
Northern Ireland Assembly

Tuesday 23 February 2010

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

Members observed two minutes' silence.

Matters of the Day

Newry Courthouse Car Bomb

Mr Speaker: Mr Danny Kennedy has sought leave to make a statement on a matter that fulfils the criteria set out in Standing Order 24. I shall call Mr Kennedy to speak for up to three minutes on the subject. I will then call representatives from each of the other political parties, as agreed with the Whips. Those Members will each have up to three minutes in which to speak on the matter. There will be no opportunity for interventions, questions or a vote on the matter. I will not take any points of order until the item of business is concluded. If that is clear, we will proceed.

Mr Kennedy: I am grateful for the opportunity to raise a Matter of the Day, and I am sure that the House will join me in condemning the very sinister and highly dangerous bomb attack that took place yesterday evening at Newry Courthouse. As a local representative and on behalf of my party, the Ulster Unionist Party, I condemn unreservedly the attack, which has caused further fear and anxiety in my constituency and, indeed, much further afield. I also want to take the opportunity to express my thanks and admiration to the PSNI personnel and security officers who acted so quickly and effectively last night to prevent widespread injury and death. I also commend the members of the public who alerted the PSNI to the fact that a suspicious car had been left at the courthouse.

In the current political climate, republican dissidents clearly designed the attack to maximise fear and uncertainty and to destabilise the entirety of our political structures. We must not allow that to happen, and I trust that the political reaction to the event will be a united response of condemnation and a clear indication that parties that have been elected to the House will work

together on an all-inclusive basis to ensure that political stability is maintained.

If there is to be an appropriate political reaction, in my view and in my party's view there must also be an effective security response. My party and I have been concerned for some time that the threats posed by republican dissidents have been viewed with a certain amount of complacency by the Chief Constable and his senior command and by senior political figures, including the Secretary of State for Northern Ireland, in the mistaken belief that those individuals were unrepresentative and lacked the manpower to cause serious problems. Clearly, that is not the case, and we now face a deteriorating security situation, particularly in border constituencies, such as mine in Newry and Armagh. Therefore, in my view, an immediate security response is required. It must include additional resources in the border area and increased use of intelligence to combat the threat posed by the so-called dissidents.

The people of Newry, people throughout my constituency and people all over Northern Ireland will rightly condemn the attack. This coming Sunday, 28 February, marks the twenty-fifth anniversary of the mortar attack on the Newry RUC base at Corry Square, which resulted in the deaths of nine officers. Few of us could have imagined that, 25 years later, we would still have the challenges from those republicans who are not prepared to walk the paths of peace.

Lord Morrow: First, I apologise for the non-attendance of my party colleague Mr Irwin, who is in Newry as we speak. It is not the first time that we have had to come to the House and condemn this sort of atrocity. However, it seems that there are people in the outside world who are absolutely steadfast in endeavouring to take Northern Ireland back to the bad old days.

On behalf of my party, I utterly condemn what happened in Newry yesterday evening. My party and I give our unqualified support to the security forces as they seek to dig out those who carried out the awful atrocity. Let it be said that we as an Assembly owe our total and unconditional support to the security forces. It is one thing to condemn something; it is quite another thing to openly support the security forces in taking whatever measures they feel are necessary to ensure that such atrocities do not happen again.

We are told and we had hoped that we were moving into a new era, that things were going to be different, that changes were going to happen and that the bomb and the bullet would not be used as they had been over the past 40 years to bring about political change. However, the incident in Newry last night is a very cold and stark reminder that there are those who wish to continue on the old paths. The bomb and the bullet is the only answer that they have to give to the community.

Let it be said that we as a party, as an Assembly and as a community owe this to the people of Northern Ireland: I have heard understandable condemnation of what happened in Newry, but it is one thing to condemn it; it is quite another thing to give unqualified support to the security forces, and that is what is needed at this time.

We also believe that the security forces are under-resourced. That must change, so that they can respond to the type of incident that happened in Newry. I hope that, around the House today, there will be no ifs, ands and buts in our support for the security forces and in our condemnation of those who carried out the atrocity in Newry.

Mr Brady: Go raibh maith agat, a Cheann Comhairle. As someone who was born and reared in Newry and continues to live in Newry, I am absolutely appalled by what happened last night. In fact, I live just up the road from the courthouse, and the explosion seemed much nearer than it was. I utterly condemn the people who did this. They have no place in our society. I join Lord Morrow and Danny Kennedy in condemning the action unreservedly. To echo Lord Morrow, there are no ifs, ands or buts.

The people who carried out the attack have no mandate. The people of Newry have continually turned them down, and they will continue to do so. Historically, Newry has suffered unemployment and various other ailments. It

is now on the road to recovery and has been for the past 15 or 16 years. Many people have done a great deal of hard work to maintain that recovery, and they will continue to do that work.

My colleague Conor Murphy is in the constituency at present. I apologise for his absence from the Chamber. Interestingly enough, last night, he and I were at an event at Corrinshogo Gaelic Football Club on the outskirts of Newry at which the club set out its vision for the future of a new sporting complex and community facilities. Based in an area that encompasses two of the most deprived wards in the Six Counties, the club spoke of the legacy that it wants to leave young people.

Unfortunately, the people who perpetrated the attack leave no legacy. They have no place in our society. I condemn them unreservedly, and Newry's people will continue to do so.

Ms Ritchie: I want to add my condemnation and that of my party, the SDLP, to the comments that other parties have made. I also offer on my party's behalf my apologies for my colleague Dominic Bradley's absence. He is in Newry, standing solidly with his constituents in the city.

I spent most of last Friday in Newry with Dominic. We met many people and admired the progress that has been made and continues to be made in the city, right across the social and economic spectrum. In my role as Minister for Social Development, I am preparing a master plan for Newry city centre and a major public realm environmental improvement scheme, which is also for the city's central area.

It sickens me that, when so many people are working in partnership and looking forward to a better future in Newry, a tiny minority should seek to take society backwards with its violence. The SDLP has condemned resolutely the violence that Newry has experienced for more than 30 years. My party has equal contempt for the recent wave of violent mayhem in Newry and Keady. I thank God that no one was killed or injured in last night's outrage. The bomb was within yards of a recently completed social housing scheme in Canal Street. It is remarkable that the community came through the violent bomb attack unscathed.

The SDLP did not stand up to violent thugs for a generation only to ease up now in a time of relative calm. As I have said on many occasions already, anyone who knows anything about last

night's crime or the one that took place in Keady on Friday should go to the police immediately to help put those criminals behind bars. Throughout the years, the SDLP has always stood up against violence, from wherever it has come, be it in Newry and Armagh or South Down, and particularly in the Newry and Mourne District Council area.

Mr Ford: On behalf of my party colleagues, I condemn without any reservation whatsoever the act of violence that took place against the people of Newry and their courthouse last night. My party offers its sympathy to Newry's people — residents, businesspeople and Court Service staff — whose lives will be disrupted today and, in many cases, for some time to come as a result of the damage that has been done. My party expresses its support for the Police Service in the work that it carried out last night and the follow-up work that it must do in the aftermath of the atrocity.

There is absolutely no doubt that nothing but the grace of God prevented loss of life. It was a cowardly and murderous attack, which, thankfully, did not result in anything more than damage to property. That damage will, however, take its toll.

I have no expectation that words of condemnation from me or anybody else in the Chamber will make any difference to the people who carried out the attack. However, if we politicians stand together in this place, ensure that politics works and start to deliver a better future for Northern Ireland's people, we will have an effect on those who, so far, have been inclined to turn a blind eye or not ask their children what they are up to. It is vitally important that we continue that process of working together, so that we can show the better way that we know exists and do not see those who wish to drag us back 20 or 30 years succeeding in their evil aims.

10.45 am

I sympathise with the people of Newry and express my support for those in authority who are seeking to deal with the perpetrators and to catch them and put them behind bars. I trust that we, as politicians, will stand united and continue to stand united in doing so.

Ms Purvis: As others in the Chamber have done, the Progressive Unionist Party condemns the bomb attack in Newry last night. The people who carried out that attack have absolutely

nothing to offer to the people of Northern Ireland or to the future of Northern Ireland. The elected representatives of the people of Northern Ireland sit in the Chamber, but those criminals are not represented here. The elected representatives of the people of the Republic of Ireland sit in the Dáil, but those people are not represented there. It is incumbent on all of us to ensure that those people are sidelined, caught and brought to justice. Their warped cause offers nothing to anyone in this society.

I have been talking to people in the past couple of days. They have not been talking about the constitutional position of Northern Ireland; they have been talking about jobs, job losses, housing and benefits. That is what people are concerned about. They are concerned about their quality of life and improvements to their quality of life. It is incumbent on all Members to make politics work, as I know they want to, to ensure that we do not go back to the days of the past; to ensure that there are no more victims of violence; and to ensure that we start to deliver to improve the quality of life of people in Northern Ireland. That is what we need to work on, and I am sure that everyone will join me in supporting that work.

Ministerial Statement

North/South Ministerial Council: Health and Food Safety Sectoral Format

Mr Speaker: I have received notice from the Minister of Health, Social Services and Public Safety that he wishes to make a statement.

The Minister of Health, Social Services and Public Safety (Mr McGimpsey): I wish to make a statement on the ninth North/South Ministerial Council (NSMC) meeting in the health and food safety sectoral format, which took place in the Belfast Harbour Commissioners' office on Wednesday, 25th November 2009. The Executive were represented by myself, as Minister of Health, Social Services and Public Safety, and Michelle Gildernew MP, MLA, Minister of Agriculture and Rural Development. The statement has been endorsed by Minister Gildernew. The Irish Government were represented by Mary Harney TD, Minister for Health and Children. I chaired the meeting, in which we received a report on progress on various items in the health sector. Those items included the launch of revised media guidelines on suicide prevention and the agreement by O2 to the removal of border area roaming charges for calls to the Northern Ireland 24/7 crisis response helpline. That was in response to a specific approach, and follow-up work with other providers, including those based in the Republic of Ireland, will continue.

The meeting also noted the commencement of a service-level agreement between the Health and Social Care Board for Northern Ireland and Our Lady's Children's Hospital in Crumlin to support provision of paediatric congenital cardiac services. That service will provide much-needed support and will enable children to have their surgery closer to home.

With respect to the provision of radiotherapy services in the north-west, the Council noted the establishment of a cross-border collaboration subgroup to advise on care pathways for the new facility that is planned for Altnagelvin, taking account of capacity for patients from County Donegal.

Ministers also reviewed the current situation on swine flu planning and preparedness. We welcomed the continuing co-operation and sharing of information between officials and Ministers in both jurisdictions and noted the

structures that are in place for co-ordination on issues of mutual concern. Those structures have served well to date.

The Council was updated on the work of the cross-border child protection group and its various subgroups. We noted and welcomed the exchange of information on internet safety and social networking sites and co-operation on child protection research and knowledge transfer. We also reviewed progress towards establishing a joint protocol covering children in care and those on the child protection register who go missing, and children moving across the border where there are concerns. We noted the ongoing work on the development of a joint draft communication strategy and leaflets. The leaflets contain advice and guidance on what to do when worried about a child and on safer recruitment procedures for employers. We also received updates on developments on the vetting and barring scheme in Northern Ireland and noted that work is under way to place existing vetting arrangements in Ireland on a statutory basis.

The Council reviewed the continuing co-operation on cancer research. We noted and welcomed the extension into Northern Ireland of a Trinity College Dublin project on the human papilloma virus (HPV) and the setting up of an all-island gene library.

The meeting welcomed ongoing clinical trials and research at local, cross-border and international levels, and we noted progress in planning for the establishment of a biobank for medical research in both jurisdictions. However, we also recognised the challenge of advancing those plans in the current economic climate.

Ministers discussed the findings of the report 'Cancer Incidence, Mortality, Treatment and Survival in the North and South of Ireland: 1994-2004' and welcomed the success of two recent conferences. One was on health economics, and the other was a joint conference on cancer registries epidemiology.

I turn now to the food safety sector. The Council noted Safefood's promotional activities, including a campaign, in collaboration with the Irish Heart Foundation and the Northern Ireland Chest Heart and Stroke Association, to raise awareness on reducing dietary salt. We welcomed the planned launch of the community food initiatives, which subsequently took place in Belfast on 27 January 2010.

The Council was updated on Safefood's proposals for the development of an enteric reference service, involving specialised laboratory services for pathogenic enteric bacteria, for the island of Ireland. We agreed to defer further work on that proposal.

We expressed our thanks to the outgoing members of Safefood's scientific advisory committee (SAC) for their work. We also noted Safefood's proposal for a revised structure for the incoming SAC and that nominations for the new SAC will be brought forward for consideration at a future NSMC meeting.

We noted the current position on Safefood's business plans for 2009 and 2010 and that Safefood's 2008 annual accounts had been submitted to the Comptroller and Auditor General in both jurisdictions. I can also now report that the 2009 business plan was finalised at the 16 December meeting of the NSMC in the tourism sectoral format.

Mr Easton: I welcome the Minister's statement on the North/South Ministerial Council meeting on health issues. Much good work seems to have been done in research, by Safefood and on child protection, cancer research, suicide prevention and, in particular, swine flu.

The Minister mentioned roaming charges for the suicide helpline. Is the NSMC trying to persuade other mobile phone companies to provide free calls to the helpline? Will the Minister clarify whether the Republic of Ireland is also seeing a reduction in the number of cases of swine flu?

The Minister of Health, Social Services and Public Safety: I was extremely pleased to receive O2's support and co-operation. The fact that O2 will not apply roaming charges to calls to the helpline from border areas means that they will be free of charge. We have taken that matter up with O2's competitors and will seek to gain their support as well. I commend and formally thank O2 for its support in that vital area.

The incidence of swine flu has significantly reduced. The use of antivirals for the first phase was followed by vaccination, and we are now at the point at which we believe that we have moved through the containment phase into the treatment phase. The ability to vaccinate the population so quickly had a marked effect. We follow the national plan for swine flu, and the circulation of the swine flu vaccine in Northern Ireland and the rest of the UK has had a virtuous

circle effect. The Irish Republic's plan mirrors what has been done in the UK, and it reports a similar reduction.

Mrs O'Neill: Go raibh maith agat, a Cheann Comhairle. I welcome the Minister's statement and the ongoing work that is taking place on an all-island basis.

I have two questions for the Minister. First, the meeting took place on 25 November 2009: why has it taken three months to report to the House? Perhaps there was a procedural reason. My second question relates to the work on suicide prevention. We are aware that young males are three to four times more likely to die by suicide, and I note that there is ongoing work on an all-Ireland basis. However, the proposal to develop an all-island men's mental health forum was not mentioned in the Minister's statement. Has the Minister an update on that?

The Minister of Health, Social Services and Public Safety: I have no update on the all-island men's mental health forum. However, I will write to the Member.

We picked the first date that was available to report to the House, bearing in mind that we have had holidays in between.

Mr McCallister: I welcome the Minister's statement. Like other Members, I welcome O2's removal of roaming charges. I urge the Minister to be as proactive as possible in getting other networks to follow the excellent example set by O2.

Is the Minister confident that child protection arrangements in the Republic of Ireland are as robust as they are in Northern Ireland? Will he continue to do his best to ensure that the Republic's standards on child protection are brought up to the same level so that we can share knowledge and protect children properly, as we have a fluid border?

The Minister of Health, Social Services and Public Safety: We must remember that the Irish Republic has a separate regime for child protection from those of us in the UK. We have taken steps, beginning with the Hughes review into the abuse at Kincora boys' home in the 1980s, the protection of children and vulnerable adults (POCVA) checks, and the safeguarding arrangements that have just come into place. We are also working closely with other countries

in the UK through shared data. That is how we have moved forward with child protection in the UK.

The Safeguarding Vulnerable Groups (Northern Ireland) Order 2007 is our legislative basis, along with the Safeguarding Board for Northern Ireland, and a vetting and barring arrangement managed by AccessNI. Those are recent arrangements that came about as a result of the review into the Soham tragedy.

The Irish Republic operates its own system of child protection, but we are working with it on areas such as Internet safety, the movement of children, vetting and barring, media awareness and so on. I have written to my counterparts in the Republic on a couple of occasions, expressing my views and enquiring about child protection in the Irish Republic, as it operates a separate system. The Irish Republic cannot vet and bar individuals, as, under its constitution, all citizens have a right to a good name. Therefore, there are constitutional obstacles to the Dublin Government's moving to mirror practice in the United Kingdom and Northern Ireland, as they did with swine flu. We are well aware that there is a problem, and we are working with counterparts in the Republic. As Mr McCallister said, the border is fluid; abusers, along with vulnerable children and adults, can cross it not just between the Irish Republic and Northern Ireland but between other parts of the UK. It is a live issue on which we have regular discussions.

Mr McDevitt: Although I welcome the Minister's statement, it appears to be a story of some work done and much more to do.

11.00 pm

Will the Minister inform the House whether specific conversations have taken place North and South on the aftermath of the Ryan report and on the amazing journey that the Republic of Ireland has had to travel in the past 10 years to accept responsibility for the wrongs that were committed against young boys and girls while in the care of the state? Does he agree that it is time for the same thing to happen here?

Furthermore, has the Minister been in receipt of any feasibility studies in the past couple of years, which could improve the efficiency of acute and primary care services on a cross-border basis?

The Minister of Health, Social Services and Public Safety: Mr McDevitt should be aware that

the Executive have taken a view on the Ryan report as a result of a debate in the House, and that I am preparing options for the Executive. Part of that preparation has involved me writing to each Department to seek their views on the need for a public inquiry, the scope that such an inquiry would have and the Northern Ireland Office's role in respect of compensation. I note that in a recent press release, Mr McDevitt called on me to provide compensation for survivors, but that is a matter for the Northern Ireland Office.

I have received responses from all Departments. However, I am still awaiting a definitive response from the Department of Education, because its first response suggested that it did not have a major role to play. I wrote to that Department in October 2009, it replied on 23 December 2009, and I wrote to it again in January, explaining what I believe its relevance to be in this matter. The Department of Education is responsible for primary and secondary schools, residential children's homes, some of which are accommodating children on behalf of the Department, and special needs schools. Therefore, the Department has a key input to the Executive's response. When I receive input from the Department of Education, I will be able to put my options paper to the Executive, the substantial part of that work having already been done, and the Executive will express a view. That is the way forward. It is not for me, as Minister of Health, Social Services and Public Safety, and with a small part of the responsibility in this area, to take the issue forward. It is a matter for the Executive as a whole.

I note that in his press release, Mr McDevitt said that the Executive have a responsibility to abuse survivors. We could excuse that and say that he made a mistake and that the communications guru did not check his press release. However, the trivialisation of what is, and will continue to be, a very important issue for large numbers of people in Northern Ireland is a piece of carelessness and an oversight, which is very surprising. If the input from Mr McDevitt on the issue is producing a press release headline of:

"McDevitt: Executive has responsibility to abuse survivors",

it would seem that he is more interested in backing into the limelight than supporting survivors.

In relation to the provision of acute and primary care services on a North/South basis, my responsibility is for the health and social care of people in Northern Ireland, and Mary Harney has a similar responsibility for people in the Republic of Ireland. Where we can work together to promote issues of mutual benefit, we will do so, and an example of such co-operation is the GP out-of-hours service. However, I must report to the House that that service has had a very disappointing response and will be difficult to sustain given the number of individuals who have availed themselves of it on a cross-border basis. In my statement to the House, I explained that I am also examining the new Altnagelvin radiotherapy unit. A business case is being prepared for that facility, which will allow input from the Irish Republic through capital and resource investment. Providing agreement can be reached on a cross-border basis, people in Donegal will be able to make use of that facility. Therefore, we will be providing for our own needs, and extra provision will allow the residents of Donegal to benefit. That is how we can work together.

As far as our acute sector is concerned, I am sure that Mr McDevitt is well aware that there are charges in the Irish Republic. A different system is operated there, and there are charges throughout, which some 70% of the population pay. There are charges to see a doctor, to go to A&E or to stay overnight in an acute hospital. To marry all that together if it were a practical step that would benefit the people of Northern Ireland would be a huge task, but I currently do not see the benefits of doing so.

