members of the same party as some councillors in Limavady who could not wait to see the British Army vacate Shackleton barracks. They are now crying false tears as they recognise the real cost to the ratepayers of Limavady borough and some other council areas. This is the real world, and actions have consequences. Indeed, some members of that same party would like to see the closure of Magilligan Prison, which is, as I understand it, another significant ratepayer to Limavady Borough Council.

I know that the Minister is aware of the situation in Limavady in particular, and our very real need to have some assistance to see us through to the RPA changes in 2011, when things will change on a large scale.

I appreciate the Minister's efforts in regard to empty properties and the collection of rates arrears, and I acknowledge both the hard work of the LPS and all its achievements to date. I recognise that Limavady is not the only council area that has been affected by MOD closures and BT rebates — the economic downturn means that all council areas will take a blow.

I appreciate that the Minister is limited in the ways in which he can assist the affected councils and that like every other Minister, he has a budget within which to operate. I am not asking him to throw money away without considering carefully the value-for-money criteria that is expected of every Minister. If the Minister could find a cost-effective way to assist councils in these unusual financial times, it would be much appreciated by the councils, but it would be appreciated especially by each ratepayer, who will benefit from any help that he can give. I support the motion.

**The Minister of Finance and Personnel (Mr Dodds):** I am grateful to the Members who tabled the motion, which has provided an opportunity to debate the importance of rates revenue to district councils' provision of services. For many years, the rating system has provided the funds and relative stability that allow councils to plan and deliver services to their ratepayers.

The current economic outlook and the abnormal combination of several factors, some of which were highlighted in the debate, have had an impact on the revenue levels that councils can expect to receive from district rates. As Members know, councils are not alone in facing a difficult and challenging future: financial pressures, which have been compounded by the downturn in the economy, affect the Executive's and the Assembly's plans, as well as those of households and people in business. Difficult choices must be made in order to ensure that the resources that are available are used to deliver and improve the key services that most benefit the community.

The debate has been useful, and I welcome Members' suggestions as to how to assist councils and ensure that the rating burden continues to be equitable. The motion urges me to take several actions to help councils through these difficult times. Every Member who spoke declared an interest as a member of a district council, apart from one Member, who declared 24 years of experience in local government. I, too, declare my membership of Belfast City Council.

Aside from what I can do to help councils, I do not doubt that councillors will be doing what they can to help their councils and their ratepayers through these

difficult times. That is an important point. Reference has been made to the positive impact that freezing the domestic regional rate for three years has had. Together with other changes, that has led to a situation where, over the three-year Budget period, households in Northern Ireland are £1,000 better off than they would have been under direct rule. Allied to that, we are freezing the business rate next year in real terms and introducing a small-business rates relief scheme. Those are positive developments and proposals to help people in difficult times.

Therefore, I reject Dr Farry's suggestion that the regional rate has been kept artificially low and should be increased. People will remember that under direct rule, when district councils were keeping their rates increases at a sensible level, there were sometimes regional rates increases of between 15% and 20%. Therefore, the action now is a sensible and proportionate response to the difficult times that we are in. Householders and businesses are grateful for the increased assistance to help them cope in difficult economic circumstances.

As we have demonstrated, actions, rather than words, matter. Indeed, action, not words, will improve the position of councils. As was mentioned, I had a very useful meeting with the Northern Ireland Local Government Association just before Christmas, and we discussed many of the issues that Members raised during the debate.

During the meeting, we talked about the unrecoverable debt issue, the increase in cost of collection, vacancy control issues, the possibility of more co-operation and partnership between local government and Land and Property Services, the increase in the landlords allowance from 10% to 15% for the Northern Ireland Housing Executive, the contribution of 3% towards housing benefit costs — which is a cost and collection for councils — transitional relief and the cap on valuations. All those issues and others were discussed, and it was a very useful meeting. As a result of that meeting, I promised not only to reflect carefully on what was said, but to make an announcement as soon as possible in the new year about what we can do to help, and I hope to make a statement shortly on that issue.

*5.15 pm*

I also listened carefully to the concerns expressed by the association — and as been stated by Members today — about the performance of Land and Property Services. Some Members highlighted some of the issues, and many made the quite proper point that many of the issues have been inherited and are historical. They reflect the fact that the new, combined Land and Property Services was asked to take on an enormous amount of change to the rating system all at

once. As a result, matters that should have been given attention did not get it. However, that issue is being addressed, and I am determined that issues such as rates arrears and the inspection of vacant properties should be given high priority, so that from here on in those issues do not become a matter of criticism, and they should not be neglected.

Land and Property Services is tasked with ensuring that the valuation lists upon which rates are levied are maintained to reflect new developments and alterations to, or the demolition of, existing properties. District councils have a statutory duty to assist LPS to support the maintenance of the valuation lists by providing any relevant information that they obtain. To determine the appropriate liability for rates, LPS must also establish who occupies or owns property. That is an important point to make about vacancies.