Mr McCarthy: I thank the Minister for his statement. Although the statement provides only two pages of information, I note that some 15 issues were discussed. That proves that the meeting was worthwhile.

I want to ask the Minister about the food safety promotional activities, which the Irish Heart Foundation and the Northern Ireland Chest Heart and Stroke Association supported. A community food initiatives project was launched in Belfast on 27 January 2010. Can the Minister tell us whether any results have emanated from that? We hope that there will be some positive results, although perhaps it is too early to tell. It would be interesting to know the outcome of that project, because the promotion of safe food is important to the health of any society.

The Minister of Health, Social Services and Public Safety: I do not have the details of the event in January because I did not attend it, but Safefood certainly complements what we are about in Northern Ireland. The Member will be aware that last April I set up the Public Health Agency, and one of the key driving issues of that agency is improving public health through diets, safe food, and so on. Safefood has operated a successful anti-salt initiative, which mirrors what has been going on in the UK as a whole. Those sorts of things have complemented each other, although I see a lot of the future work in Northern Ireland falling within the remit of the Public Health Agency.

There is a need to press down, and the Member rightly identified the social determinants of ill health. People find themselves in hospital, and had they been able to make different lifestyle choices at the right time in their lives, eventually they would be less likely to find themselves in hospital. However, people do not always have the freedom to make such choices. That is part of the strategy that we are taking forward through public health initiatives. Safefood complements that, and some actions make sense on an all-island basis. However, I am also conscious of the actions that are flowing on a UK-wide basis, and the Public Health Agency fits in very closely with those. Although the other countries in the UK do not have public health agencies, they are looking very closely at our experience and are considering that sort of step.

Mrs D Kelly: Mr Speaker, I hope that you will forgive me for putting on record that the SDLP is fast losing its patience with the messing about of the Minister and others on North/South Ministerial Council matters, which, after all, form strand two of the Good Friday Agreement. I would have thought that the health and well-being of one's citizens would be of paramount importance to all Members. Given that, North/South co-operation on health and social care matters is a no-brainer.

I note that the Minister did not answer my colleague Mr McDevitt's question. It was a yes or no answer. Is he in receipt of a feasibility study on acute health matters — yes or no?

The element of the Minister's statement that deals with cancer research said that the Council discussed the report 'Cancer Incidence, Mortality, Treatment and Survival in the North and South of Ireland: 1994-2004'. That was completed in

2004, but the Council is having a discussion about it five years later. We all have friends and family who have been diagnosed with cancer and who are receiving treatment, and we want to know whether the Minister and his counterpart in the South are grasping the maximum opportunities to tackle cancer.

Why has work on the proposed development of an enteric reference service been deferred? Will the Minister give an indication of some of the new work streams that are under his remit on the NSMC health subgroup?

The Minister of Health, Social Services and Public Safety: The Member asked quite a few questions, and although I am entitled to answer only one, I will try to work through those questions.

My statement reported on our work progress. The enteric reference service is a matter of resource. The Member will be aware that Northern Ireland has a good record in developing cancer services — for example, on waiting lists. I am now ready for the next step. Mrs Kelly's party colleague Mrs Bradley has played an important part in lobbying for the proposed centre in Altnagelvin Area Hospital as a satellite of Belfast City Hospital's cancer centre.

I explained my North/South co-operation with Mary Harney. The acute sector provides for the people of Northern Ireland. Arrangements among various areas of Northern Ireland are in place — for example, in paediatric cardiac services — and a joint North/South paediatric service will be established.

I will not spend money on feasibility studies but on particular proposals. The notion of a feasibility study for the establishment of all-Ireland acute hospitals is not on my radar at all. We work with the Dublin Government. If the SDLP is unhappy, it can express that unhappiness in writing, and I shall respond as best I can. My first responsibility is to the people of Northern Ireland, and I work with Mary Harney on matters of mutual benefit. If I cannot find mutual benefit, I do not have an issue on which to work.

Executive Committee Business

Budget Bill: Consideration Stage

Mr Speaker: I call the Minister of Finance and Personnel, Mr Sammy Wilson, to move the Consideration Stage of the Budget Bill.

Moved. — [The Minister of Finance and Personnel (Mr S Wilson).]

Mr Speaker: No amendments have been tabled to the Bill. I propose, therefore, by leave of the Assembly, to group the seven clauses of the Bill for the Question on stand part, followed by the four schedules and the long title.

Clauses 1 to 7 ordered to stand part of the Bill.

Schedules 1 to 4 agreed to.

Long title agreed to.

Mr Speaker: That concludes the Consideration Stage of the Budget Bill. The Bill stands referred to the Speaker.

Local Government (Miscellaneous Provisions) Bill: Final Stage

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

That the Local Government (Miscellaneous Provisions) Bill [NIA 10/08] do now pass.

The Chairperson of the Committee for the Environment (Mrs D Kelly): I thank the Minister for moving the Final Stage of the Local Government (Miscellaneous Provisions) Bill. Before I go any further, I declare that I am a member of Craigavon Borough Council and that I am a member of the voluntary transition committee for Craigavon, Armagh and Banbridge.

11.15 am

On behalf of the Committee, I welcome the Final Stage of this important Bill, which is the first to come through the Committee in the review of public administration (RPA) process. The wide-ranging Bill is needed to clarify the powers of district councils to enter into long-term service contracts with the private sector; to enable councils to acquire land otherwise than by agreement for waste management purposes; to make preliminary arrangements for the reorganisation of local government; to establish statutory transition committees for the purpose of preparing for and giving full effect to the reorganisation of local government; and to enable the Department to make regulations to provide for severance payments to be made to councillors who resign during a specified period.

The Bill was referred to the Committee on 23 June 2009. Members conducted a detailed scrutiny, making recommendations and prompting amendments where those were deemed to be necessary. The Committee considered the following issues to be key to the Bill: funding for the process and the impact of the reorganisation of local government on ratepayers; the constitution and powers of the statutory transition committees and the role of local authorities and the Department following their establishment; the need for communication and ongoing consultation as the Bill becomes law and as secondary legislation is implemented; the widening of the power for a district council to acquire land other than by agreement and the enforceability of disposals made in contravention of a direction; the benefit of including additional vires in the Bill to enhance waste providers' confidence in entering into

waste management agreements; the inclusion in the Bill of provisions for community planning and well-being; the power to enter into contracts being applied retrospectively; and the timing of the availability of the severance scheme for councillors.

The Committee outlined its recommendations for the Bill at Consideration Stage. However, I wish to highlight particular areas of concern that members had. The first was funding, which remains a key issue. Several councils and organisations expressed concern about the funding for the review of public administration process. The councils stressed the importance of appropriate and adequate funding being devolved along with the functions that are being passed to local authorities. Although the Minister has clearly indicated to the Committee that he is committed to providing central government funding to be combined with a requirement for local government funding, the Committee is awaiting his response on exactly where that split will fall. The Committee is also keen to know whether the Minister will reconsider his selection of the fifth option for implementing the RPA process, which is outlined in the PricewaterhouseCoopers (PWC) economic appraisal, should it become apparent that one of the other four options is preferable. I know that the Minister has made fairly robust commitments on the fifth proposal and that he is awaiting some feedback from NILGA (Northern Ireland Local Government Association) on the matter, which, I think, will be with him later this week.

Another key issue that the Committee identified was the composition of the statutory transition committees. The Committee was concerned that there was a lack of clarity on specific references to particular councils and the relevant transition committees. It agreed to recommend that an amendment should be made to provide for direct representation of the existing councils of Castlereagh and Lisburn on the Belfast statutory transition committee. I am pleased that the Department has taken that on board, and I welcome the Department's acceptance of Committee recommendations for amendments to the relevant clauses. The Committee also recognised the importance of having balanced statutory transition committees but accepted that much of that, such as the gender balance, is in the hands of individual parties.

The Committee was particularly concerned about proposals for statutory transition committees to have the power to stop councils entering

into major capital and non-capital contracts. Members felt that that could be overly restrictive and counterproductive. The Department stressed the importance of statutory transition committees having a responsibility to protect the interests of new councils, but it was also acknowledged that, to some extent, that was an inevitable consequence of moving straight to statutory transition committees and of not having shadow councils. Consequently, the Committee suggested that there should be an amendment to the Bill to allow for an appeals mechanism through which individual councils could challenge a decision made by a statutory transition committee. The Committee, therefore, welcomed the Department's acceptance of that suggestion and the subsequent inclusion of an amendment to allow for the Department's intervention where there is a disagreement between a council and the statutory transition committee.

During last year's discussions about the forthcoming waste Bill, local authorities and the waste management groups made the Committee aware that additional powers were urgently required to enhance the confidence of waste providers and financiers to enter into waste management agreements. During Committee Stage, the Department indicated its intention to bring forward those waste vires and to include them in this Bill. That will help us to meet our European obligations on increasing recycling and reducing landfill waste and will thereby reduce costs to ratepayers. The Committee welcomed and endorsed that proposal.

On behalf of the Committee, I thank the Minister for addressing our concerns and, in response to the Committee's scrutiny, for bringing forward all the suggested amendments. Before I finish, I want to stress that good communication was another important area of which the Committee was very mindful, but which it could not address through legislation. The Department must ensure the provision of ongoing comprehensive information for those directly involved at central and local government level, and who are perhaps worried about their future employment or job location, are trying to maintain staff morale, or are simply trying to provide an ongoing acceptable level of service while they are uncertain about changes that may or may not be around the corner. We must not lose sight of those who are indirectly affected by the process. We must never forget the

need and, indeed, our duty to keep ratepayers well informed, well protected and well served throughout what is a significant period of upheaval and uncertainty.

Once again, I offer my thanks and appreciation to Committee staff and departmental officials for their hard work in assisting the Committee during its scrutiny of the Bill. I believe that the outcome of that hard work is improved legislation, and the Committee looks forward to the introduction of the other local government Bills. However, we are concerned about the ongoing delay in relation to those Bills. I am sure that the Minister will acknowledge that the Committee has worked well with him and his Department in seeing this legislation through and that no fault lies with the Committee or with local government in relation to the ongoing delays.

Mr Boylan: Go raibh maith agat, a Cheann Comhairle. I beg your indulgence as I add my condemnation of the bomb in Newry to that of other Members. I reiterate that there is no support in my district or my community for that type of action and activity.

I pay tribute to departmental officials and Committee staff and to all who contributed to bringing the Bill to the Chamber. I highlight to the Minister that the Bill is one of a number that have come through the Committee that should be of benefit to, and have impact on, local ratepayers and local councils. I welcome the Bill.

Mr Beggs: I declare an interest as a member of Carrickfergus Borough Council, and my dad is a councillor on Larne Borough Council.

In common with other Members, I welcome the Bill's Final Stage. It is another step on the road to local government reorganisation and it looks increasingly likely to have been the smoothest by far.

Minister Foster, the former Environment Minister, got the Local Government (Boundaries) Bill wrong, as it was subject to accelerated passage, which prevented appropriate scrutiny. I understand that the draft local government reorganisation Bill is held up in the Office of the First Minister and deputy First Minister as a result of a dysfunctional Executive. That contrasts starkly with the Local Government (Miscellaneous Provisions) Bill, which has progressed well.

The Bill contains provisions that have been accepted as being necessary, and where the Committee believed that improvements could be made, the Minister agreed, a consensus was reached, and amendments were made. That is how a legislative Assembly should work, and, again, this Bill stands in stark contrast to other legislation. The Committee had consultations, took evidence, and identified ways to improve aspects of the legislation. Discussions were had with the Department, and amendments were laid. I hope that that method will be followed in future, as it results in good legislation.

The contents of the Bill are not particularly exciting and are unlikely to be headline news. Nevertheless, there are some very important aspects of the Bill that must be welcomed. In the future, ratepayers will welcome many of the Bill's provisions if they are applied appropriately. The Bill provides for councils to increase outsourcing and to provide better value on some of the large-scale contracts that will be required to meet European directives. If appropriately applied, provisions in the Bill will bring savings to councils and ratepayers. For that to happen, and I have said it before, councils will need to deal very carefully with such outsourcing. However, it is good that councils are finally being allowed to explore that aspect of competitive working in the private sector to try to reduce costs to ratepayers.

There is proven private sector expertise operating widely throughout Europe, particularly in recycling. There are methods of working and processes that can provide opportunities for reducing costs in the future, which are not being applied here.

The Bill also provides for the transition committees to be established as statutory local government bodies. Those committees are a necessary tool in the reorganisation that will begin the harmonisation of the 26 councils that will make up the 11 amalgamated councils that the Assembly approved. Although the Ulster Unionist Party favoured a 15-council model and a shadow period, we accept that, given the decisions that have been taken, that is a reasonable method of commencing the integration of the new councils and will be in the interests of ratepayers.

The Bill provides that existing councils cannot dispose of land or assets without the approval of their transition committees. As

was pointed out, an appeals process was felt to be necessary, which was accepted by the Department.

It is right that the transition committees should have an oversight role in the disposal of land and assets, because that land and those assets may have a wider use to the transition committees and the new councils. Therefore, it is appropriate that assets are carefully looked after and not just narrowly so, as could be the case with current councils. It is right that there should be a method of seeking permission and a method of appeal, because we are aware that there are some contentious transition committees, and it is important that the process is seen to be fair. I am pleased that the appeal mechanism has been accepted.

I support the Bill and ask the Minister to ensure that further legislation affecting local government follows the same path so that there is scrutiny and an opportunity to take evidence in Committee to improve legislation. We are making legislation that may apply for many decades, and it is important that we make it the best possible. If a Bill can be improved, we should be open to that. I hope that accelerated passage will not be used for further legislation, because it would limit the ability of the Committee and the Assembly to improve legislation.

Mr Ford: I declare my membership of Antrim Borough Council, although I am not sure that anything that I say in my contribution will relate to that. I join others, particularly the Committee Chairperson, in thanking the departmental officials and the Committee staff for the assistance that Committee members received as the Bill went through an extensive, but very worthwhile, Committee Stage. We addressed a number of amendments that have significantly improved the Bill.

As Roy Beggs said, the Bill will probably turn out to be the easiest piece of local government reform to go through the Committee or the House, because it involved relatively little contention, and there was openness on the part of the departmental officials to consider the views that were put forward by the Committee. Other pieces of legislation should already have been considered in Committee and been before the House. However, some such legislation has yet to leave the Executive. I trust that

accelerated passage will not be used as a remedy to that situation.

Given that the Bill has miscellaneous provisions, I am sure that I am entitled to talk about what has not appeared in it as well as what has, although I will not stretch your indulgence too far, Mr Speaker. We have seen, and discussed yesterday at length, the serious issue of the failure to get the boundaries Order, which is a key part of enabling processes to move forward, before the House. I am not sure how, at this stage, we can ask departmental officials to come to the Committee with secondary legislation on statutory transition committees if the Minister cannot agree the boundaries of councils with his Executive colleagues. The failure to agree on boundaries will have a particular knock-on effect on the Lisburn and Castlereagh area and the extended Belfast area.

Therefore, the delay is having a major impact on another issue of concern and on the outworking of the Bill. There is no point in us providing for the ability to have transition committees if we are not going to see the secondary legislation to implement them at an early stage. That is clearly a matter of great concern.

11.30 am

We understood that the matter needed to be resolved by the end of January. By my count, we have now reached the fifty-fourth day of January, and it is getting beyond a joke that such simple matters still have not been addressed. However, when we discussed the issue yesterday, we heard a rant from the Minister, who complained about local government's attitude to the financial issues rather than recognise that the current failings lie with him and his Executive colleagues, who have not put forward serious proposals to make progress on boundaries. Let us hope that the Bill's passing will ensure that the Minister and his colleagues engage more and make things happen. Otherwise, we will slip further behind the already dangerously short timetable for completing local government reform properly.

The legislation has major knock-on effects for councils that were looking forward to piloting new planning policies. A while ago, the Minister told the Committee for the Environment that every council would probably not have a planning office. However, the best transition committee in this non-statutory phase is probably the Antrim and Newtownabbey transition committee. Here

my declared interest is relevant. That transition committee is, of course, aided by the fact that my party colleague Councillor Oran Keenan of Antrim Borough Council ably co-chairs it.

Antrim and Newtownabbey transition committee has been looking forward for months and months to having the opportunity to do something about the lack of growth not only in the Newtownabbey half of the new council area, where the Belfast metropolitan action plan (BMAP) is a somewhat extended process, but in Antrim, Ballymena and Larne, which are now way beyond any timescale for a new area plan. Indeed, the Antrim area plan ran out in 2001 and has not been replaced, yet the transition committee does not have the opportunity to build on the planning process, because the Government cannot sort out the boundaries proposal. The Minister must respond on that point.

I welcome other provisions in the Bill, such as councils' ability to enter into contracts with the private sector. The permissive powers contained in Part 1 on contracts of councils are very much at variance with what is regarded as the Minister's prescriptive requirement to implement a business services organisation. We await with interest what comes back from the strategic leadership board in the near future, as councils work up their own alternatives, which may prove to be as financially beneficial but much more democratic than the business services organisation, which the Minister suggested yesterday he was intent on railroading councils into accepting whether they wanted it or not.

Similarly, given the delay, we must consider why severance payments for councillors have been included in the Bill. Unless there is some speedy movement, the concept of providing severance payments so that long-serving councillors will be replaced in the run-up to the election in May 2011 and not in May 2011 will not be addressed. New councillors can neither be appointed nor gain experience if severance payments cannot be agreed much earlier than they should have been. We are a long way short of meeting the target of having severance payments in place at least one year in advance.

Therefore, I agree with the Committee's comments. Yes, the Bill has been worthwhile, and its legislative stages have resulted good legislation. However, the fact that the Bill is about to be passed while so many other aspects of local government reform are left

hanging leads me to have some of the same concerns that Roy Beggs expressed, such as the question of whether the House will be asked to support accelerated passage for future Bills, given how bad accelerated passage proved for the Local Government (Boundaries) Act (Northern Ireland) 2008, which failed to deal with the sort of issues that are now tripping up the Minister. We also need to ensure that the Executive deadlock on all aspects of local government reform is ended and that secondary legislation, particularly on transition committees, is introduced at an early stage. I trust that the Minister will give us some assurance of that, although I doubt that it will be forthcoming at the end of this debate.

Mr Kinahan: I am pleased to speak today, because I made my maiden speech at the Bill's Second Stage. Although that may seem recent to Members, it was more than eight months ago that I spoke on the subject as the new boy. I declare an interest as a south Antrim councillor. I will be brief, unlike my colleague to the right, although much of what he said was very important.

I was pleased to have been able, at least, along with John McCallister, to put a mark on the Bill in the form of an amendment to the provisions relating to severance pay. I reiterate that I will not take severance pay should it come my way. The amendment was tabled to make sure that Members of the Assembly, Westminster and the European Parliament with dual mandates would not be paid twice for the work that they do. However, I want to praise, as others have, the work that the transition committees are doing. They put in long hours, it is very complicated, and a lot of good work is being done, especially in South Antrim, as my colleague Mr Ford said. I also want to praise the hard work of councillors who have put years in with no pension. Many of them, at the beginning, got no pay.

It is sad that we have had the problems that still exist with the Local Government Boundaries Commissioner. I look forward to those problems being resolved as quickly as possible. There are many other problems, as Members have heard, and I look forward to those being resolved as well. The Committee has much more work to do on the Bills that are coming forward. I particularly look forward to the proposed clean neighbourhood Bill, which is part of the reorganisation of local government. On behalf of

my party, I thank all the Committee officials and others who have been involved.

Mr Dallat: Mr Mayor — sorry. *[Laughter.]* That is probably for next year.

I am sure that we all wish the new member of the Alliance Party in Antrim well. He has all the qualifications for fitting into the Alliance Party. I declare an interest as a member of Coleraine Borough Council, which, I hope, will only be for a day or two more until the Minister gets all the legislation in place that will allow me to leave.

As a member of the Environment Committee, I welcome the Bill. On the assumption that we will have new councils next year — at the moment, we do not seem to be sure — there is a need to make the necessary provisions and to articulate our views and concerns about the future and what it holds for ratepayers across the North. Many of those concerns have been addressed in the Committee's evidence sessions and communications with the Minister. That is the role of a scrutiny Committee, and it did its job extremely well.

In the days and years ahead, the environment will be a major concern for the new councils, as well as the way they manage their waste disposal activities. There are already comforting indications that, at last, that task is being taken seriously. That is something to build on. I do not wish to destroy the Minister's reputation, but I am pleased with some of his recent utterances about waste being local and all that. He can put that in his manifesto next time round.

The Local Government (Miscellaneous Provisions) Bill contains a new legal right to acquire land other than by agreement for waste management purposes. The acquisition of land other than by agreement is always the last resort and is not to be recommended. Local communities are fundamentally affected by the imposition of landfill sites, leading to concern, anger, frustration and fear. I know that well from my constituency, where communities have been turned upside down, not because of the compulsory acquisition of land for such purposes but because of the greed of landowners who see landfill as a lucrative way of making millions out of that type of business. I doubt whether the rights of those communities are adequately covered in the Bill.

The inclusion of provisions for community planning and well-being is a major issue, and

can make or break the communities that we live in. I hope that the inclusion of those provisions presents a new opportunity for communities to become involved in the shaping of the environment in which they live, because the past has been a sorry failure. Of course, we cannot blame the present Minister for that.

We use clichés like “balanced communities”, but in the past that has been nothing more than an aspiration, a dream seldom realised. Let us hope that the new legislation will empower people to protect their communities and save them from the ravages of developers who would, quite literally, build on town squares if they thought that they could get away with it. Will the Bill give us the power to protect seaside resorts — places like Portballintrae, Portstewart, Portrush and Castlerock? Whole communities have been wiped out by the excesses of those who focused only on apartments, luxury villas and monstrosities that are totally out of character, form no part of the local environment and, most certainly, do not serve the needs of our people.

Cost takes centre stage in all of this change, and councillors should not be condemned for expressing opposition to the notion that the financial burden should be placed on local ratepayers.

Members will not be surprised that I endorse the sentiments of the Committee Chairperson, Dolores Kelly, who has called for well-informed communication. People want to know what is happening, when it is happening and the implications for them. They also want to know the implications for the communities they serve.

The Minister of the Environment: As regards the final comments of Mr Dallat, I am absolutely shocked that the SDLP has achieved unanimity among its members in the House today. That is quite unusual for the party, and I congratulate it.

I do not intend to rehearse much of what has been said. The purpose of the Bill is to clarify the power of district councils to enter into long-term service contracts and to enable the Department of the Environment to make preliminary arrangements for the reorganisation of local government. I thank the Committee and the Chairperson for their work in completing the process efficiently and effectively. The Committee made relevant recommendations that the Department was happy to endorse and include in the Bill. The work has been useful, as has the working relationship.

I realise that the Bill concerns miscellaneous provisions, which seemed to give Members the opportunity to introduce any topic to the debate. The Committee Chairperson, Mrs Kelly, asked whether there were options other than option 5. Option 1 is the “do nothing” option, which would leave councils as they are. That would not cost anything but would not save anything. Options 2 and 3 would lead to the amalgamation of councils but would lead to negative costs and no real collaboration. Option 4 would involve modest collaboration. I will clarify a figure that I referred to yesterday: I said that option 4 would offer £156 million in savings; the figure is actually £159 million. However, it would also incur £118 million of upfront costs. Option 5 would involve £118 million of upfront costs and offer £438 million in savings.

I am surprised and disappointed that, having thrown down the gauntlet yesterday, the people who have come back to have another wee stab at me have failed so miserably in identifying the flaws in their arguments. They are suggesting that I proceed with an option that would mean spending £118 million upfront now to save £159 million over 25 years. The logic of following that particular process is flawed. It is untenable, unworkable and unrealistic. Therefore, those who said during the debate yesterday that they were wholly opposed to a single waste authority and a business services organisation are saying that they do not want to proceed with reform and reorganisation. If we cannot drive efficiencies through, we will not drive the reorganisation through, because this is about delivering efficiencies and better local government. It is about delivering local government that has more powers and doing so in a way that will cost ratepayers less money, not more.

I know that some councils do not mind charging ratepayers more and that year on year they pile rate increases and pain on to the ratepayers. I am not one of those who intend to pile more pain on to the ratepayers. People can criticise me all they like on the issue, but they will find me wholly inflexible when it comes to adding more pain and asking ratepayers to pay more tax. I will not do that. I want to get a better deal for ratepayers. Some Members may want a worse deal for ratepayers, but I will not take the House to that position.

11.45 am

The Chairperson of the Committee for the

Environment: I know that the Minister's remarks are aimed at Sinn Féin, which indicated yesterday that it is not in agreement; that is my conclusion. However, he must also acknowledge that his party is represented on NILGA, which also rebutted the fifth option.

Mr Speaker: Order. I have had patience with Members this morning. However, a number of Members have moved beyond discussion of the Bill to the extent that we have almost moved on to a subject that has already been discussed in the House. I remind the entire House to keep to the Final Stage of the Local Government (Miscellaneous Provisions) Bill as far as possible.

The Minister of the Environment: Thank you for rebuking us all, Mr Speaker; I will pay attention to your words.

Mr Ford said that a business services organisation was not democratic. Given that we have not established the parameters of the business services organisation, how can he make such a statement? The business services organisation will be established by local authorities in a way that will ensure democratic accountability and control. It was never intended that the business services organisation would be under any form of governance other than the governance of local authorities. What has been proposed will ensure democratic control. One cannot make outlandish statements that the organisation does not have democratic control, given that it has not yet been set up and that local government will remain in control when it is set up.

Most of the other issues have been debated adequately in the House, either today or previously. I thank Members for their co-operation. I trust that I will receive as much co-operation in delivering all the other parts of the Bill and that we will be able to move forward on the issue together.

Question put and agreed to.

Resolved:

That the Local Government (Miscellaneous Provisions) Bill [NIA 10/08] do now pass.

Draft CRC Energy Efficiency Scheme Order 2010

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

That the draft CRC Energy Efficiency Scheme Order 2010 be approved.

The Order is laid under powers that provide for the creation of trading schemes in the Climate Change Act 2008. It is also being laid in Scotland, Wales and Westminster; indeed, it will be debated in Wales and the House of Commons today. The Climate Change Act 2008, which the Assembly approved, sets legally binding targets. Our Programme for Government targets aim to reduce greenhouse gas emissions by 25% by 2025. We have also committed to making the government estate carbon neutral by 2015.

We need to improve energy efficiency to achieve those targets. Increased energy efficiency brings the added benefits of saving businesses money, making our economy more competitive and improving security of supply. The scheme is aimed at large public and private sector organisations, which account for 10% of the UK's carbon emissions. Across the UK, the scheme is expected to deliver emissions savings of at least four million tons of carbon dioxide per year by 2020. It will also save participants around £1 billion per year by 2020 through cost-effective energy efficiency measures that are not yet being taken up.

The carbon reduction commitment requires participants to abate emissions or purchase allowances. It encourages the implementation of energy efficiency strategies in a way that suits the business model and will bring cost savings and efficiencies to the organisation without affecting its profitability. In 2005, the Carbon Trust published a study that recognised that, despite the great potential for reductions, emissions from large electricity users had remained relatively constant for around 20 years. That prompted the UK Government to develop a scheme to tackle the problem, and the carbon reduction commitment was thereby proposed. Although the policy is led by the UK Government, it has been developed jointly with Ministers and officials in the devolved Administrations.

The scheme applies to all public and private organisations that have at least one half-hourly

meter settled on the half-hourly market and use more than 6,000 megawatt hours of electricity through all their half-hourly meters. Roughly speaking, that is equivalent to an electricity bill of £500,000 a year. It is estimated that 5,000 organisations will be full participants, with about 100 of them based uniquely in Northern Ireland.

Government will lead by example. The Scottish Parliament, the Welsh Assembly Government and all central government Departments in England and Northern Ireland will participate in the CRC, even where they do not meet the qualification threshold. Participants will be required to identify and report their electricity, gas or fuel-related emissions annually. Domestic housing and transport emissions are excluded. The Northern Ireland Environment Agency will audit and verify reports here. That resource cost will be met through subsistence fees that participants pay as part of the scheme.

Participants are required to surrender a CRC allowance for every ton of carbon dioxide emitted because of their reported energy supplies. Those allowances can be purchased from the annual government sale or in the secondary market. After each year, the GB Environment Agency, as the scheme administrator, will publish a league table ranking participants by how effectively they have reduced their emissions and become more energy-efficient.

All revenue raised from the annual sale of allowances will be recycled back to participants according to how well they perform in the league table. The table will provide clear evidence of the organisations that are most energy-efficient, creating a reputational driver. The information will be available to investors, the public and other companies procuring goods and services. The scheme will need oversight at the highest level in organisations and will be a catalyst for senior managers overcoming organisational inertia through the need for a clear energy management plan. For high performers, the revenue recycling adds an additional financial incentive on top of savings on energy bills.

There are specific Northern Ireland aspects to the scheme that I would like to draw to the attention of the House. It is intended that schools will eventually participate as part of the education and skills authority when it is set up. Until then, the legislation provides for schools to be included with education and library boards

or the Department of Education as appropriate. Street lighting in Northern Ireland will be exempt in phase 1 of the scheme. That was due to the uncertainty about the outcome of the review of public administration when the policy was being finalised. It will be included from 2013. All other public sectors, including health and water, will be treated consistently across the UK.

I thank my Executive colleagues for their continued and unanimous support for CRC. Committing Departments to participate on a mandatory basis demonstrates leadership and highlights our dedication to achieving the Programme for Government targets. Of course, proposing the Order would not have been possible without the ongoing support of the Committee for the Environment. Committee members commented on the developing policy and legislation on numerous occasions over the past few years, and their observations were always a welcome input. I especially want to thank the Chairperson and the previous Chairperson for their diligence as I sought to bring this legislation to the Assembly.

The draft Order received full legal scrutiny by the Joint Committee on Statutory Instruments and by the House of Lords Select Committee on the Merits of Statutory Instruments and was approved without amendment. The Committee for the Environment has considered the draft Order, and no objections were raised. Finally, the Assembly demonstrated a willingness to support policies that promote energy efficiency and deliver environmental benefits by passing the Climate Change Act 2008. The CRC energy efficiency scheme is the first Statutory Instrument to be delivered under the vires of that Act and is a key driver to deliver our aims. I commend the draft Order to the Assembly.

The Chairperson of the Committee for the Environment (Mrs D Kelly): I support the motion. The Minister has set out the purpose of the Statutory Instrument clearly, and I will not spend time repeating that.

The Committee for the Environment was first informed by the Department of proposals for a mandatory cap and trading scheme to reduce carbon emissions as far back as April 2008 and received its first briefing on the scheme the following month. Although the Committee broadly supported the scheme, it was keen to be kept abreast of the role and responsibilities that would fall on the Department through

managing the UK-wide scheme in Northern Ireland. It also wanted to be kept informed about the all-important question of the resources that would be involved.

The Department continued to keep the Committee informed as it liaised with other regions to develop the details of the scheme, and it gave further oral briefings to the Committee in February 2009 and November 2009. In response to members' queries, the Department outlined the fines and penalties, the cost of administering the scheme and details of how audits would be carried out. It also informed the Committee of the expected number of participants and how those organisations would be informed of their new responsibilities under the scheme.

The Department stressed that the scheme would have overall financial benefits, but it was unable to take a pro rata amount of the UK figure to determine the specific cost benefit to Northern Ireland. However, the Committee was advised that the reduction in emissions resulting from the scheme would contribute to the North's Programme for Government target to reduce greenhouse gas emissions to 25% below 1990 levels by 2025.

At its meeting on 4 February 2010, the Committee formally considered the draft Statutory Instrument. We noted that, when the House of Lords and House of Commons Joint Committee on Statutory Instruments considered the draft Statutory Instrument on 27 January 2010, it had no concerns and agreed to support it. Therefore, I support the motion on behalf of the Committee for the Environment.

Mr Weir: I support the motion that has been tabled by the Minister. In the spirit of the motion, I intend my speech to be environmentally friendly by recycling the remarks of the Minister and the Chairperson. If I say anything novel, Members should challenge me because I will have strayed off script.

It is good to see such a healthy interest in the debate. Around the Chamber, I see current Committee members and Brian Wilson, who has a keen interest in such matters. It is also good to see that Sammy Gardiner, who is a former member of the Committee, is here to lend his support.

The proposals represent a win-win situation for everyone. Environmentally, the proposals help

to make a contribution to the 25% emissions target with which Northern Ireland is challenged. It is also a win-win from the point of view of industry and the economy. Companies in Northern Ireland will potentially save money as a result of the proposals, because they will make them operate in a much more energy-efficient way.

I have already been successful in clearing the Public Gallery; perhaps another five minutes of my speech will empty the Chamber. The proposals are a major advantage for companies. They are the sort of sensible environmental policy that even the former Minister of the Environment, Sammy Wilson, would feel compelled to support.

Mr Beggs: That is going too far.

Mr Weir: Some Members may heckle that I went too far in saying that, but good work can be done to increase energy efficiency. I am glad, for instance, that the Carbon Trust is involved.

The Chairperson did not refer to the visit by several Committee members to the Tayto factory before Christmas — some may view that as a jaunt — to examine the key issue of energy efficiency. I have abiding memories of tasting a range of crisps at Tayto Castle, and we were shown the clever way in which Tayto has worked with the Carbon Trust on becoming energy-efficient. There was a particular focus on the proper use of waste products: for example, the oils that emerge from the process but cannot be sold are used to generate further energy. That contains the energy as much as possible and makes Tayto's operations much more energy-efficient. That provides another example of a win-win situation: it is good for the environment that waste products are used in that way, and, because it can save money, it is good for the company. The Tayto example should be embraced.

12.00 noon

As the Minister indicated, although the scheme will be introduced UK-wide, there is a strong made-in-Northern-Ireland feel to it. It has not simply been worked out at Westminster and imposed on the devolved regions. Departmental officials and the Minister have worked to ensure that the elements that are relevant to Northern Ireland, Scotland and Wales are based on local circumstances.

The Minister pointed out that approximately 100 companies that are unique to Northern Ireland

will be part of the scheme. Companies will be incentivised by carbon trading and league tables and, therefore, will be financially rewarded directly. People involved in procurement will increasingly consider companies' green or ethical records, and the publication of companies' energy-efficiency targets and information about their success or otherwise in that regard will provide those people with a useful guide and will incentivise companies to meet their targets and to be more environmentally friendly.

I am glad to see the involvement of public sector as well as private sector organisations, and I was particularly pleased when the Minister referred to schools. A number of schools have already embraced energy efficiency and green initiatives, including, for example, in my constituency, Ballyholme Primary School, which successfully installed solar panels. I suspect that Brian Wilson will cite other examples in my constituency. Such measures not only afford schools an opportunity to benefit financially from the exercise, but can be used as an educational tool to show pupils a better way forward. Consequently, all aspects of the scheme make sense, and I am happy to commend the motion to the House.

Mr McKay: Go raibh maith agat, a Cheann Comhairle. I, too, support the motion. The CRC energy efficiency scheme is to be welcomed, and in addition to helping us to meet CO₂ emission reduction targets, it will go some way to improving energy efficiency in large public and private sector organisations. However, to ensure that we meet our PFG targets, government must bring forward more initiatives.

The scheme will be mandatory, and participating organisations will have to monitor their emissions and purchase allowances for each ton of CO₂ that they emit. The scheme should not be seen as prohibitive or as a measure that will hold businesses back. On the contrary, it will give businesses an opportunity to demonstrate that they are playing their part in reducing carbon emissions, and massive savings will arise from participation in the scheme. Energy bills will be cut, overheads will be reduced and the savings should be well in excess of the cost of participating in the scheme.

I must also point out that before the initiative was brought forward, many businesses throughout the Six Counties were already showing leadership. Mr Weir referred to one

example, and in my constituency, Michelin has lodged a planning application for wind turbines within its estate, and that will significantly cut its energy costs. Under the proposed legislation, any organisation that refuses to participate in the scheme and does not comply with its legal obligations will be subject to financial penalties. The ability to issue such penalties is essential to ensure that the more reluctant parties live up to their responsibilities.

As Members said, all Departments in the North must participate in the CRC energy efficiency scheme, regardless of whether they meet the qualification threshold. People expect the Government to lead, and when it comes to tackling energy efficiency and ensuring that, as the Minister said, we make the government estate carbon neutral by 2012, that provision will place local government on the front line. I do not want to go into any more detail, as previous Members and the Minister have already done so, and they have covered it sufficiently. However, suffice it to say, the initiative has environmental and economic benefits, and from my party's perspective, we support the initiative.

Mr Kinahan: I, too, welcome and support the draft Order. As Members have heard, the carbon reduction commitment energy efficiency scheme is a wide initiative, which is due to start in April. It is aimed at the large organisations that contribute significantly to the emission problems that exist in Northern Ireland. We need to raise awareness and to improve our energy efficiency, and the scheme will cause that to happen.

Unless Members emigrated, they will have experienced this winter's appalling weather and the questions about how and whether it is being caused by us or whether it is just happening naturally. People suffered it through November, December and January, and on the back of that, there was also appalling flooding in Fermanagh. That affects all our businesses, and that is why we must support what is happening today.

In agriculture, we need to be able to grow our crops, feed our animals and, of course, feed ourselves. In the fisheries industry, matters could be even worse if we do not get things right. Last year, I attended a talk that Queen's University had set up on the management of seabeds, and a very bleak picture was painted of what would happen if we did not manage things properly. Once again, emissions will affect that. The fishing industry employs some

1,200 people and raises some £100 million a year for the local economy. Therefore, we need to concentrate hard on ensuring that we make it all work. However, the Environment Committee told us that we will not hit our emission targets given our current road usage, whether that is for cargo or cars, and that frightens me. Therefore, we need to look at how we manage things in the Committee for Regional Development to reduce our road usage.

In construction, we also have to be aware that bad weather, which causes flooding and everything else, makes construction much harder. I support the CRC scheme. We must all take it on board.

In my patch in South Antrim, Antrim Area Hospital has a wind turbine, and we need to see much more of that. On the back of the scheme, there must be initiatives to help industries and businesses to take on new energy forms and to reduce their emissions. In the future, I would like to see all businesses and politicians working incredibly hard, so that we make this a better place for our children and our grandchildren. I support the motion.

Mr Ford: I also welcome the introduction of the draft Order. In deference to my colleague from South Antrim, I shall endeavour to be as brief as he was on this occasion. Therefore, I shall not engage in Peter Weir's process of recycling everything that everybody else has said. I cannot even mention my constituency example of the wind turbine at Antrim Area Hospital, as it has already been mentioned.

If I had any concern about some of the targets that were set some years ago, it was that the suggestion of a 25% reduction in carbon usage by 2025 was a nice aspiration for the future but was not specific enough to deal with people taking action, year on year, to get there. That is why the particular concept of carbon trading, which is introduced by the draft Order, is to be welcomed. It starts large businesses and, it has been said, the public sector on the process of looking at what needs to be done, year on year. That, in itself, will be an interesting challenge for the relatively small businesses that exist purely in Northern Ireland and for our public sector. Dealing with the whole concept of the market and carbon trading will not easily sit on the relatively small end of those organisations covered by the draft Order. Nonetheless, it is

necessary. It will be a good start to ensure that people begin to move in the right direction.

As the Minister said correctly, there will be a reputational driver, in that there is no doubt that those companies and, indeed, statutory bodies that operate well will be able to highlight that as part of the concept of a sort of marketing in which people now engage when they promote their use of fair trade products, concern for environmental issues or ethical stances in various directions. That will be a positive and, clearly, a statutorily established way for companies to demonstrate good practice. It would contribute to the leadership that is needed on the issue.

Of course, that leadership will need to extend somewhat beyond 2025. Some of us in the Chamber may not expect to be here in 2025. We may have to leave it to others among our number to carry that process forward.