Out of 60,000 vacant properties, 47,000 have been inspected. In many of those cases where it can be established who is responsible for paying the rates and who owns the properties, the bills can be sent out immediately. However, there are many occasions when that is not possible. The property can be identified as being occupied, but it is not as easy to identify who is responsible for paying the rates. Sometimes that leads to the delay in getting vacant properties that are currently occupied onto the valuation list. However, progress is being made, and I commend the close working partnership that has developed between virtually every council in Northern Ireland and LPS.

I take the point that councils have been to the fore in the matter, but LPS has also played its part in developing arrangements that will lead to more efficient and effective processing of inspections of vacant properties and getting properties onto the valuation list, where they should be. That work needs to continue, and I am determined that the co-operation and partnership between LPS and local government should continue, and that the greatest possible co-operation, and working together, transparency and openness between local government on the one hand and LPS on the other should be maintained.

Some Members raised specific issues, which I want to try to address in the short time remaining to me. Some Members mentioned BT, and Ministry of Defence rates liability, and I listened carefully to the concerns that were expressed about those issues, in my meeting with NILGA and here today. Those bodies are entitled, as is any other ratepayer, to challenge their valuations. What happened is that they challenged, on appeal, what they pay in rates, which they are entitled to do just as is an individual ratepayer.

Of course, it must be remembered that a reduction in district-council income also means a reduction in income on the regional rate. Therefore, the Executive

and the Assembly will also suffer as a result of those revaluations. Just as there is less income for district councils, as well as a payback to BT and the MOD — going back 10 years in the case of BT and five years in the case of the MOD — so there is a reduction in income for the Executive, as well as the money that we must pay back to BT and the MOD. This is not only a hit on district councils but a hit on the Executive. However, I accept that the effect on local councils is greater, because a far greater proportion of their income is dependent on rates compared with that of the Executive. It is important to put that on the record. I await advice from my officials on what can be done quickly, and within existing powers, to cushion the impact on councils. I will consider that issue further and make an announcement shortly.

Some Members raised the issue of collection costs. In proposing the motion, Paul Maskey mentioned that issue, as well as the increases in those costs. Other Members mentioned the need for the changes that have been introduced to do away with the obsolete IT system. Not all the increases were passed on as quickly as they should have been in previous years, but we are now passing on those increases. However, I have listened carefully to what Members have said today. I have also listened to representations that were made, particularly about issues that were raised in the Public Accounts Committee's report, and I will consider all those issues further.

Several Members raised the issue of write-offs. The forecasted write-off for rating debt in 2008-09 is £5 million, but the forecast for 2009-2010 has risen to £10 million. The economic outlook means that it is assumed that, because people will find it harder to pay bills, as well as an increasing number of liquidations and bankruptcies, the amount of debt that will be written off will increase. That is a fact of life that we must take into account.

It might be easier to say that we will not increase the level of write-off, but what would be the consequence of that? The increased write-off forecast has been made in order to provide a prudent estimate of the income that councils might expect to recover, therefore avoiding a clawback situation. We must be as transparent as early as possible about the likely effect, rather than wait until later to tell councils that the debt write-off will be £10 million instead of £5 million and that we will claw it back from them. No one would be praised for taking that approach either. We must be realistic — if it becomes more difficult to recover debt, we must recognise that fact. That issue has been raised with me, and, again, I will consider it further.

I am also considering the issue of increased collection costs. Mr Farry and others mentioned the issue of the reduced cap and transitional relief. In reducing the cap from £500,000 to £400,000, I

indicated that transitional relief would be made available to councils. That measure was widely welcomed, and it will have a major impact on Belfast City Council, North Down Borough Council and other affected councils. Mr Farry tempts me to go further, but the £500,000 cap was introduced under direct rule. Again, that shows the benefits of devolution over direct rule. If we had had devolution when the cap was introduced, transitional relief might have been available.

I have already dealt with the issue of vacant properties. The amount billed so far for inspections that have taken place is some £5.6 million overall, for both regional and district rates. Members talked about vacancies, but it should be remembered that, although £1 billion is brought in by way of regional and district rates, we are talking about a figure in the region of £5 million, or perhaps a bit more. It is important that vacant properties be inspected and, where rates are liable, that that money be collected.

It must be borne in mind that, as an overall proportion of the total rates income, that amount of money is relatively small. Nevertheless, that money must be brought in. I believe that we have made significant progress on vacant properties. However, from now on, more must be done to address the issue. It is also important that councils examine not only domestic vacant properties, but non-domestic vacant properties, because, at present, rate income for non-domestic vacant properties is not being brought in.