I was tempted to intervene when Peter Weir discussed the Committee's visit to the Tayto factory because his comments were actually novel and interesting and did not recycle what other Members had already mentioned. I disagreed with him on one point, however, when he welcomed the fact that there was such interest from people who are either on the Environment Committee at present, have been on the Committee, or might be on it at some stage in the future.

The problem of the carbon reduction commitment, as we discussed, is that it is an issue for people who sit in this place and have particular responsibility for enterprise, health and social services, education and, indeed, for every other departmental area. Although the Assembly can welcome the fact that there has been a serious and useful discussion, the real challenge is for the Minister to keep pressure on his Executive colleagues who have indicated their willingness to accept the draft Order, and for other Assembly Members to ensure that the issue is not forgotten.

The issue is not purely for the Environment Committee: it is an issue for every Assembly Member, every significant business in Northern Ireland, every part of the public sector, and, ultimately, for all our people.

Mr Beggs: I, too, rise to support the draft CRC Energy Efficiency Scheme Order 2010. If approved, it will allow Northern Ireland's

inclusion in the UK-wide emissions trading scheme and will play a major part in reducing greenhouse gas emissions from large commercial and public sector organisations. It will introduce market forces to enable that to happen. There will be considerable pressures and incentives for those organisations to look extremely closely at their large energy consumption so that it can be brought down. It will be in their financial interest. As other Members have said, the draft Order hands individuals an opportunity to reduce their costs.

The carbon reduction commitment, which is to be in place by April 2010, will fight against climate change that has occurred. Strong scientific evidence indicates that man has contributed to climate change. The Assembly wants to try to minimise its consequences for the environment.

The draft Order will also lessen Northern Ireland's dependence on the earth's diminishing oil, gas and coal reserves. It will also limit its vulnerability at the extreme European end of the Siberian gas pipeline. The Assembly must consider a range of issues that will come into play as a result of the Order.

In the short term, large commercial and public sector organisations will have to introduce changes in order to meet their energy commitments. There may well be extra costs in the short term. However, I remind Members that not implementing carbon reduction also has a cost. There will be cost to the environment and also with regard to ever-increasing energy prices. In future, fuel bills are likely to be considerably higher. With the world's population increasing, so, too, is demand for energy. Energy supply is diminishing. The Assembly must look at conserving energy, using it as efficiently as possible, and, indeed, encouraging the use of a wide variety of renewable energies.

There are long-term advantages for companies that apply the carbon reduction commitment because by decreasing their energy consumption, over time, they can reduce their bills and save money in their pockets.

12.15 pm

The draft Order sets out rigorous enforcement procedures, and that leads me to believe that it will be likely to succeed. Those procedures could even lead to the imprisonment of anyone who deliberately provides misleading

information. That is an important aspect of the scheme. It may seem over the top, but I am sure that unscrupulous individuals and organisations may attempt to misuse the scheme for short-term financial gain. Therefore, it is appropriate that strict enforcements are in place. Such enforcements will enable the scheme to operate and will mean that it will not be subject to abuse. If the scheme is abused, stringent penalties will be applied. That shows how seriously we are taking the issue of global warming.

Approving the draft Order will be a step in the right direction and will show our commitment. We must bear that in mind. Many other countries, such as New Zealand, have gone much further, but this is our first step. I hope that the companies and public sector organisations, to which the scheme will apply, will avail themselves of the many lessons that have been learned elsewhere. In that regard, there is an issue for the public sector to consider. It needs to take in the external expertise about which organisations such as the Carbon Trust have not been advising the public sector. As I understand it, such organisations have been advising only the private sector. The very best expertise needs to be applied not only to the commercial sector but to the public sector.

Opportunities will flow from the draft Order, as pressure to reduce energy costs and the use of hydrocarbons will be applied. There are opportunities for new businesses. For example, B9 Energy Services, which is in my constituency, is already one of Europe's largest operational maintenance companies. It looks after wind farms, which are independent, and it is expanding into a range of other areas, such as anaerobic digesters. B9 Energy Services is also looking at other ways, such as the use of marine turbines, to raise energy through environmentally friendly methods. New jobs will come from the scheme, and it is important that Northern Ireland supports and encourages the opportunities that arise. That will involve and require appropriate planning regulations that will encourage companies to believe that, where they follow due process, their investment is likely to be successful.

Newmills Hydro is another example of a business in which turbines have been successfully introduced. Energy is produced without any carbon output cost.

Therefore, opportunities will flow from the draft Order, and it is important that Northern Ireland grasps all that arises. I support the motion.

Mr Dallat: It is obvious that the Environment Committee enjoyed its trip to Tayto Castle, but no one has pointed out that 70% of the crop has been wiped out by the rather strange weather that we have had since the Committee's visit. I am not suggesting that the Committee had anything to do with that, but it underlines the need to support the energy efficiency scheme. People will want to ensure that the scheme is properly resourced. They will also want to ensure that it delivers on its objectives and that it achieves its targets within the stipulated time frame. Dare I say it, but management is key to its success, because it implies leadership.

The provision of financial incentives is positive, and it is more likely to produce results than focusing on the stick approach. Capping emissions is a novel and welcome approach, and the use of performance target tables enables organisations to compete with each other. Unfortunately, fines and penalties are needed to enforce the legislation, and there is a need to ensure that the fines that are imposed are collected. There is evidence that that has not always happened in the past. Regrettably, the Department has been vague about what the costs and benefits will be for Northern Ireland specifically, but that does not stop me being positive. I assume that those benefits will be highly significant.

Climate change is not an issue that can be ignored, locally or globally. Large organisations need to raise their awareness, particularly at senior level, so that they can encourage changes in behaviour and infrastructure in relation to energy efficiency. We are talking about 20,000 organisations, or 10% of the emissions accounted for in England, Scotland, Wales and Northern Ireland. That is highly significant. All those organisations need to familiarise themselves with the incentives that are available to achieve the aims and objectives of the scheme.

At the risk of repeating myself, I wish that we could obtain local figures. Improving energy savings is an issue for the public and private sectors, as others have said. Reducing carbon dioxide emissions is an absolute must if we are to leave this planet in any kind of decent shape for the next generation. Time is running out,

and it may have already run out for areas of the world that are currently devastated by irregular climate change.

Mr B Wilson: Like other Members, I welcome the draft Order. Indeed, we in the Green Party have been pressing for a cap-and-trade scheme for many years, and we welcome the fact that it is finally coming into operation. It will force businesses and public sector organisations in particular to take their energy consumption seriously.

There are many examples of wasted energy. Some of the major culprits are supermarkets. Major supermarkets and high street chains are some of the biggest consumers of electricity, but under the new scheme, they will be obliged to take part in the CRC commitment. As a result, the practice of leaving bright, illuminated signs and window displays switched on through the night will probably end.

The scheme is part of the Government's attempts to improve energy efficiency and to combat climate change to meet the target of reducing greenhouse gas emissions by 2050 by at least 80% compared with the 1990 baseline. The CRC is an opportunity for large businesses and public sector organisations to play their part in reducing dangerous carbon emissions. For businesses, however, the main motivation to cut energy use will be their bottom line. By cutting energy use, businesses stand to benefit from lower energy bills, and they could be financially rewarded through the CRC if they perform well in energy efficiency because they will then get additional grants.

On the basis of the figures provided, I am not convinced that the proposed reductions will meet the target of a 20% reduction by 2020. I am concerned that the caps may be set too high. We have to monitor how the caps are introduced. Although I welcome the draft Order, it is only the first step. We should expand on it to introduce a cap-and-trade scheme for all greenhouse gases, not just carbon dioxide.

We should learn from the experience of the European Union scheme. The EU introduced a similar scheme but it was largely ineffective because many industries initially reported inflated carbon use and, therefore, did not have to make significant cuts. We have to be sure that the baselines on which we are operating are genuine and that the firms that report their

baselines do not inflate them so that they can lessen their efforts to reduce carbon emissions.

Even if sceptics do not accept the idea that we need to cut our energy consumption because of climate change, there are benefits for industry. Furthermore, as the Minister indicated, the public sector should set an example. I support the motion.

The Minister of the Environment: Once again, I thank the Chairperson and members of the Committee for the Environment for their work and co-operation and for their comments this morning. I will respond to a few of them.

Mr Kinahan talked about not meeting the targets. Based on the 1990-2007 calculations and the existing policy commitments, we are on schedule to meet 22% by 2025, which will fall slightly short of the targets. However, when the strategic energy framework is introduced, we should not only hit our targets but more than achieve them.

Mr Dallat wanted to know what the benefits would be for Northern Ireland, so I did some elementary maths on his behalf. If it is £1 billion across 5,000 companies in the UK, 100 of which are in Northern Ireland, as he indicated in his speech, that equates to a saving of £20 million in Northern Ireland. That might be of benefit to Mr Dallat.

Mr Beggs seemed to be pleased that there is the potential to lock up the business community. I hope that any such resource would be a last resort. We are weak on some of the legislation. However, when I see what is going on, and the individuals who have got away with smuggling waste and laundering fuel, a lot of individuals should be targeted to be put in jail before we think about locking up the business community.

Mr Beggs: Will the Member give way?

The Minister of the Environment: No, not at this moment. If Mr Beggs has made a faux pas, he will just have to live with it.

In essence, there is much that we can do in conjunction with the private sector to ensure that we meet our carbon reduction commitments. The House has many opportunities to press ahead, particularly with regard to energy recovery, whether from waste or other sources, and also to use renewable energy. When I look at people in the world

fighting about oil, gas and other things, and I look around at the energy that exists in Northern Ireland, I wonder what people are fighting about. If people were to apply themselves and harness their activities and efforts to use the energy that exists in Northern Ireland, whether that is wind, wave, tidal, biomass or other energy, we would all have a better future.

Question put and agreed to.

Resolved:

That the draft CRC Energy Efficiency Scheme Order 2010 be approved.

Mr Speaker: The Business Committee has arranged to meet immediately upon the lunchtime suspension. I propose, therefore, by leave of the Assembly, to suspend the sitting until 2.00 pm.

The sitting was suspended at 12.28 pm.

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

2.00 pm

Committee Business

Report on Inquiry into Public Procurement Policy and Practice in Northern Ireland

Mr Deputy Speaker: The Business Committee has allowed up to one hour and 30 minutes for the debate. The proposer will have 15 minutes in which to propose the motion and 15 minutes in which to make a winding-up speech. All other Members who wish to speak will have five minutes.

The Chairperson of the Committee for Finance and Personnel (Ms J McCann): I beg to move

That this Assembly approves the report of the Committee for Finance and Personnel on its inquiry into public procurement policy and practice in Northern Ireland; and calls on the Minister of Finance and Personnel, in conjunction with Executive colleagues, to implement the recommendations contained therein.

Ms Ní Chuilín: On a point of order, a LeasCheann Comhairle. My point of order does not concern the Minister of Finance and Personnel; he need not worry. Yesterday, during the debate on the motion on local government reform, Mr Patsy McGlone referred to our party as “provisional Sinn Féin”. Will you consider yesterday’s Hansard report and make a ruling on that next week?

Mr Deputy Speaker: I will refer the matter to the Speaker. As a warning to all, all parties should be referred to by their official name.

The Chairperson of the Committee for Finance and Personnel: I welcome the opportunity to open this important debate. Public procurement is a key cross-cutting issue that affects all levels of government. Spending on government supplies, services and construction work forms a significant element of the local economy, accounting for one quarter of the Executive’s annual spend. When combined with local government purchasing, it amounts to upwards of £3 billion each year. Such expenditure represents an important lever that the Executive can use more strategically as a tool for supporting the long-term economic and social

well-being of our community, especially at a time of economic recession when we face a more constrained public expenditure outlook. That is the core message behind the inquiry report from the Committee for Finance and Personnel.

The Committee recognises the important role that small enterprises play in our economy. Ninety-five per cent of local firms can be characterised as micro-businesses that employ fewer than 10 people, and social economy enterprises are becoming strategic players in delivering important social policy outcomes. That predominance of small enterprises offers tremendous potential for economic growth, and public procurement can provide a suitable vehicle in that regard.

Given the profile of the local business sector, the Committee expects that most public contracts are already awarded to small and microenterprises. However, as highlighted in the report, there are substantial benefits for the public sector and for the wider economy from encouraging new entrants into the public procurement market from the small and microenterprise sector and from enabling local firms to compete for higher-value contracts.

The Committee found a wealth of international evidence on the mutual benefits of the increased involvement of small enterprises in the government supply chain. For the public sector, those benefits include better value for money, business growth and innovation; for the small firms, there is the benefit of access to a large and stable market, which can provide a springboard to achieving growth.

At its meeting on 19 November 2008, the Committee agreed to undertake its inquiry into public procurement on the basis of that rationale and because it had identified concerns and barriers facing small and medium-sized enterprises (SMEs) and social enterprises bidding for government contracts.

As I say, public procurement is cross-departmental, a fact recognised in the Programme for Government, which highlights the positive role of procurement in furthering cross-cutting sustainable development and socio-economic objectives. That said, the lead responsibility for taking forward the Executive’s policy direction in that area falls to the Department of Finance and Personnel (DFP). The procurement board, chaired by the Minister of Finance and Personnel, and attended by the

permanent secretaries of all Departments, has responsibility for developing overarching public procurement policy across Departments, their agencies and other public bodies. The Central Procurement Directorate (CPD) in DFP provides a centralised, professional procurement service to the wider public sector, although it does not formally extend its remit to local government.

In addition to CPD, seven other centres of procurement expertise exist to provide a more integrated service to bodies throughout the public sector. Given the wide remit of procurement across government, the Committee's inquiry report is wide-ranging, with more than 40 evidence-based findings and recommendations. Those apply to the Executive, the procurement board, DFP, CPD and other Departments, where appropriate.

Much of our local procurement policy and practice is informed by legislation and directives that come from the European Union, so the Committee also considered examples of best practice from across Europe. Given the range and scale of public procurement, the Committee chose to focus its inquiry on specific aspects of policy and process, emphasising the end-user experience of SMEs and the social economy sector.

The inquiry's terms of reference also sought to consider the nature, extent and application of social clauses in public contracts and to make recommendations to DFP on improvements to public procurement policies and processes that are aimed at increasing access to opportunities to SMEs and social economy enterprises (SEEs) and maximising the economic and social benefits for the local community. The inquiry was underpinned by a strong evidence base, including written and oral evidence that was supported by a wide-ranging literature review.

A stakeholder conference that was held in October 2009 is also of particular note. It gave all who were involved the opportunity to inform the recommendations that the Committee is publishing today. The conference, which was attended by more than 100 participants, was an innovative approach to gathering evidence and included representations from local SMEs, social enterprises, government purchasers and recognised commentators from other jurisdictions. Focus groups allowed Committee members to hear participants' concerns and suggestions, and interactive digital voting

allowed us to identify instantly the priorities of those in attendance.

The Committee also sought advice and views from leading procurement academics on the outcome of the conference. Along with a full report on the conference, those are included in the appendices of the inquiry report.

The message that came from the conference is clear. The participants wanted a high-level policy direction that is implemented through co-ordinated action by commissioners and buyers. The Committee agrees with that view, and it considers that it is incumbent on the Executive and the Assembly to create a public procurement environment that facilitates smaller enterprises in realising their full potential and which maximises the economic and social impact from expenditure on procurement.

As a result of the inquiry, the Committee identified the need for more balanced application of the 12 principles that govern public procurement here. In particular, more emphasis is needed on the principles of integration and consistency. Indeed, the evidence from the inquiry suggests that, comparatively speaking, local public procurement practice focuses predominantly on compliance and narrow value-for-money considerations. Although those are undoubtedly important, the Committee concluded that procurement practice fails to integrate sufficiently with the Executive's wider economic, social and environmental priorities. In other words, a more strategic and widely defined consideration of value for money is needed. Indeed, the Committee found that the CPD's guidance advises that when the 12 guiding principles have been satisfied to an acceptable level, best value for money can be said to have been achieved.

The Committee's recommendations address the themes that stakeholders raised in their evidence and focus on three main areas. The first of those is improving policy and processes, which includes the use of frameworks and contracts, sourcing opportunities to bid and aspects of tendering and delivering. Secondly, the Committee examined what improvements could be made to procurement policies and practices, with a view to maximising social benefits for the local community. A range of recommendations are made in that area, including a call for the Executive to issue a clear

policy directive on procuring social benefit for targeted use of social clauses and for a model for measuring social value.

The Committee heard evidence about the need to build capacity for purchasers and suppliers in the procurement process. The Department of Enterprise, Trade and Investment (DETI), which has lead responsibility for the small business and social economy sectors, has a key role to play in that. A number of the Committee's recommendations take that relationship into account, and it is hoped that CPD and DETI can find ways of working together to address those issues.

Finally, the Committee considered a range of other issues, including the opportunity to realise efficiencies through collaborative procurement, issues relating to litigation and public procurement governance arrangements. Although matters relating to local government are not within the Committee's remit, it became apparent during the inquiry that many of the witnesses did not distinguish between local and central government procurement, because their concerns applied across the board.

As a result of the inquiry, the Committee has found that the Executive, in achieving best value for money, can strategically use public procurement as a tool to assist smaller enterprises in realising their full potential and to support longer-term economic and social well-being. I believe that that should and must be done. I look forward to hearing other Members' contributions.

Before I commend the report to the House, I want to make a few points as a private Member. I do not think that most people realise how much money is spent on procurement. Government spend on the supply of services and construction work accounts for one quarter of the Executive's annual spend, and the total amount spent on procurement by central and local government is £3 billion per annum. We also need to consider the issue on an all-island basis, because the total amount spent on procurement across the island is £15.2 billion per annum, which is a large amount of money.

One of the most important ways in which we can influence procurement policy is to ensure that all public spending maximises the wider economic and social benefits of the procurement process for the local community. Public procurement is also an essential part

of the investment strategy. It is important that that opportunity be grasped now more than ever, because it can secure jobs and create new employment opportunities for people. Given the continuing economic recession and the constraints on public spending — we need only consider the debates about the Budget that have been ongoing here — an improved public procurement policy can help us to better spend public money.

The Committee heard about companies that had received contracts because they were able to meet base conditions, such as good wages, good-quality apprenticeships and the employment of the long-term unemployed. That is what the inclusion of social clauses in procurement contracts can provide. We must ensure that such clauses are included at the tendering stage, so that we can deliver fairness, inclusion and equality of opportunity for all people. We can effectively challenge existing patterns of social and economic disadvantage if we do that. We can also help to increase prosperity and to combat poverty in areas of disadvantage and need. I hope that the report's recommendations will lead to those changes at policy level and will deliver benefits for everyone in the community, particularly those who are disadvantaged socially and economically.

Mr Hamilton: I support the Committee's report. It is a vast and, in some places, very technical report. I do not know how many pages it runs to, but there are 319 paragraphs in the main report; 142 documents in the appendices; 41 recommendations, as the Chair mentioned; and some 35 written evidence submissions. In future, I am sure that everybody in the Finance Committee will be extremely reticent to indulge any member who starts a sentence: "I think that we should take a wee look at that", because the record will show that that is what happened at the start of this inquiry. Initially, we wanted to take a short, sharp look at procurement, but once we started the process, we realised that there was much more to it than we first thought. Hence, the very detailed paper that is before us today.

At the start of the inquiry, the perception of many Committee members was that there was something wrong with procurement in Northern Ireland, because there had been a number of legal challenges. There has certainly been a lot of litigation in recent times, particularly in respect of framework contracts. That was

taken to be a sign that there was something drastically wrong with procurement in Northern Ireland. There was also a perception that local firms were losing out in tendering for work that was procured by Departments and other aspects of government in Northern Ireland.

2.15 pm

At the outset, I feared that the inquiry might turn into a bashing of the Northern Ireland procurement system, and I did not think that that would have been justified. One person who gave evidence to the Committee said that Northern Ireland was the market leader in respect of litigation connected with procurement. Equally, however, we heard evidence that although we may sometimes have a few litigation cases here — there was a run of them recently — we are not as bad as other jurisdictions in the United Kingdom. Indeed, the minutes of a meeting of a big city council in the north-west of England showed that it had made the decision as to who would get a tender even before the tendering process had opened. Therefore, although people may think that we have problems here, I am sure that everybody agrees that we are not as bad as that council.

I asked the Finance Minister how many CPD-awarded contracts had been given to local companies in the previous financial year. The figure was extremely high; around 90%. Perhaps the Minister will clarify that point. The figure compares very favourably with those in other jurisdictions. In addition, during the inquiry, the Committee received evidence from InterTradeIreland that Northern Ireland-based companies were doing exceptionally well in procuring contracts in the Republic of Ireland. That is one sort of cross-border trade that I am extremely happy to hear is flourishing, and it is one that I encourage.

There is a need to balance the benefit for Northern Ireland companies through procurement with value for money. There is no doubt that £2.4 billion in procurement plus £300 million from local government procurement is a huge prize to be had by local companies. However, that needs to be balanced with value for money, which is particularly pertinent now as we are looking at an even tighter public financial landscape than we were in the past.

I am happy to endorse the report in that it did not throw the baby out with the bathwater.

Everybody acknowledges that there have been issues with frameworks. However, I am not against the idea. The approach has merit in building up experience and getting value for money for taxpayers and ratepayers in Northern Ireland. A robust evidence base must be in place before we proceed with frameworks, and that is something that everybody can agree on. I was very keen to push the idea of building capacity so that those who respond to tenders have a greater appreciation of the system and, therefore, would at least know what went wrong and would perhaps not be so disappointed if they did not win a contract. A collaborative approach to procurement, whereby greater efficiencies could be delivered, is also central to the report and something that I endorse.

Maximising social benefit was an issue that I and some Committee members were a little concerned about, although we recognised the benefit that there can be for communities, in particular, deprived communities, in addressing long-term unemployed, getting apprenticeships, and even meeting environmental priorities. However, the approach taken by the report is sensible, and in trying to maximise social benefit, we cannot tip the balance too far. I am always mindful of the evidence given by Paul Davis at the stakeholder conference. Using the example of environmental clauses, he said that if we are too rigid on that, others in the EU may be equally rigid and may rule out some of our companies from applying for contracts.

Mr Deputy Speaker: Bring your remarks to a close.

Mr Hamilton: There is, I have to say, a much bigger prize of €2,000 billion in procurement potential across the EU.

Mr McNarry: It goes without saying that the power of government spending as a tool of public and economic policy is a key factor in generating a recovery from the economic downturn, and is a means of rebuilding our construction sector, which has been so badly damaged by the slowness of the hitherto booming and buoyant property market.

The mismatch between small and medium-sized enterprises, which are so prevalent across our economy, and the need for comparatively large-scale procurement exercises was a factor about which the Committee for Finance and Personnel was keenly aware, and that came through in the evidence sessions. Access to procurement opportunities for small businesses,

even micro-businesses, is an important way to regenerate our economy and to keep as much public spending as possible in Northern Ireland, benefitting, as a consequence, the jobs market. That is why the re-examination and redesign of public procurement policy is proving so important. It is nothing less than a key building block in our economic recovery. Boosting access to public procurement opportunities for local businesses is a potential driver of economic expansion.

The development of procurement solutions that help to grow small firms by using the wealth, stability and spending power of the public sector to kick-start the private sector, peopled largely by small and medium-sized enterprises, can and will help to create the depth of locally based and locally generated recovery that the private sector badly needs at present. That is why locally based solutions are infinitely preferable, and a public procurement policy is a key building block of that localised solution.

In an age when information systems are so sophisticated and widely available, surely there is no reason why small and medium-sized enterprises should not be able to easily access procurement mechanisms. That is why we also need to open up the procurement process to smaller companies through a re-evaluation of the spread of risk in any contract. It is, therefore, preferable to break big contracts down into a number of smaller contracts that are more easily accessible to smaller companies, both in risk apportionment and in the financing of those contracts.

That also means that we will address the importance of social enterprises and the social economy in Northern Ireland. The social economy should not be underestimated. In a fiscally constrained climate, the services that the social economy provides are invaluable, and we must ensure that it is given every opportunity and the support necessary to develop. I welcome the recommendations in the report that seek to achieve that.

Contractors should also be encouraged to form local consortia to access contracts that would not normally be available to them because of the sheer size and scale of the project involved. We need to learn to do that and to be able to bring that to the table. Thus, we will have a procurement process that can become an engine of recovery for our local economy, and

the Assembly and the Executive can act as the catalyst for economic growth and progress.

I urge the Minister to act on the recommendations in the report. I know that he will give them serious consideration, but I am asking him to go a little bit further. Committees in this place are producing some excellent work that should not be wasted by the Government or by any Department. Therefore, I commend the report.

I also take the opportunity to thank the Committee and the staff involved in putting the report together. It goes without saying that the report was driven by a very keen Chairperson. The Committee will respect all the work that has been done, particularly by her.

Mr O'Loan: I express my complete support for the report and ask the Assembly to endorse it. The report is a major and important piece of work, and I thank the Committee staff who led the process of developing the report so well and who produced an extremely high-quality document that is very important for governance in Northern Ireland. It will not be possible to do justice to such a substantial report in the short time that I have to speak; I will only be able to touch on a few significant points.

As has been said, there are 41 recommendations in the report, and each one is substantial. Taken as a whole, those recommendations have the potential to radically restructure the procurement environment in Northern Ireland. Such restructuring would be to the betterment of public procurement and would be of huge benefit to our small and medium-sized enterprise sector and our social economy sector. I hope that that will happen. I hope that the Minister will respond positively to the report, but it is the implementation phase that will be the important part.

The implications of the recommendations are huge. They fall on the Department of Finance and Personnel and the Central Procurement Directorate in particular. The recommendations also fall on the other seven centres of procurement expertise (COPEs), and there are references to DETI and to other bodies. I have noted those references. Ensuring that the process is a coherent whole that is carried through is an important task that falls to Ministers. I hope that the Minister of Finance and Personnel, whom I see is in the Chamber, will take the lead on that matter.

The potential is huge. The procurement budget for Northern Ireland is £2.4 billion, and the total for the island is £15.2 billion. I note that an interesting point on page 8 of the report refers to the EU approach and contains a significant quotation from an EU document. It outlines a different approach to public procurement, and that is advocated in the report. The EU document says that that approach will:

“result in higher competition for public contracts, leading to better value for money for contracting authorities. In addition to this, more competitive and transparent public procurement practices will allow SMEs to unlock their growth and innovation potential with a positive impact on the European economy.”

I quoted that section because some people say that there is a trade-off here between achieving value for money and getting social benefit. If the process is done right, there will be no such trade-off. The quotation from the EU document and the report’s recommendations say that there is enough potential to achieve both outcomes. We can obtain better value for money because the more that we engage with the business sector, the greater the competitive environment that will be created, more businesses will bid and better value for money will result. If we distribute the public procurement budget in the most effective way, the key businesses in the economy will grow. That is not a win-lose scenario; it is definitely a win-win scenario.

I will address some specific issues that are mentioned in the report. The issue of frameworks is of great importance, and Members have already commented on it. I broadly support the line in the report that says that frameworks need to be adjusted. Frameworks must be accessible to the SME sector in a way that they are not currently. That means fundamentally breaking down contracts into lots. I noticed that the report contains a quotation from Sir David Varney that supports that view, and one might not necessarily have expected him to support that line of thinking. He said that we can achieve better value for money and quality:

“by breaking down large contracts, or by linking contractors with sub-contractors”.

In other words, he endorsed my earlier point that we can obtain better value for money and better quality.

The report contains an important section on bidding opportunities, and it mentions the need to make information about those opportunities easily digestible for SMEs.

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

Mr O’Loan: As I said, it is impossible to do proper justice to the report, but I ask the Assembly to give it its full support.

Dr Farry: I and my party fully support the Committee for Finance and Personnel’s report. I apologise to the Chairperson for missing the beginning of her speech. However, I warmly welcome the report, which is a substantial and significant piece of work that should have a major impact on policymaking on public procurement in Northern Ireland. I join with others in praising the Committee staff for their very hard work during the considerable number of months in which the Committee examined that area.

Northern Ireland has a large public sector that is a major feature of our economy. Within that, the profile of our companies has a strong presence of small and medium-sized enterprises. Naturally, there is a desire to ensure that, as far as possible, we look after our indigenous businesses. However, at times, the European single market is seen as an impediment or a hassle that we must deal with. It is important to recognise that we should welcome it, because it brings value for money and delivers competition. It is not simply about enabling companies from elsewhere in Europe to come here to compete. It is about companies from Northern Ireland having the aspirations to go elsewhere in the UK and Europe to compete for contracts. Therefore, that should be seen as a two-way process.

We should not adopt a protectionist approach to public procurement. We should have confidence that Northern Ireland companies can compete on a level playing field, and we should encourage them to do so.

2.30 pm

There is a natural desire, as far as is possible, to gear our procurement approach towards meeting the needs of SMEs and to break up contracts. I do not disagree with that. However, I have one small reservation: we should not celebrate the fact that Northern Ireland’s profile is overly dominated by small and medium-sized

enterprises. We should encourage businesses to grow and to bulk up. It is only when businesses grow that they are able to compete more effectively outside Northern Ireland for work. Consequently, value for money can be improved. Our economy needs to be more export-oriented rather than simply being one in which local companies feed a local domestic market and that is wary of others coming in to try to compete.

No one would disagree that value for money must be the fundamental starting point in our approach to procurement. That said, my party is more than happy to consider social clauses, whether they relate to environmental sustainability or employment, training and apprenticeships and other such schemes. Public spending is about more than the simple provision of goods, facilities and services. It can be a tool for trying to achieve wider public policy outcomes, and I have no difficulty with that. To some extent, the private sector can take a lead in that by itself, without a push from government, through the concept of corporate social responsibility. There are examples of that already occurring, although it is still at an embryonic stage. There is more that we can do as a government.

However, we need to be conscious of some of the side effects of our approach to public procurement. One side effect could be a situation in which the overall cost of public procurement rises as companies pass the additional costs of complying with social clauses on to the prices that they set when they bid for contracts. We must also ask whether the most effective way to achieve public policy outcomes is through the market playing its role and by companies finding their best way to fulfil social clauses. That may seem to be the most attractive way to do it, but, alternatively, it could be done through a direct spend by government on schemes. That is a much wider debate than the report considers, but it is one that we need to be mindful of, while hoping that the answer is that social clauses are probably a more effective way to achieve the stated objectives. I welcome the report, and I hope that the Minister will embrace it warmly when he makes his remarks.

Mr McQuillan: I apologise for missing the start of the debate.

The Committee for Finance and Personnel's inquiry into public procurement processes

has established the factors that prevent small businesses from applying for government tenders. It is only through the forthcoming changes that we can ensure that a level playing field is established for all those who wish to compete for public sector contracts.

The current economic situation has affected not only the large multinationals but the microbusinesses that make up the majority of our business community. The small business community plays a pivotal role in the development and sustainability of our economy, as it does in the rest of the UK. It is those types of businesses that have experienced most frustration with the procurement system that is used by central government, which has led to a rise in the challenges against the awarding of those contracts and highlights the need for radical change. To allow such businesses to survive and develop, we must ensure, through the changes that we are going to make, that we establish a simple, accessible and transparent procurement process that they can engage in. Such a new process should be applied to all public procurement and not just central government. It should also apply to local government procurement, although that did not form part of the Committee's inquiry.

The development and survival of small businesses can be enhanced and realised if they can apply for tenders and can compete on a more level playing field. Any new process should be up to date and streamlined to avoid duplication of paperwork and the time that has to be spent on gathering information and submitting a tender. Small businesses should be able to utilise their time by applying to a process that avoids duplication of information and that is neither time-consuming nor costly. The cost to the public purse should be eradicated by removing duplication.

Through the introduction of the report's recommendations, we must endeavour to assist businesses that are unable to secure work. They should be given clear guidance to ensure that the most suitable contracts are highlighted for them, thus encouraging the small business to compete. If they are successful in the tender process, payment for any completed work should be made promptly. All contracts awarded following the introduction of the process should be recorded and made accessible and transparent to all to ensure that the process is working correctly.

I add my thanks to the Chairperson and staff of the Committee for their hard work and to the stakeholders who took part in the lengthy inquiry. I support the motion.

Mr McLaughlin: Go raibh maith agat, a LeasCheann Comhairle. I reiterate the thanks to the Committee members, especially the Committee Clerk and the secretariat, for their remarkable work in pulling together all the elements of our inquiry, which lasted a considerable time.

As the report points out, public procurement is an important element of the economy here, with central and local government spending upwards of £3 billion on it annually. Simon Hamilton and Declan O'Loan referred to the spend on the island of Ireland and the British and European markets. There are huge strategic interests for our economy in taking forward the type of procurement policies that would open up the potential and capacity of our local enterprises.

We have acknowledged over and over the predominance of smaller enterprises in the local economy. That issue keeps returning to the Chamber. We are absolutely dependent on them, especially given the paucity of public limited companies and enterprises that operate here. It is not just a dependency; they are an essential element of our economy. Any strategy has to take that reality into account if we want to grow the economy. There is also a growing awareness of the benefits that accrue from social economy enterprises and from operating a commercial business model that can compete in the marketplace but can also deliver social, community and ethical outcomes.

Internationally, the report addresses the fact that benefits can accrue to both the public sector and the wider economy from increasing the involvement of small and medium-sized enterprises in the government supply chain. The report also points out the obvious fact that access to a large and stable market provides social economy enterprises with a stronger basis from which they can deliver important social policy outcomes.

In light of the potential benefits, the Committee's report calls on the Executive to develop a strategic policy for using public procurement, as far as is permitted under competition and employment legislation, as a tool to support the development of our smaller enterprises and to stimulate economic growth in the longer term.

The Committee agreed that the implementation of such a policy would require a further cultural change. I agree with Members who said that this was not an exercise in bashing procurement agencies, but the Committee was obliged to draw the conclusion that there were cultural issues that needed to be addressed if innovative and more creative thinking were to be applied to the problem.

The Committee produced a considerable number of recommendations, each of which, I am sure, the Minister has read in the voluminous report. He will have a response to them all. He will be glad to hear that I do not intend to address them all; however, recommendations 8 and 9 go to the core of the issue. They advocate breaking the frameworks down into lots to make it possible to achieve the objective of involving as many of our SMEs as possible in the government supply chain and in providing services and helping to develop the economy. Those important points have already been addressed in the Assembly.

Recommendation 15, which deals with the same broad area, also points to the value of devising mechanisms, particularly through the Central Procurement Directorate, to encourage collaboration between SMEs and to enable them to compete with external competition, which may have an inherent advantage as regards critical mass, and bid for government contracts. As a matter of policy, the Executive should encourage collaboration so that SMEs can form consortia or joint ventures to compete for contracts.

Mr Deputy Speaker: I ask the Member to draw his remarks to a close.

Mr McLaughlin: In recommendation 18, the Committee recommended that the Minister of Finance and the Minister of Enterprise, Trade and Investment should give careful consideration to the establishment of a public procurement brokerage service to provide the benefit of a one-stop shop to companies that seek to compete.

I could say many other things, Mr Deputy Speaker, but I appreciate that you have indulged me already.

Mr Gallagher: I am happy to have the opportunity to speak about public procurement and will refer specifically to the prospects for business in Fermanagh and South Tyrone. My constituents often tell me that they regard the

public procurement system as a waste of time and money. Having heard that view repeatedly for years, I asked the Finance Minister, in January, to detail the number of contracts that had been awarded to businesses in Fermanagh and South Tyrone. That threw up the information that, of more than 1,000 contracts that the Government offered in a two-year period, only eight were awarded to firms in Fermanagh and South Tyrone.

As has been said in many Assembly debates, there are many small businesses in the constituency of Fermanagh and South Tyrone. They make an important contribution to and provide badly needed jobs in an area that has suffered from economic disadvantage and a lack of investment. The figures that the Minister gave indicated that businesses in my constituency have received a very poor return. Contracts and, in particular, government contracts can go a long way towards helping ailing local economies.

I welcome the Committee's report, because it focuses, in detail, on key issues, and, in compiling it, the Committee enlisted the help of experts from a wide range of interests. The recommendations that are worthy of mention relate to the perception that the procurement process favours larger companies and businesses at the expense of smaller businesses.

I am encouraged by some of the report's conclusions and recommendations, particularly those relating to the way that larger procurement contracts can legitimately be broken down into smaller lots that can then be put out to tender. The report informs us that that practice is followed in many other countries and that it is approved by the European code of best practice. We can learn lessons from that.

The other matter that merits attention is the possibility of having a procurement website. The Department should establish a designated website, on which it should list all the contracts as soon as it is in a position to do so. The contracts would, therefore, be there for all businesses to see. It was interesting to read the surveys that were carried out by the Federation of Small Businesses and the construction industry. They showed that about 50% of firms across the business sector knew nothing about the procurement process. That demonstrates the value of education, and I hope that the

Department will take that on board. I would like there to be a dedicated website.

I represent a border constituency. Some companies that are based in Fermanagh tell me that they can gain contracts in the Republic of Ireland, because they have done so previously.

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

Mr Gallagher: An all-island website would benefit firms that are based in the border areas.

2.45 pm

Mr F McCann: A LeasCheann Comhairle agus a chairde, ba mhaith liom tacaíocht a thabhairt don rún. I support the motion. Over the past number of months, nobody in the Committee for Finance and Personnel could have failed to pick up valuable lessons from the wide range of people who presented evidence to the Committee. It was a learning curve for me, and I drew much from the verbal presentations and many of the written responses that we received. I picked up a great deal from a cross-section of Committee members. I thank the Committee Clerks, who assisted us in our quest to find a better approach to delivering procurement, and Research Services, whose papers contained a mound of information.

We have all been made acutely aware of the huge impact that government spending on the procurement of services has had on the economy. It is also evident that we must ensure that a wider range of people in the business community have an equal opportunity to tap into that resource. Prior to the exercise, the general opinion was that, in procurement, big was beautiful. However that missed the point that the majority of businesses are small and medium-sized enterprises.

It also emerged that the microbusinesses that employ fewer than 10 people felt totally excluded from the procurement system. That highlights the necessity to adopt a different approach to ensure that the whole business community can operate on a level playing field. Time and again, we heard stories about people being discouraged from applying for contracts because of the bureaucracy involved or because they believed that the system was skewed in favour of larger companies with the capacity to manage the application system.

The Committee inquiry and the follow-up conference laid out many challenges for the Assembly and businesses alike. If the report is accepted, I hope that it will go a long way to delivering the changes that are required to deal with the sizeable problems in the procurement set-up.

The report highlights the fact that, in 2008-09, almost £2.4 billion was spent on the delivery of supplies and services and delivering contracts to the construction industry, which guaranteed the preservation of jobs across the North. I once heard it said that more than 2,000 small and micro businesses existed in west Belfast. If each could be encouraged to employ one or two additional people, the unemployment in that part of the city would be greatly reduced. Imagine what would happen if we could encourage those small businesses to tap into the procurement system.

Community enterprises find it impossible to get near the current procurement system. If that system were simplified, think of the impact that those community enterprises could have on localised employment and the delivery of services. Bryson Charitable Group is a community enterprise that is also an environmental employer. It delivers hundreds of jobs with a focus on recycling and other environmentally friendly programmes, including the warm homes scheme.

The report states that local commissioners and purchasers seemed reluctant to pursue social benefit through procurement. It also points to a need for greater clarity on the Executive's intention for procurement policy and on the definition and measurement of social value.

I recently spoke to several party colleagues who have brought staff from the Department's procurement section to their constituencies to meet local businesspeople to explain to them the best way to get on to the procurement ladder. For many who attended, it was the first time that anyone from a Department had been in their area. Roadshows should be organised throughout the North. Yesterday, the Minister of Finance and Personnel spoke about freezing rates and about the need for Departments to go into local areas to ensure that people have the information that they require to interface with whatever service the Government provide. The procurement gathering proved to be a huge success.