In previous years, we have examined the reasons why vacancies were not inspected as they should have been. Inspections were never stopped, and we understand the reasons why they were historically not carried out in the way in which they should have been. However, I am determined that such accusations will never again be levelled. We must ensure that all vacant properties are inspected and that everybody who should be paying rates is paying rates.

Let me be clear: rates arrears do not impact on councils' revenue streams until such times as they are written off. Some spurious comments have appeared in the press about that matter.

On the issue of non-domestic empty property rates —

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

**The Minister of Finance and Personnel:** I will finish on this point. Mr O'Loan made a point about non-domestic empty properties. He will be aware that the Northern Ireland Executive decided to rate such properties at only 50%, and, even then, vacant factories were not included, whereas, in England, all non-domestic empty properties are rated at 100%. Therefore, we are significantly better off than our counterparts elsewhere in the United Kingdom. Again, I will monitor the impact of that policy.

**Mrs Long:** First, I also declare an interest as a member of Belfast City Council, because I do not want to break the cycle of council members declaring an interest when speaking in this debate. I thank Paul Maskey and his colleagues for tabling the motion and for accepting the Alliance Party's amendment. Despite the discomfort that our amendment obviously cost Paul Maskey, he conceded that it had added something to the debate, so I thank him for that. I also thank the Minister for his comprehensive response. Given the time constraints, I do not intend to summarise the issues that every Member raised. However, I wish to explore certain themes that arose during the debate.

All ratepayers — whether business or residential — live in a difficult financial climate. However, that climate also affects the councils themselves. At a time when most of us wish to cushion the public from the effects of increased bills, local councils face huge problems, such as the pressures of rising costs and overheads or issues around waste management.

Although those matters are predictable to an extent and can be budgeted for, unpredictability has increased in recent years over the estimated penny product for rates. Not least of all, that unpredictability has affected the issue of vacant properties, a point that several Members stressed.

The clawback from previous years — particularly last year where the outturn was much lower than predicted — together with its compounding effect and the expectation that money would be forthcoming, as opposed to clawed back, has made the situation worse. There are issues with the additional costs of collection, and the way in which that is being managed, particularly the changes in write off. I think that everyone accepts that it is necessary to change in way in which debt is written off. However, the timing of that and the way in which it is profiled is critical in the current context.

**Mr Beggs:** The Member for Strangford Simon Hamilton stated earlier in the debate that the failures were not the responsibility of the Department or Land and Property Services. Therefore, whose responsibility are they? Does the Member agree that some body must be responsible for those failures, whether it is the Department, the agency or its predecessor?

**Mrs Long:** I thank the Member for his intervention. It is true to say that the problems with LPS were largely inherited. However, it is also fair to say that, since devolution, there has been no real improvement in the way in which that body has functioned. In fact, many people would contend that the situation has actually worsened. The Minister conceded that the main improvement was council driven, and that is not necessarily the way that one would expect improvement to be driven.



Transitional relief, to which the Alliance amendment referred, will significantly improve the situation. Paul Maskey, Stephen Farry, Declan O'Loan and Simon Hamilton spoke about council income. However, at a time such as this, that income is likely to decrease. Discretionary expenditure by householders is also likely to decrease, which will affect council income. The downturn in construction will also affect, for example, income from building control. All of those factors compound the difficulties faced by local councils.

Roy Beggs, rightly, raised the issue of the potential for increased bad debt in the current financial situation, as people find themselves unable to pay their rates.

Although the Minister has rightly said that that will not immediately affect the councils, it will have an impact down the line.

5.30 pm

Simon Hamilton, Stephen Farry, Declan O'Loan, and Peter Weir mentioned the importance of having good and robust modelling of the estimated penny product. Mitchel McLaughlin went further by questioning whether one was needed at all. Robust financial planning is good for local councils, many of whom have been taking it to the extreme when trying to manage their own finances more efficiently, but, every year, they have been confounded by that problem. The timeliness of the information is critical. Even if there is variation in the information, it is important to have it in good time so that plans can be made.

In different ways, Simon Hamilton and Stephen Farry stressed the need for the avoidance of a boom-and-bust cycle in rates, fluctuating between almost no increase and huge double-figure increases. Members are looking for, and stressing to the Minister, the need for predictability over what people can expect from an increase in their rates so that households, businesses and individuals can budget much better.

The Minister correctly said that it was important that councils take action to bring their expenditure under control. I fully concur with that. The Minister will know that an efficiency saving programme has been in place at Belfast City Council, where he and I sit. He will be aware of the efficiency saving programmes of many other councils. However, those do not alleviate the current difficulties, and that is why our amendment asks the Minister to intervene. I look forward to the statements that he said that he will make in the future.

The Minister said that he will consider what he could do within his current powers. I ask him to consider Stephen Farry's suggestion that additional powers may be needed to deal with transitional relief. If the Minister is willing to tell councils that he will do that, they can factor that in, even if legislative change is needed.