In Committee, I raised several problems faced by local builders who provide a building and design process not only for social housing providers but for a wide range of clients. That type of procurement process was challenged in the European courts, and a directive instructed that such procedures cease. I have since learned that the same procurement process was in operation in some English councils. When I asked why that was the case, I was told that those councils had adopted a more flexible approach to the European ruling, whereas staff in the Department of Finance and Personnel had adopted a policy that stuck strictly to the letter of the ruling.

Mr Deputy Speaker: The Member's time is up. I call Mr Paul Butler.

The Deputy Chairperson of the Committee for Enterprise, Trade and Investment (Mr Butler): Sorry, Mr Deputy Speaker. I was engrossed in conversation.

Mr McLaughlin: He was talking about the report.

The Deputy Chairperson of the Committee for Enterprise, Trade and Investment : That is right; I was obviously talking about the report.

I would like to speak on behalf of the Committee for Enterprise, Trade and Investment. I welcome the report, which contains five recommendations on the responsibilities of the Department of Enterprise, Trade and Investment and the Committee on public procurement. On a number of occasions, the Committee heard about the difficulties that small and medium-sized enterprises (SMEs) and the social economy sector face when tendering for public procurement contracts. Committee members are well aware of the issues, and, therefore, they will very much welcome the report's findings and recommendations, particularly those that relate to the Department of Enterprise, Trade and Investment.

Indigenous SMEs are the lifeblood of the local economy, so it is vital that such businesses be given every opportunity to tender on an equal footing to provide the products and services that public sector organisations need to meet their objectives. In particular, the social economy here continues to grow, and it is very important to our economy. If accepted and implemented, the report's recommendations will increase opportunities for the social economy sector and help to sustain and grow the number of jobs in that sector.

A number of recommendations consider how the Department of Enterprise, Trade and Investment and the Department of Finance and Personnel might work together. I am sure that, as the lead Departments for the SME sector and the social economy sector, DETI will work with DFP to consider and implement the report's recommendations as effectively as possible and to the benefit of both sectors.

The report calls for the procurement board, in conjunction with DETI, to consider refining the definition of "small and medium-sized enterprise". The Committee's inquiry defined a small and medium-sized enterprise as an organisation with fewer than 250 employees. By local standards, any organisation with more than 100 employees is considered to be quite large. However, if we decide to change how we define the SME sector, we must be careful to ensure that any new definition remains compatible with the definition of an SME in Britain, the South and Europe.

The report also calls on the Minister of Finance and Personnel to liaise with the Minister of Enterprise, Trade and Investment to ensure that sufficient funding is in place for measures to build the capacity of small enterprises to access public sector supply chains. At present, many SMEs, including those in the social economy sector, face considerable difficulties, not least of which is the problem of attracting finance from banks. The Committee for Enterprise, Trade and Investment has engaged with banks to help to improve the situation for small businesses so that they can get loans, particularly through the enterprise finance guarantee scheme.

The Committee has endorsed DETI's social economy enterprise strategy only if that is subject to the inclusion of financial commitments to secure its full implementation. The Committee will, therefore, welcome any constructive action to provide financial support for SMEs and social economy enterprises to build capacity.

As a member of the Committee for Employment and Learning, I welcome the report's recommendations relating to social clauses, particularly those that put a commitment on businesses to have apprenticeship quotas, given the difficulties in the present economic climate. Members may recall that the Minister for Employment and Learning was asked about

programme-led apprenticeships during Question Time yesterday.

The Committee for Enterprise, Trade and Investment welcomes the report overall. We hope that the Minister listens and implements its recommendations. Go raibh maith agat.

Mr Deputy Speaker: As Question Time is at 3.00 pm, I ask Members to take their ease for a couple of minutes. When we return to the debate, the next person to speak will be the Minister of Finance and Personnel.

The Chairperson of the Committee for the Environment (Mrs D Kelly): Mr Deputy Speaker, may I make my contribution to the debate after Question Time and before the Minister responds?

Mr Deputy Speaker: My point was that we are moving towards Question Time. You have two or three minutes to speak now.

The Chairperson of the Committee for the Environment: I will do my best. Thank you, Mr Deputy Speaker.

I will comment on behalf of the Committee for the Environment. The Committee discussed the procurement methods used by local government. In response to a request for more details about the process used by local government to award contracts, the Department indicated that a range of methods is employed. First, a business case is developed and approved at the appropriate level, which is dependant on the value of the contract. Then, the Department develops terms of reference, which are sent to Central Procurement Directorate for a decision on whether framework agreements, call-off contracts or open competition are appropriate. At that stage, an evaluation panel is formed which, in conjunction with CPD, decides which methods will achieve best value for money.

The Department told the Committee that CPD provides assistance and guidance to local government procurement division at all stages during the process. The methodology and cost criteria defined by the evaluation panel are key to the decision-making process. The Department also provided the procurement thresholds for all public procurement along with a note that ministerial approval would be sought for any procurement exceeding £75,000.

Although that response provided the Committee with a factual account of the procedures that

take place, members were quick to realise that it did not tell us how the more subjective decisions are made. The Committee is concerned that it appears that the same large firms are selected regularly while newer and/or smaller firms appear to be less successful. The Committee wrote back to the Department to ask for more insight into that. We also relayed our concerns to the Committee for Finance and Personnel, which was undertaking the review.

Subsequently, the Department explained that an evaluation panel assesses the extent to which each organisation tendering meets qualitative criteria and awards scores accordingly. That includes the panel's consideration of whether the organisation has the capacity, experience and knowledge to complete the assignment successfully and will provide value for money for the taxpayer. The Department also suggested that, in the consideration of the latter, a company's size might affect the result because, if the assignment is large and complex, smaller organisations with limited resources may not have the requisite capacity and experience to deliver the project. That appears to be at the heart of the procurement problem from the Environment Committee's perspective. I urge central and local government to recognise the contribution that smaller and less experienced contractors can make and, where possible, within the guidelines, give them opportunities to develop and grow.

The Committee for Finance and Personnel recommended that there be greater synergy between central and local government purchasing policy and practice, with a view to achieving consistency in the application of good practice procurement across the public sector. Although I am unable to comment on behalf of the Committee on the precise model that may be adopted to achieve that, it is an admirable and sensible aspiration and one that could, and should, be used to help to address the problems that I have outlined.

The debate stood suspended.

3.00 pm

Oral Answers to Questions

Enterprise, Trade and Investment

Tourism: Targets

1. **Mr McCallister** asked the Minister of Enterprise, Trade and Investment whether the Northern Ireland Tourist Board will achieve its current target of 2.5 million tourists per year by 2011. (AQO 820/10)

The Minister of Enterprise, Trade and Investment (Mrs Foster): The target represents a formidable challenge, and its achievement has been made more difficult by the economic circumstances that we face, which are impacting on tourism globally. However, the most up-to-date figures for 2009 show an encouraging 31% increase in visitors from the Republic of Ireland, but a 15% drop in visitors from Great Britain has resulted in an overall decline of 14% in respect of all our out-of-state visitors.

The Northern Ireland Tourist Board (NITB) continues to build on the success of its recent marketing campaigns in the Republic of Ireland, and, in parallel, Tourism Ireland has undertaken a review of its activities in the Great Britain market. It recently announced a series of major initiatives to achieve a 4% increase in visitors in 2010. Our aim is that those efforts will lead to a turnaround in the overall downward trend. However, the target for visitors in the Programme for Government is extremely challenging in the current climate.

Mr McCallister: I am grateful to the Minister for her answer. The public service agreement for tourism numbers and tourism revenue was rated as red in the most recent monitoring round. The draft tourism strategy, which will take us up to 2020, anticipates that visitor numbers will increase to 4.5 million. How will that bullish target be achieved?

The Minister of Enterprise, Trade and Investment: The bullish target, as the Member describes it, will be achieved by Tourism Ireland and the Northern Ireland Tourist Board working together in an effective way. I was pleased to

be at the recent launch of Tourism Ireland's Great Britain strategy, in which it identified Great Britain as a key market for us. As part of that, Tourism Ireland is using ten strategies to attract visitors from Great Britain to events in Northern Ireland. Tourism Ireland hopes to increase visitor numbers by 4%. That is a challenging target, but one that not only Tourism Ireland and the Tourist Board but the industry are up for meeting. That is the key, because the industry must be up for meeting that target. Members should be encouraged by the confidence that the industry has in Northern Ireland as a place to visit.

Mr McQuillan: I think the Minister for her answer. What effect will the cancellation of the Northern Ireland air show have on those figures? What can the Northern Ireland Tourist Board do to offset those effects?

The Minister of Enterprise, Trade and Investment: We were disappointed that one of the biggest tourism events on the north coast — the international air show, which, as the Member will know, is held annually in Portrush — has, this year, fallen victim to the economic downturn. I appreciate that officials in Coleraine Borough Council did not make the decision lightly. In fact, I am sure that the opposite applied. However, the decision was based on a decrease in other available sponsorship for the event. I hope that the council will be able to put on the show in 2011. In the meantime, I will be asking my colleagues in the Department of Culture, Arts and Leisure (DCAL), and any other Department and agency that can help, to consider what support and advice they can offer.

Mr Dallat: I thank the Minister for her continued interest in tourism. Like Adrian McQuillan, I have an interest in the north coast, where, as it has been said, a major event has been cancelled. Is the Minister satisfied that the strategies are sufficiently broad to encompass all aspects of tourism and that we will not be left to depend on a few events that may, from time to time, founder?

The Minister of Enterprise, Trade and Investment: It was unfortunate that the economic downturn meant that there was an inability to attract the sponsorship that would have made the air show possible. Last year, the international air show was awarded £18,000 from DCAL, not from the Northern Ireland Events Company. That is why I said that I will be asking other Departments whether there

is anything that we can do to help Coleraine Borough Council. The air show is an absolutely marvellous event and it is one of the key attractions on the north coast. Therefore, we are loath to see it not happen this year. However, as I said, we will do all that we can to assist its organisers.

Mr McKay: Go raibh maith agat, a LeasCheann Comhairle. Does the Minister agree that the north coast has a key part to play in the aim of attracting 2.5 million tourists? Does she also agree that NITB has not helped that process by recently leaving Moyle District Council off the north coast council invitation list for a key engagement with the chief executive of NITB? That move has not gone down well locally, to say the very least. Does the Minister agree that the NITB chief executive should hold a similar engagement exercise with Moyle District Council to help to compensate for that snub?

The Minister of Enterprise, Trade and Investment: I share the Member's disappointment that Moyle District Council was not invited to that event. I have spoken to the Tourist Board about that, and I think that it was the wrong thing to do. I was told that it was not meant in any way as a snub, but that the Tourist Board was dealing with a lot of industry people and felt that it had good representation from Moyle. That is not an excuse as far as I am concerned. As I said, I have spoken to the Tourist Board about that and I will certainly pass on the Member's comments about Moyle District Council having a meeting with the chief executive of the Northern Ireland Tourist Board.

Developing the north coast is a key part of what we are trying to do for Northern Ireland. It is one of our big signature projects. I know that Moyle District Council is very closely associated with the signature project on the Causeway Coast. Therefore, I find it difficult to understand why Moyle District Council was not invited on that occasion. However, the matter has been taken up and I assure the Member, and all Members who represent North Antrim, that it will not happen again.

Cultural Tourism

2. **Mr Leonard** asked the Minister of Enterprise, Trade and Investment what plans her Department has to increase cultural tourism given the benefits and attraction of the rich vein of Irish history, culture and tradition. (AQO 821/10)

The Minister of Enterprise, Trade and

Investment: The appeal of history, culture and tradition to our visitors is recognised by the Northern Ireland Tourist Board and is integrated, when relevant, into its product marketing and development plans. The Northern Ireland Tourist Board is working closely with the Arts Council to support the traditional arts, when appropriate, to benefit tourism. The ongoing development of genealogy and roots tourism and the promotion of indigenous craft and food will also highlight traditional activity and history in Northern Ireland. The Northern Ireland Tourist Board recently launched a 'Great Days Out for Groups' guide to over 400 local group travel organisers and coach operators at the Ulster Folk and Transport Museum, Cultra. Containing over 100 themed itineraries, the guide will assist the industry in the delivery of visitor experiences that are rich in all aspects of history, culture and tradition that are unique to Northern Ireland.

Mr Leonard: Go raibh maith agat. Does the Minister accept that many will be disappointed with that rather tick-box answer that referred to some events, in that there was no reference whatsoever to the value of music, story, dance, questions of historical interest pre-plantation, the European context of struggles, and the whole areas of the United Irishmen or the famine? There is massive potential out there that indigenous and international tourists want to avail themselves of, and they experience something completely different in the Twenty-six counties as opposed to the North.

Mr Deputy Speaker: The Member should come to a question.

Mr Leonard: Therefore, does the Minister accept that we may need to work with vigour on that issue, rather than with lethargy?

The Minister of Enterprise, Trade and

Investment: I assure the Member that I will be working with vigour. I have asked my Department to set up a group that looks at 2012 as a very significant year for Northern Ireland, particularly in relation to the Titanic signature project and the Giant's Causeway visitor centre, which will be built and open by then. That work will also look in particular at cultural tourism in respect of the Ulster Covenant, which was signed in 1912. That was a hugely significant event for Northern Ireland, and one that we believe should be celebrated. That will link us to many other cities on the mainland, such as Liverpool,

London, Manchester and Bristol, which are all areas that signed the Ulster Covenant. That will give us great linkages. I very much look forward to 2012 because it will be a key year for us, and I hope that everybody in the House will work to maximise that opportunity.

Mr McNarry: What additional plans does the Minister have for the Northern Ireland Tourist Board to embrace the Orange tradition as a spectacular tourism attraction throughout all parts of Northern Ireland, which celebrates the triumph of democracy in Europe? I am sure that the Member who asked the substantive question might be interested in that.

The Minister of Enterprise, Trade and

Investment: Recently, I had the opportunity to speak to members from the Whitehouse in Carrickfergus about the significance of the Whitehouse, the landing of King William at Carrickfergus and the Williamite trail, of which the Northern Ireland Tourism Board is aware. The Tourist Board has been working closely with the Orange Order to develop the Williamite trail and the tourism flagship concept where four or five parades are selected annually based on their tourism appeal. We will continue to do that.

The Member may be aware that two of the staff at Orange Order headquarters took part in the Welcome All training last year. I welcome that training, as it means that they are now in-house welcome host trainers and they can help to train up others in the Orange Institution with regard to the tourism potential of the parades and cultures. I hope that the Member will acknowledge that there is a lot going on with regard to Orange Order projects in the Tourist Board and in Tourism Ireland, and it is something that I will continue to encourage.

Mr T Clarke: I am pleased that the Minister referred to the centenary of the Ulster Covenant in 2012. I am sure that the Member opposite, who was once a member of the Orange Order, is equally pleased. Will the Minister expand on some of the projects that she has planned in relation to the signing of the Ulster Covenant?

The Minister of Enterprise, Trade and

Investment: I am setting up a group in the Department to make the most of 2012, not least because the Olympic Games will be happening in London and we want to make the most of the international visitors who will be coming to the United Kingdom at that time. We also need to make the most of 2013, which, as

the Member will be aware, is the four hundredth anniversary of the creation of the walls in the city of Londonderry. A great amount of history and tourism is coming together. It is an exciting time for tourism in Northern Ireland, and it should be celebrated throughout the community.

Dr Farry: I am not going to make a comment from any sectional point of view. Given the different histories and cultures — and, indeed, the shared history and cultures — of Northern Ireland and bearing in mind those strengths, will the Minister comment on where she sees tourism lying with regard to Northern Ireland's competitive advantage and the economy internationally? As well as looking at visitor numbers, does she see the profile of tourism in our gross value added (GVA) changing over the years?

The Minister of Enterprise, Trade and

Investment: I do, absolutely. I believe that tourism has the capacity to be one of the key economic drivers for Northern Ireland, and I have made that point often. Therefore, I believe that we can increase the amount of our GVA coming from tourism. I agree that it will give us a competitive edge. The Northern Ireland Tourist Board's spring campaign is all about exploring more and finding out the stories that people may not already know about in Northern Ireland, and looking at parts of our culture and heritage, our history, and our genealogy, which is also linked to the Ulster Covenant for those who may want to look back to see whether members of their families signed the Ulster Covenant. I plan to talk to the Minister of Culture, Arts and Leisure about the links with Canada. There is a huge amount that we can do to give us that competitive edge, which could then be linked to tourism and investment. If we can link some businessmen to their roots in Northern Ireland, the door will be open for us.

Tourism: Strangford

3. **Miss McIlveen** asked the Minister of Enterprise, Trade and Investment what action she is taking to develop the tourism product in the Strangford constituency. (AQO 822/10)

The Minister of Enterprise, Trade and

Investment: The Northern Ireland Tourist Board promotes key attractions and tourism services in the Strangford area through various marketing activities and media. The Northern Ireland Tourist Board provided a grant of over £200,000 for an observatory at the nineteenth century disused limekilns at Castle Espie. The St Patrick

trail runs alongside Strangford Lough, and the Northern Ireland Tourist Board is extending the Mourne coastal route along the outside of the peninsula. The Northern Ireland Tourist Board recently launched a Great Days Out for Groups initiative to over 400 local group travel organisers and coach operators at the Ulster Folk and Transport Museum. Of the 100 themed itineraries, seven are based in and around the Strangford constituency.

The tourism strategy for Northern Ireland identifies Strangford as one of nine key tourist destinations for development over the next 10 years.

Some Members: Hear, hear.

3.15 pm

The Minister of Enterprise, Trade and

Investment: It is good to see all the Members for Strangford in the House.

In addition, the Northern Ireland Tourist Board issued a letter of offer to Exploris, the Northern Ireland Aquarium, for £21,000 towards a feasibility study to investigate options for a major otter exhibit to complement the existing seal sanctuary, which is a year-round visitor attraction.

Finally, the Northern Ireland Tourist Board's chief executive met Ards Borough Council to discuss the development of tourism in Strangford.

Miss McIlveen: I thank the Minister for her answer. As Strangford Lough is a confirmed destination management area in the Northern Ireland Tourist Board's strategy, will she confirm that the Northern Ireland Tourist Board will commit to a resource plan that is supported by councils and private sector partners for what is, as the Minister has indicated, one of only a small number of tourism key growth areas over the next 10 years?

The Minister of Enterprise, Trade and

Investment: I say again to the Member that my Department really values the contribution that Strangford Lough makes to our tourism offering in Northern Ireland. Sometimes it is seen only as an environmental gift. However, it has a huge impact on tourism as well.

The Member will know that development work on the tourism strategy has been completed. The draft strategy and accompanying action plan were presented to the Committee for Enterprise, Trade and Investment on 4 February. The Committee raised no major issues, and it has

agreed to await the outcome of the consultation, after which it will look again at the strategy.

The tourism strategy will go out for consultation for a 12-week period, and, therefore, it would be premature of me to comment on the specific issues that the Member asked about. However, Strangford is very much on the agenda for the Northern Ireland Tourist Board and Tourism Ireland as we seek to promote Northern Ireland across the world.

Mr McCarthy: I thank the Minister for her positive responses so far. She has already acknowledged the excellent tourist facility at Portaferry, namely, Exploris, the Northern Ireland Aquarium. That premier facility has been managed by the premier Ards Borough Council —

Mr Deputy Speaker: The Member must ask a question.

Mr McCarthy: When will the Minister get behind the local council and contribute financially to the future and expansion of that wonderful facility in Portaferry?

The Minister of Enterprise, Trade and Investment: I am not sure whether the Member heard what I said about Exploris, but my Department is putting £21,000 towards a feasibility study to investigate options for a major otter exhibition. To my mind, although the Member may correct me, that is the first time that that has been done for Exploris. The Member has a keen interest in Exploris, as do I. It is a tremendous facility in Portaferry, and I am keen to see it expand, but that must be done in a sustainable manner, as I am sure the Member will recognise. That is why a feasibility study on the otter exhibit is being carried out.

Mr Beggs: The Northern Ireland Tourist Board works closely with local councils, assisting them to develop and to market plans to improve the tourism product. In light of the review of public administration (RPA), does the Northern Ireland Tourist Board plan to adapt its structure to mould it to the proposals that are coming forward, whether they apply to Strangford or to my constituency of East Antrim, which is the gateway to the Antrim coast and glens?