**Ms J McCann:** Go raibh maith agat. I am not a councillor, although I was one for a short time. I ask Members to bear that in mind.

Most Members who spoke highlighted a number of financial pressures across all councils and how those affect everyone, including households. The inaccuracies with the estimation of the penny product and the lateness of that estimation have compounded those pressures. Although the debate was on a specific issue, most Members will agree that they do not want council services to be affected by those pressures.

I thank my colleagues Paul Maskey and Mitchel McLaughlin for tabling the motion. In his opening remarks, Mr Maskey outlined the importance of the motion and explained why councils are facing huge financial problems. Along with other Members, he mentioned some of the problems of Belfast City Council, of which he is a member, but I will not dwell on individual councils.

He said that the Department of Finance and Personnel does not provide the necessary information to councils, and he quoted the report of the Public Accounts Committee on the matter. The report stated that the Committee was extremely concerned that the Department of Finance and Personnel was not providing the councils with accurate information and that, therefore, it was difficult for councils to undertake any forward planning of their spend. Recommendation 20 of the report said that that information is essential. He also urged the Minister to meet council officials, and I know that the Minister said that he had already initiated consultations with several organisations.

Moving the amendment, Stephen Farry pointed out that the regional rate provides only a small income for councils and that, when households get the bills through their door, people do not make a real distinction between the different rates bills. Given the economic climate, we all must be aware of how those higher rates will affect people.

He also outlined some of the difficulties that his own council is facing: that no account is being taken of the reduction in the cap, and that the cost of that reduction is to be borne by councils over a one-year period yet it will affect their budget over two years. He called for transitional relief for councils, as did most Members.

Simon Hamilton said that Land and Property Services had inherited the problems it currently faces and that work to sort out the problems is ongoing.

Roy Beggs said that there was no reason for the inaccuracies given the detailed database and expertise possessed by the Department and by Land and Property Services. He, and other Members, pointed out that the failure to inspect vacant properties has added to the problem. Land and Property Services had

calculated the penny product without inspecting properties, and that has compounded the problem.

Declan O'Loan said that Land and Property Services collects £1 billion per annum and that estimation of the penny product is crucial to future planning.

Peter Weir talked about the freezing of the regional rate. He said that the vast majority of councils have acted responsibly, in ratepayers' interests, to try to keep down the size of rates bills.

My colleague Mitchel McLaughlin asked whether we need the estimated penny product. He called on the Minister to review the whole process and stressed that the accuracy of the register directly affects the accuracy of the estimate. He is the only Member who called on the Minister to review the process and try to find a better way of doing it. That will take co-operation between council officials and Land and Property Services.

Adrian McQuillan and George Robinson both spoke about the closure of MOD sites and how that affected rates. Jim Shannon said that a forum had been set up and that, given the economic climate, an added burden on ratepayers should be avoided at all costs. People are losing their jobs and ratepayers cannot afford to pay more than they are paying now.

The Minister said that councils are not alone in facing difficulties. The Executive, as well as the ordinary household, are facing financial difficulties. He stressed the positive impact that freezing the regional rate, and freezing the business rate next year, will have. He spoke about small business rates relief and how that will have a positive effect on business. He said that he has already consulted with a number of organisations about that. He referred to transitional relief and said he would be making a statement shortly on how the Department can help in all those issues.

With respect to vacant properties, the Minister admitted that there was a delay in identifying who was responsible for them. He referred not only to vacant domestic properties but to all vacant properties.

That was the gist of what was said by most Members. However, there has been a big change over the last year in some rates bills, and many people are now in arrears. I am sure that other Members are also finding that that is the case. Rates are now being assessed on the value of property and, for many people, that means a high rates bill. Land and Property Services is currently sending out letters to people who are already in debt. It must be sensitive about how that is done: the letter states that if the bill is not paid by a certain date, court action will follow.

I know that many of my constituents are finding it quite difficult to get by in the current economic climate. Therefore, it can be quite shocking for some

people, particularly some elderly people, to receive such letters.

We must be sensitive both with the collection of rates arrears and about the economic climate. People are losing their jobs, and although we know that rates need to be collected and that they are in place for services provided, their collection must be carried out in a way that is fair and sensitive to people's current economic situation. Go raibh maith agat.

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

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

*Resolved:*

That this Assembly calls on the Minister of Finance and Personnel to address the financial difficulties being experienced by District Councils in the calculation of the Penny Product, by initiating a process of consultation involving Councils and Land and Property Services, for the purpose of producing an accurate register of rateable properties; and to consider urgently measures to provide transitional relief to those Councils that are carrying forward a significant loss from the 2007-2008 financial year due to differences between the estimated Penny Product used to calculate the level of district rates and subsequent finalisation figures provided by Land and Property Services.

*Adjourned at 5.41 pm.*



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