The Minister of Enterprise, Trade and Investment: I always enjoy the advertisements that emerge when we talk about the tourism product, and today is no different.

The Northern Ireland Tourist Board is a unitary body, and, therefore, it will continue to work with councils whether there are 26 or 11 of them. I am keen that we add more value to the tourism work of our councils, so that we can get the maximum out of our tourism offering at local level. However, there are areas, not least in the Member's constituency, where the tourism offering may not sit neatly within council boundaries, either at present or when the RPA takes place. It is important that councils continue to work not only with the Northern Ireland Tourist Board and Tourism Ireland but with each other to get the maximum out of some of the gems that we have throughout Northern Ireland. I am thinking of a number of areas, including the Sperrins, the Mourne and the Member's area, where cross-council working must continue when the number of councils reduces from 26 to 11.

Titanic Signature Project

4. **Mr Spratt** asked the Minister of Enterprise, Trade and Investment what action her Department is taking to ensure that local construction and engineering companies benefit from work generated as a result of the Titanic signature project. (AQO 823/10)

The Minister of Enterprise, Trade and Investment: The delivery of the Titanic signature building is the responsibility of the Titanic Foundation Ltd, which is an independent charitable company. It has contracted in accordance with public procurement rules with Harcourt Construction (Northern Ireland) Ltd for the design and build of the signature building. The award of subcontracts under the main contract, which sit outside the public procurement rules, is a matter for Harcourt Construction. However, it has given a commitment to Titanic Foundation Ltd and the Construction Employers Federation to advertise subcontract packages through various media to enable local firms to participate in the delivery of the Titanic signature building.

Mr Spratt: I thank the Minister for her answer. Does she agree with me that many Northern Ireland firms have been involved in major projects, including work that was carried out at St Pancras station in London, which EDM Spanwall was involved in? Will she try to ensure as much as possible that such Northern Ireland firms are included in any project within the Titanic Quarter given their expertise in the field?

The Minister of Enterprise, Trade and

Investment: As I indicated in my answer to the substantive question, Harcourt is not under any obligation to go through a public procurement exercise. However, reflecting the concerns of local representatives, and input from myself, it has agreed that it will continue to be as open and transparent as possible. I hope to visit EDM Spanwall at the invitation of the Member in the near future. I also understand that Harcourt has facilitated a meeting between EDM Spanwall and the successful bidder, obviously without any prejudice to the outcome of that meeting.

It is important that we are as open and transparent as we possibly can be on such matters. Given the large amount of public money that has been put into the Titanic Quarter, it is important that our firms not only can, but believe that they can, become part of what is going on there. I know that that is the subject of a debate at the moment, but it is important that small firms can access those big contracts so that they can be part of what is going on in the Titanic Quarter.

Mr A Maginness: I thank the Minister for her answer, which encourages me somewhat. However, I would be further encouraged if the design and specification of contracts was such that small and medium-sized enterprises could successfully compete for those subcontracts. The Minister will be aware of the recent closures in east Belfast, in particular, that of the Hughes Christensen factory.

Mr Deputy Speaker: The Member must ask a question.

Mr A Maginness: In conclusion, I ask the Minister to be sensitive to and cognisant of that workforce, which is out of work but has extraordinary engineering capacity.

The Minister of Enterprise, Trade and

Investment: I am fully aware of the engineering capacity of Hughes Christensen — or Baker Hughes — and its employees. That is something that I will continue to keep an eye on, because I believe that our firms here in Northern Ireland should have the opportunity to apply for big contracts wherever they may be, but, obviously, I have particular interest in the Titanic Quarter, given the amount of public money that has been made available. If people bring me evidence or ask me questions about the Titanic Quarter, I am more than happy to speak to Titanic Foundation Ltd and Harcourt directly to ensure

that local people have the opportunity not only to gain employment but to have access to the subcontract work.

Part of the memorandum of understanding that was drawn up, with which Belfast City Council was involved, because of the money that it put into the Titanic signature project, includes various clauses about social, economic and environmental issues. One of those is to encourage the economically inactive back into the workplace, and Harcourt has agreed to secure the creation of employment opportunities for one long-term unemployed person — defined as someone who has been unemployed for at least three months — either directly or through the supply chain for each £5 million of the project value.

Therefore, those social and economic clauses are included in the memorandum of understanding. It is important that those are complied with, and we must ensure that they are.

Ms J McCann: Go raibh maith agat, a LeasCheann Comhairle. I welcome the Minister's comments in her answers. Will she go further and ensure that any contracts, secured through public procurement tenders by companies involved in work such as the Titanic signature project and other public works through the Department, will be evaluated not only on value for money but on social and environmental outcomes, particularly in areas of disadvantage and need?

The Minister of Enterprise, Trade and

Investment: They are evaluated on that basis, and that is what today's debate on public procurement is about. I am not in charge of public procurement, which is a matter for the Minister of Finance and Personnel, but I have a particular issue with the contract for the Titanic signature project because of the public money that came out of DETI for it. I take the Member's points on board. That is why social and economic clauses are reflected in that memorandum of understanding. Harcourt won the public procurement competition, and, therefore, it has gone through the public procurement set of rules. It is important that subcontractors continue to have as open and transparent a process as possible so that they can help to build what will be, I hope, an iconic signature building.

Credit Unions

5. **Dr McDonnell** asked the Minister of Enterprise, Trade and Investment what extra support and guidance her Department can offer to credit unions. (AQO 824/10)

The Minister of Enterprise, Trade and Investment: In addition to the necessary legislative changes, the steering group, which comprises representation from DETI, Her Majesty's Treasury and the Financial Services Authority (FSA), will consider how best to take forward the non-legislative recommendations in the report by the Committee for Enterprise, Trade and Investment.

Those recommendations include the Financial Services Authority to consider a local Northern Ireland presence; DETI and the Financial Services Authority to work with the credit union movement to develop and implement training programmes; Her Majesty's Treasury to consider a package of financial support to assist credit unions in implementing changes; and the extension of schemes that operate in Great Britain, such the growth fund, to include Northern Ireland credit unions. The steering group will work closely with the Northern Ireland credit union movement during the transition period to ensure a smooth transfer of regulatory responsibility to the Financial Services Authority.

Dr McDonnell: I thank the Minister for her answer. Does she agree that the credit unions in Northern Ireland should be able to provide a much greater level of service to the public that is similar to that of their counterparts in Britain and the Republic of Ireland? Does she agree that the necessary legal and industrial framework should be put in place to enable that to happen? Will she indicate the steps that need to be taken to make that happen and the likely timescales for that? Credit unions here have done and continue to do a tremendous job, and we should not sit in this place and not empower them to do an even better job.

The Minister of Enterprise, Trade and Investment: I wholeheartedly agree with the Member. Last year, the Committee for Enterprise, Trade and Investment produced a useful piece of work as a result of its investigation into credit unions in Northern Ireland. I largely endorsed the Committee's report so that legislation could be introduced that would enable credit unions in Northern Ireland

to have the same amount of powers that they have in Great Britain and the Republic of Ireland.

I have had the opportunity to discuss with the Chairperson and the Deputy Chairperson of the Committee the fact that a number of pieces of legislation have to be enacted at Westminster and in the Assembly in addition to the administrative arrangements that require to be put in place before credit unions can come under the regulatory responsibility of the Financial Services Authority. The FSA has been asked to estimate how long that will take, and it has indicated that it will require up to 18 months following the laying of the initial legislation before it will be in a position to assume regulatory duties from DETI. Therefore, it is anticipated that it will be the latter part of 2011 before all the legislation has been put in place and all the work by the Financial Services Authority has been carried out.

I know that some Members will be hugely disappointed by that timescale, and I cannot say that I am terribly excited about it either. I have asked for a meeting with the Treasury on it, and I hope that that meeting will take place in the near future.

3.30 pm

Committee Business

Report on Inquiry into Public Procurement Policy and Practice in Northern Ireland

Debate resumed on motion:

That this Assembly approves the report of the Committee for Finance and Personnel on its inquiry into public procurement policy and practice in Northern Ireland; and calls on the Minister of Finance and Personnel, in conjunction with Executive colleagues, to implement the recommendations contained therein. — [The Chairperson of the Committee for Finance and Personnel (Ms J McCann).]

The Minister of Finance and Personnel (Mr S Wilson): I made it here just in time, although I am breathless. First, I wish to thank — *[Interruption.]*

No, I am not smoking. I will leave that to you.

I welcome the report that has been discussed here today, and I thank the Committee for the work that it has done. I have a copy of the report. I have read its recommendations and have received a briefing on them.

Like other Members, I wish to emphasise that we spend £2.4 billion on procurement. Two important points about public procurement must be remembered. First, we must get value for money. Secondly, we must comply with the regulations, because procurement is an area of government that is heavily regulated at EU level. That point is not in my departmental notes — it is my view. I do not share Mr Farry's view that we should not be concerned about those regulations. Unfortunately, the regulations are prescriptive and give rise to restrictions that many of us in the House would prefer did not exist, because we would like to give much more preference to local industry. Nevertheless, we must live with those restrictions as they are part of the internal market. The problem is that there is a large amount of case law, new directives are coming out all the time and the EU Commission is making decisions, and, in that situation, we must be careful that we comply.

Mr F McCann: I appreciate that we must abide by the rules and regulations, but we have heard

reports that other jurisdictions offer greater flexibility on certain types of public procurement than is offered here.

The Minister of Finance and Personnel: Where it is clear that flexibility has been experienced and is working in other jurisdictions, we should seek to learn from that, and all Ministers should be looking at that. I noticed that the report does not say a great deal about the ways in which such flexibility might be shown. However, if other parts of Europe can show a degree of flexibility, we should seek to do that, too. If the political will exists to do that, it would be an advantageous and worthwhile exercise.

A number of Members, including the Chairperson of the Committee and Mr McNarry and Mr O'Loan, asked about the implementation of the report. I wish to make three points about that. First, I am not passing the buck, but it is not solely my responsibility to implement the report. Those Members who have read the report will be aware that it impacts on other Departments. Secondly, regardless of whether I agree, we must have cognisance of the legal requirements that exist, and it may not be possible to implement some of the recommendations if doing so would run against those legal requirements. Thirdly, there will be some points on which there is a difference of emphasis or even a difference of view on the way forward. That may come through in my contribution. The least that I can do is to be honest about where those differences lie.

The report has a number of themes, most of which have come through in the debate, including the socio-economic objectives that we should be setting in procurement policy, the importance of small and medium-sized enterprises, and the social economy. I think that almost every Member who spoke during the debate asked what we can do for small and medium-sized enterprises to ensure that they get their fair share in the procurement process, whether that be in specific areas, such as Fermanagh and south Tyrone, or across the economy. Although we recognise the importance of small and medium-sized enterprises, I share Mr Farry's view that the procurement process should help to encourage small businesses to grow into larger businesses, so that they can become more competitive and look to wider markets.

The Chairperson of the Committee for Finance and Personnel: Will the Minister give way?

The Minister of Finance and Personnel: I would, but I am fairly pushed for time.

We need to take note of the reality, not the perception. The information that I have been given is that 78% of the contracts that CPD awarded between 2006 and 2009 went to small and medium-sized enterprises with local addresses, and in the construction industry that figure was 90%. Therefore, it is wrong to say that local businesses are not getting a fair share.

A number of Members asked what measures have been, or could be, taken to help small businesses. Some measures are already in place. For example, through the Construction Industry Forum for Northern Ireland (CIFNI), we have set up arrangements to help small and medium-sized enterprises in the construction industry. Through those arrangements, proportionate minimum standards for experience and financial standing are set for firms. We accommodate applications from consortia so that small firms can join together to gain the strength and width of experience that being involved in such bodies brings. The pre-qualification process has also been standardised and streamlined, but I will say more about that in a moment. We are examining how the assessment of contractors' health and safety competence can be evaluated more efficiently as part of the procurement process. Again, that is being done to help small businesses.

When it comes to services, we have looked at a number of key sector groups, including those that are involved in advertising and ICT, as well as consultancy groups and legal services. The object of those groups is to assist small firms to build capacity so that they can compete for future projects and applications. We have worked with Invest Northern Ireland to improve the way in which small businesses can build capacity.

E-sourcing has been important in getting firms on the register. There are 5,400 registered vendor/suppliers with local addresses on the portal, and, of those, 4,000 have classified themselves as small and medium-sized enterprises and 100 have classified themselves as social economy enterprises. Details of all businesses that are on the register are available for those seeking to supply contracts.

Mr McNarry and others asked whether procurement could be broken down into smaller contracts. Where possible, we have

already done that. For example, office cleaning contracts are fragmented into geographical areas to give firms a better chance to compete. Other Members asked whether contracts could be broken down into smaller lots. That happens with construction contracts. For example, there are measured-term contracts for minor civil engineering works. The Province has been split into six areas, and that enables SMEs to apply for one or more contracts.

Mr McCann raised the very important issue of information. A number of meetings have been held across the Province, and, as I look through the list, I see that Sinn Féin was responsible for organising a number of those. This is not something that I do very often, but I congratulate Sinn Féin for taking that initiative. Larne Borough Council and Larne Enterprise Development Company Ltd, which is in one of the business parks in the area, organised two meetings that were held in my area. Over 15,000 small firms have attended the meetings that have been held across the Province in the past two years. More meetings are being organised, and that is another way of helping small businesses. We have also sought to make the pre-qualification process less burdensome.

Frameworks have benefits in that they allow for speed and create economies of scale. I know that that is the case. For example, at the end of July, Whitehouse Primary School, which is in my constituency, burned down. The school reopened in the annex of another school's premises, with the requisite Portakabins, on 1 September 2009. I visited the school on the day of the fire, and I walked into the school on the first day of the following term. As a result of the framework arrangements, we were able to organise contractors very quickly. Therefore, there is a speed benefit to frameworks.

Another benefit is the reduction in tendering costs, because not every job has to be tendered for. I have gone round a lot of the firms. I went to a school that was being built in Banbridge, and I spoke to a representative of a firm involved who said that it had four contracts and, as a result, had been able to build up work with subcontractors for flooring, electrical work, equipment and everything else. That was only possible because the firm could offer continuity of work, which enabled it to invest and to make decisions about investment in capital and skills, etc. Therefore, there are benefits.

I recognise that there are times when frameworks may not be the best way forward, and CPD already considers alternative forms of contract in key areas where, after consultation with the relevant sectoral groups, we decide that frameworks are not the best way forward. I have already mentioned some of those areas. However, 60% of the successful supplier teams in framework agreements are SMEs, so the frameworks do not necessarily cut them out.

We are open to looking at how we can vary the frameworks arrangements, but we should not forget their value for money, their speed, their economies of scale and their benefit to firms, which are able to plan ahead once they are in the frameworks. However, where it is not appropriate, we will not go down the framework route.

The last point that Members raised was the social impact of procurement, which is very important. We have already sought to take cognisance of some of the points that have been made. If one looks at how we award construction contracts, part of the requirement is that there is a minimum of one apprentice employed for each £2 million of capital value in the contract and one long-term unemployed person for every £5 million. So, we already try to build in requirements. People may say that that is not enough and that there are other things that can be done, but I must emphasise that we try to recognise the value of the public money that goes into contracts. We ask what we can extract for the social good from the money that is spent.

The procurement board produced guidance in 2008 on equality and sustainability. We are assessing the effectiveness of that guidance, and we will continue to do so this year in light of the report. Sustainable procurement will form part of the revised COPE assessment model, which will be submitted to the procurement board for approval in due course. Therefore, there is ongoing work being done in that area.

Those are the general themes from the debate. I did not mention all the individual Members who raised those themes. We cannot be complacent about procurement. I thank the Committee for the report. Some Members mentioned the disquiet that exists and the legal challenges that have been mounted. One should be careful not to deviate from guidance, because some of the firms that tell me that they would like me to

be more flexible are the very firms that would have me in court if they did not get a particular contract.

The report is balanced and has not just been a bashing exercise, and I congratulate the Committee on that. There are lessons to be learned from the report. I cannot promise that every one of the recommendations will be adopted for the reasons that I gave earlier, but I will encourage Ministers to look at the relevance of the report to their Departments and to apply the lessons from it as best they can.

3.45 pm

The Deputy Chairperson of the Committee for Finance and Personnel (Mr Weir): Today's debate on the Committee's report on its inquiry into public procurement policy and practice in Northern Ireland has been useful. I thank the Minister and the many Members who spoke for their contributions.

I was slightly worried when I looked around the Chamber at the beginning of the debate. Although the Chairperson, some other Committee members and I were in our places, a number of the more prominent Members seemed to be missing. However, fortunately enough, just before they were due to speak, they trooped in one by one with plausible excuses for their absence. At one stage, we were hearing more apologies than at a Tiger Woods press conference. I will leave it to Members to decide whether those apologies carried the same level of sincerity. Nevertheless, the fact that various Members contributed from all quarters of the Chamber led to a useful debate.

As the Chairperson said at the outset, it is the Committee's intention that the report, which, as several Members said, is fairly lengthy and meaty, and the implementation of its recommendations will help to reduce barriers to access to public procurement opportunities for small and medium-sized enterprises and for social enterprises. That echoes the Executive's commitment to prioritise the growth of the private sector, including SMEs, and to develop the social economy. As the Chairperson and other Members said, the £3 billion that comes from central government and the other money from local government indicates the significance of public procurement and shows that it is a key factor in the economy.

Several Members developed the theme of the importance of procurement as a tool for economic growth. For instance, David McNarry described public procurement as a key building block in our economic recovery and highlighted the challenges that the construction industry has faced. Other Members took a similar view. Mitchel McLaughlin pointed to the need for continued cultural change on the part of government purchasers to ensure that the recommendations become a reality. Declan O'Loan touched on that theme and highlighted the opportunity to achieve better value for money and, at the same time, to realise the need for economic and social benefit. In many ways, that is the report's key message: substantial expenditure on public procurement must be used more strategically to enhance our long-term economic and social well-being.

Members focused on the removal of barriers of access to public procurement. The Minister touched on that and outlined some initiatives that have been taken. Simon Hamilton talked about the need to build capacity in purchasing organisations and to increase appreciation of the procurement system among tenderers. A number of Members mentioned the need for better information as a tool for access to public engagement, and Tommy Gallagher, for instance, referred to the use of a central website. Adrian McQuillan suggested that the report's recommendations could result in changes that would create a level playing field and allow small businesses to play a pivotal role in the local economy.

The removal of barriers to access will increase the number of SMEs and SEEs that are involved in the procurement process. That will eventually lead to more organisations and enterprises winning government contracts. More than one Member said that it is a win-win situation to create better value for money, better potential value for money, better levels of service and more innovative business solutions as well as helping to build the local economy.

One of the more controversial aspects is the issue of frameworks and the suggestion that large contracts should be broken down into smaller ones. The Minister touched on that point at the end of his contribution and gave positive examples of how the Department is considering the report and some of its recommendations to seek better ways to progress.

Simon Hamilton said that we should not throw the baby out with the bath water. He said that we should not throw out frameworks; instead, we should establish a robust evidence base on which to build.

David McNarry, Mitchel McLaughlin and Tommy Gallagher welcomed the recommendations to break large frameworks into smaller lots and noted that that is common practice in the European Union. Indeed, there was a call for us to learn from elsewhere. Declan O'Loan also said that frameworks needed adjusting.

Fra McCann echoed the call to break frameworks down into smaller contracts so that smaller firms could compete. He memorably rejected the notion that big is beautiful, which is to be welcomed, coming as it does from him. *[Laughter.]*

The Committee for Finance and Personnel recommended that frameworks should not be used in future unless the procurement board can first establish a robust evidence base for allowing such practice in a Northern Ireland context. There needs to be an examination of frameworks, and, where possible, they need to be broken down in any procurement tender.

Several Members mentioned the growing role of the social economy. Fra McCann cited the number of enterprises in his West Belfast constituency. Harnessing the potential of those enterprises would make a positive contribution to local areas and the wider economy alike. That was picked up by the Deputy Chairperson of the Committee for Enterprise, Trade and Investment, Paul Butler, who committed to encourage DETI to work with DFP to address the issue of social economy enterprises. The report recognises the role of the social economy sector and acknowledges that specific work is required to increase its capacity and to allow it to compete for government contracts.

I commend the Chairperson of the Committee for Finance and Personnel for the hard work that went into the report. The approach to the Committee's inquiry may or may not have been unique, but it was certainly unusual, and it paid dividends. The stakeholder conference brought together a wide range of representatives of small and medium-sized enterprises, the social economy, academics and other experts. I think that it was Fra McCann who said that we had been on a learning curve: we all found it a very useful learning curve, and the well-facilitated

stakeholder conference played a vital role in helping us to focus our minds on what needed to happen in procurement.

The Minister and several Members made the point that procurement is not just a matter for DFP; it is a cross-cutting issue because of the amount of money that is spent and the fact that all Departments are involved. The Chairperson of the Committee for Finance and Personnel referred to the sheer volume of work that is required. Consequently, the implementation of the report is not a matter for one Minister, but is the responsibility of the whole Executive.

On behalf of the Committee for Enterprise, Trade and Investment, Paul Butler recognised the need for DETI, CPD and DFP to work closely to take forward a range of recommendations, including the possibility of introducing a public procurement brokerage service to help social enterprises. Dolores Kelly, on behalf of the Committee for the Environment, pointed out the need for the application of good procurement practices across local as well as central government. The potential of a large local government procurement pool was raised several times during the Committee's deliberations. That requires us to tap into the expertise and co-ordination of central government.

The Committee was careful to recognise that there are individual departmental remits and that there is a degree of division of government responsibilities at local and central levels. In the report, however, the Committee sought to identify the full range of cross-cutting issues for implementation by the Executive, the procurement board, individual Departments and centres of procurement expertise as appropriate.

Stephen Farry and Simon Hamilton mentioned European opportunities and said that, in one sense, we should not be too narrow in our perspective. There is a concern that, for example, in the case of European, cross-border and international opportunities, there is almost a siege mentality that makes us worried about different firms coming from outside Northern Ireland and taking away local business. We need to recognise the opportunities that exist for competition in the single market and that local companies need to compete outside Northern Ireland. Increased competition also offers the advantage of achieving better value for money.

Stephen Farry mentioned the focus on small and medium-sized businesses. Thus, as in many of his contributions, he hit on points that other

Members tend to miss. On this occasion, I mean that as a compliment.

Dr Farry: Is that after yesterday's debate?

The Deputy Chairperson of the Committee for Finance and Personnel: Yes.

Stephen Farry emphasised that although smaller firms must be helped by the Assembly, they should not limit their ambition. He also said that if we want to compete on the international stage, we should encourage small firms to expand and to become more export focused. That is one way in which we can draw additional money into the economy.

The Committee's report highlights the potential of using local procurement contracts as a basis for expanding SMEs and supporting them as they try to compete in procurement markets elsewhere. That, in turn, would increase the productivity and GVA levels in Northern Ireland.

Simon Hamilton spoke about the need to take a sensible approach. He said that we must strike a balance to ensure that we maximise social benefit and achieve value for money. Similarly, Stephen Farry said that public spending must extend beyond simply purchasing goods and services. However, he added that a potential consequence of incorporating social clauses was an increase in the cost of procurement. He posed the question of whether social contracts or direct government investment was the best way forward, and that issue must be considered.

The Chairperson of the Committee for Finance and Personnel, when making remarks in a personal capacity, strongly indicated that social clauses should be included at the tendering stage, as that would be one way of building in a level of local responsibility. The report calls for greater clarity from the Executive on their policy intention in that area and for clarification on the measurement of social value. It is important that we all identify the need for increased social value, but we must know precisely what that means.

There are examples of the use of social clauses in government contracts. The procurement board's pilot projects on utilising the unemployed in public contracts received a positive evaluation, and the lessons learned from that should be implemented elsewhere. The Committee's recommended approach on

social clauses is one of targeted use in cases for which clear evidence exists of the cost benefit.

I do not want to reiterate what the Minister said, but I welcome the positive and thoughtful approach of the Department to the wide range of issues that must be tackled. Simon Hamilton mentioned the dangers of taking “a wee look” at an issue, only for that to result in a substantive report several months later. The Committee considers that the recommendations arising from the inquiry will help to achieve priorities within the Programme for Government and will benefit the public sector, business and the third sector respectively.

The Committee looks forward to receiving a formal response to the inquiry from the procurement board after it has had an opportunity to consider formally the recommendations therein. I commend the report to the House, and I ask the Assembly to support the Committee’s motion.

Question put and agreed to.

Resolved:

That this Assembly approves the report of the Committee for Finance and Personnel on its inquiry into public procurement policy and practice in Northern Ireland; and calls on the Minister of Finance and Personnel, in conjunction with Executive colleagues, to implement the recommendations contained therein.

Private Members’ Business

Dementia Research

Mr Deputy Speaker: The Business Committee has agreed to allow up to one hour and 30 minutes for the debate. The proposer of the motion will have 10 minutes in which to propose and 10 minutes in which to make a winding-up speech. All other Members who wish to speak will have five minutes.

Ms Lo: I beg to move

That this Assembly calls on the Minister of Health, Social Services and Public Safety and the Executive to commit to ensuring that funding for dementia research is increased to reflect the scale and seriousness of the condition and the impact it has on the thousands of people living with dementia, their families and carers.

In September 2007, the Assembly debated a Private Members’ motion on dementia to coincide with world Alzheimer’s day. All-party support was received for a motion that emphasised the importance of people with dementia and their carers receiving the best care available. Although today’s debate echoes the previous one, we want to focus on the urgent need for more research and development on the prevention, treatment and cure of this serious and complex disease, which has such a profound effect on the person with dementia and his or her family and carers.

4.00 pm

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

Dementia describes a group of symptoms associated with a progressive decline of brain functions caused by the gradual death of brain cells. Alzheimer’s disease is the most common form of dementia and results in symptoms such as the loss of memory, understanding, orientation, calculation, language and thinking. Dementia is not a normal part of ageing. People with dementia have an increased risk of physical health problems and are dependent on health and social care services, friends, family and other support networks.

Dementia is a terminal disease. People with dementia can live for as long as 15 or 20 years after the onset of the condition. The rate at which dementia progresses depends on the individual concerned. Each person is unique and will experience dementia in his or her own way.

Dementia largely affects people who are over 65 years of age, but 2% of sufferers are under 65 years of age.

Very few cases of dementia are diagnosed in the early stages. Many of the associated symptoms can be attributed to other conditions, which makes diagnosis particularly difficult. Early diagnosis is important, because it allows people with dementia and their carers to plan better for the future; to start treatment that may slow the symptoms of the disease; and to get the information and support that is needed for a full life. Many Members know someone, whether a family member, a friend or a constituent, who has dementia. No single cure has been identified for dementia.

It can be deeply distressing for a person in the early stages of dementia to come to terms with the impairment to his or her memory and communication skills. It is heartbreaking to watch dementia gradually taking hold of a loved one, and research shows that those who care for people with dementia experience a high degree of pressure, mental distress, depression and guilt. A 2007 report, 'Dementia UK', estimates that there are more than 16,000 people with dementia in Northern Ireland. Indeed, that is a conservative estimate as only one in three people with dementia receives a formal diagnosis.

The Centre for Ageing Research and Development in Ireland believes that there may be 8,000 more people living with dementia in Northern Ireland than official figures suggest. The 'Dementia UK' report predicts that, by 2017, there will be 20,500 people living with dementia in Northern Ireland, which will be a rise of 27% in 10 years. The report also predicts that, by 2051, there will be 47,000 people living with dementia in Northern Ireland. Two out of three of the 16,000 people living with dementia here are women.

One in five people who are over 80 years of age and one in 20 people who are over 65 years of age have a form of dementia. The proportion of people with dementia doubles for every five-year age group. One in three people who are over 65 years of age will die with dementia. Delaying the onset of dementia by five years would halve the number of deaths due to dementia in Northern Ireland. Some 1,400 deaths a year in Northern Ireland are attributable to dementia. Around two thirds of people with dementia live in the community, and the remaining one third lives in

residential care. Alongside Scotland, Northern Ireland has the highest proportion of people who are over 65 years of age who live in care homes.

The Alzheimer's Research Trust's report, 'Dementia 2010', which was published in February 2010, highlights the economic cost of dementia. It estimates that 820,000 people live with dementia across the UK, which is around the same number of people who have cancer. It reckons that every person in the UK living with dementia costs the economy more than £27,000 a year. That is higher than the UK's median salary, yet only 2% of the UK medical research budget is spent on dementia compared with the 33% that is spent on cancer. The Dementia 2010 report estimates that dementia costs the UK £23 billion a year. That is twice the amount that cancer costs, three times what heart disease costs and four times what strokes cost. Why, then, is the dementia research budget so desperately underfunded?

I call for a review of Northern Ireland medical research funding to assess current levels of dementia-focused research. As I said, dementia is not a normal part of ageing. It is caused by disease. Many factors, including age, genetic background, medical history and lifestyle combine to cause it. Better understanding of the causes of the disease can give an insight into ways in which dementia may be prevented.

The fact that dementia affects such a large proportion of the population demands that there be a significant increase in research funding for it. It does not make sense not to invest in looking for a cure when the human and economic impacts of dementia are so great. Dementia costs us more than heart disease and cancer combined. Investing money in research now could save billions from our health budget on medical and care bills later. It has the potential to alleviate considerable human suffering.

Research can help us to improve diagnosis, particularly at the earliest stages, when treatment is most likely to be effective. It will also inform us more accurately of the number of people who have the disease now and in future, and that will enable proper service planning. We all need to know more about the disease not only because of the economic costs but because of its social impact on people. More in-depth knowledge on the progressive nature of the disease could help people with

dementia and their carers to anticipate and plan for changes in their circumstances, thus giving people a better sense of control and less heartache.

Under way in our two universities are a small number of high-quality research projects which work in conjunction with our hospitals and memory clinics in the field of dementia. However, much more needs to be done. We have the skills, so we must now find the resources to make a real difference in confronting the illness. It is vital that we provide the funding to attract young, gifted research scientists to the field of dementia and that we support their sustained work in that field. The funding gap means that very few people can work in the field and achieve incremental advances in dementia research that are equivalent to those that are achieved in cancer research. We need a thriving dementia research community in Northern Ireland, across the UK and in Europe. I ask Members to support the motion.

Mr Easton: I support the motion, which raises questions about the inequality of funding between dementia and other serious illnesses. Dementia directly affects 820,000 people in the UK, but there are so many more people who are affected by that terrible illness about whom we do not know. The cost of treating someone with dementia is considerably more than that for somebody with cancer, somebody with heart disease or somebody who suffers a stroke. I am concerned that the costs will continue to rise, because more and more people are suffering from dementia, and that will, in turn, put further pressure on our Health Service.

Funding for research into dementia is considerably less than that for research into other illnesses. The imbalance needs to be addressed for the future of our Health Service. Why is that the case, given the fact that it costs considerably more to treat a patient with dementia? It has been found that dementia costs the UK economy £23 billion, most of which is made up of unpaid caring costs when care is provided by family or friends. Carers for those who suffer from dementia or any other illness must be praised for their dedication and commitment to and support for those who are less fortunate. They are the silent heroes in our society, helping people while exhibiting selflessness, diligence and care. We should be looking at ways of reducing that cost, and, by increasing research funding, we could look for

cheaper and better ways of treating those who suffer from dementia.

We must act now to facilitate the treatment and care of those who suffer from dementia, especially given that its prevalence is rising among younger people. According to the Alzheimer's Society, when people seek medical care they experience diagnosis and treatment problems, with few specialists being available to help sufferers. That is largely down to the small number of sufferers in their locality.

As a result of the greater emphasis on care in the community, the number of inpatient beds for people suffering from dementia or other neurological diseases has reduced. Consequently, patients who require inpatient care are placed in acute hospitals, where they contribute to what is known as bed-blocking, the effect of which is seen in hospitals up and down the country in the autumn and winter months. We must ensure that people who suffer from dementia receive a high standard of care and that their needs are met.

I commend the motion to the House, and I call on the Minister of Health, Social Services and Public Safety to ensure that dementia funding receives an equal and fair hearing because, although it is important to provide good services, we must act now to prevent spiralling costs.

Mrs O'Neill: Go raibh maith agat, a LeasCheann Comhairle. I am delighted to speak in favour of the motion. The statistics on dementia were highlighted by the proposer of the motion, so I do not intend to go over them again, except to reiterate that, given that only one in three people with dementia is formally diagnosed, the statistics that we have are based on conservative estimates.

The motion calls for increased research into the causes and effects of dementia. That is an important point, because without adequate research we cannot be informed about the way forward for treatment, interventions and support for those who live with dementia. Given that we have an ageing population and that we can expect a 27% rise in the number of dementia sufferers over the next 10 years, we need to move sooner rather than later.

The call for more research is echoed by numerous experts, and it was referred to in the Assembly Research and Library Service's

information pack. In a recent report, the Nuffield Council on Bioethics said that:

“the flaws in providing dementia care were similar to those in providing cancer care 20 years ago when the patient was seen simply as a disease to be treated. But since then cancer specialists had adopted a much more holistic approach, accepting that the patient’s emotional and spiritual needs were also important.”

We want a similar approach to tackling dementia to be adopted here.

A recent ‘Belfast Telegraph’ article quoted statistics such as:

“for every pound spent on dementia studies, £12 is spent on investigating cancer and £3 on heart disease.”

Although I do not want to take away from that much needed research and investment, we need more studies into dementia. Spending money now will produce savings in health and care bills down the line.

It is also important that we recognise the contribution that carers make to society. In often demanding situations, they do a fantastic job of looking after their loved ones and friends, often without much support. Some trusts offer care packages consisting of 15 minutes of care a day in the morning; that is insufficient. Recently, I dealt with the case of an 87-year-old woman with dementia whose care package was reduced to that 15 minutes of support in the morning for her family and herself. Surely that is not acceptable and must be looked into.

The Minister promised to publish a dementia strategy early this year. Given that we are about to enter the third month of the year, I hope that the Minister will tell Members more about the strategy and when he hopes to see it published for consultation. We may be pushing at an open door and that, as part of his proposed strategy, the Minister has plans to increase research into dementia. I look forward to hearing what the Minister has to say.

I urge Members to support this worthy motion.

4.15 pm

Mr McCallister: Like others in the House, the Minister is well aware of the devastating effects that Alzheimer’s disease and other forms of dementia have on sufferers, their families and carers. Dementia is a serious and

progressive condition that can cause memory and mood changes that sometimes make patients increasingly difficult to care for, as well as communication problems, which lead to frustration as patients experience decline in their ability to talk, read and write. Dementia can strip a person of the last remnants of independence and freedom. It can leave sufferers feeling vulnerable, frightened and confused.

As the illness progresses, most people become increasingly frail and begin to rely heavily on family and carers, which puts an enormous strain on them and the family unit. Like other Members who have spoken, I want to pay tribute to the work that many families do to look after a loved one. The caregiver or family member of a person who has Alzheimer’s faces many challenges, both in adjusting to new roles and in coping with profound changes in a loved one. It is estimated that family carers for people with dementia save the UK over £6 billion each year. That is a huge financial cost.

Around 16,000 people in Northern Ireland suffer from dementia. However, as other Members have said, that number may be well and truly underestimated. The Alzheimer’s Research Trust estimated the figure to be closer to 24,000. It is also estimated that there will be around 21,000 sufferers in Northern Ireland by 2017.

Under the current framework, the Department’s aim is to provide care for people in their home whenever possible. A range of community services are in place to support that aim. Each person who is diagnosed with dementia and requires care and support receives an individual multidisciplinary assessment of his or her needs — physical, psychological and social functioning — as well as his or her carer’s and relatives’ needs.

The financial cost of dementia to the UK is over £17 billion each year. With the population ageing, that cost will only increase in the future. That is recognised by the Minister, who also understands that caring for people with dementia is an issue for today, not tomorrow.

I am disappointed for two reasons that the motion has reached the Floor of the House. First, as the House is well aware, in 2009 the Health Minister stated that his Department was developing a Northern Ireland dementia strategy to emulate successful strategies in Scotland and Wales. The strategy should be available for consultation in early 2010. It will review

the current level of service provision for people with dementia and their carers. It will make recommendations that will aim to significantly improve the services and support arrangements that are currently available. Secondly, the Health Service is already stretched as it struggles to find £700 million of efficiency savings over the next three years. My party and the PUP voted to exempt the Health Department from efficiency savings in the current CSR period. However, the DUP, Sinn Féin and the Alliance Party shamefully insisted on them. Across all specialties in the Health Service, demand has risen by over 9%, yet funding has increased by less than half a per cent. The simple truth is that health and social care need significantly increased resources each year to meet demand and to improve quality.

Investment is also needed to bring Northern Ireland into line with the rest of the UK. Compared with England, Northern Ireland faces a funding gap that will widen to some £600 million by 2011. The Health Department's funding in the next CSR period remains extremely clouded. With the current financial situation in the UK, the funding gap in Northern Ireland is set only to widen.

In the review of 2010-11 spending plans for Northern Ireland Departments, the Minister of Finance proposes that the Department of Health make savings of around £113 million.

Mr Deputy Speaker: Bring your remarks to a close, please. Your time is up.

Mr McCallister: The health budget is under enormous strain. That must also be taken into account in this debate.

Mr McDevitt: When writing about his late wife, Iris Murdoch — a Dubliner by birth and the daughter of a County Down clergyman and, unfortunately, someone who was lost to this world through dementia — the author John Bayley said:

"Alzheimer's is, in fact, like an insidious fog, barely noticeable until everything around has disappeared. After that, it is no longer possible to believe that a world outside fog exists."

It is such a disease. It takes its sufferers by surprise and entraps them in their own mind. It leaves them feeling vulnerable, anxious and angry, and, more often than not, it leaves their family lost. They feel lost because of their inability to understand what is happening to the

person they love and their inability to know what to do to care for the person they love.

Formal diagnosis of dementia is critical. As we know, that is the gateway to unlocking the support structures that allow the state to intervene and support the victim of the disease and the family around them. Policymakers need to prepare for the increase in the number of dementia sufferers that will occur regionally, across this island, across these islands and globally. It will require long-term planning, but it cannot be ignored. It is like global warming: if we ignore it today, we will pay the price for having done so for generations to come. That is why today's debate is so important, despite the imminence of the strategy which we await from the Minister.

We know that there have been breakthroughs in diagnosis and that those breakthroughs have come about because of research. Rebecca Wood from the Alzheimer's Research Trust recently pointed out the potential value of research in an illustrative and graphic way. She said:

"If research leads to a cure for Alzheimer's and other dementias, annual saving to the UK economy would be equivalent to hosting the London Olympics twice, or funding every British university for three years."

That is the opportunity of investment in research, and it is available not only to our region but across the island.

I am sure that, when we see the dementia strategy, all of us will want to see a strong, deep and real North/South dimension to it, because we know the research community on this island is going from strength to strength. That is not a political statement; it is a statement of fact. There is an opportunity for us here, where we have a world-class research community, to become part of a broader research community on the island and, subsequently, to be part of a research community on these islands that will bring about the opportunity that Ms Wood identifies.

The Alzheimer's Society's report, 'Listening Well', made important points about the cost and impact of dementia on families. I will not repeat them, because Ms Lo, Mrs O'Neill and other Members have referred to them. However, they point out that the biggest slice of funding is taken up by late-onset treatment, rather than by early intervention methods. This is symptomatic

and indicative of the culture that is pervasive in our Health Service, which is to treat symptoms rather than make attempts to find underlying causes and take preventative measures. Taking the latter approach would save the state money and give the sufferer the opportunity for a greater quality of life.

I know that there is no cure for dementia and that the causes are not entirely clear, but there must be an increase in funding, particularly for early-stage research and early-stage treatment. We must also ensure that health professionals are trained and properly equipped to support families. The SDLP advocates the assignment of key workers to people who have been diagnosed with the condition, to assist in the early days of the aftermath of diagnosis. Those workers would put the sufferer and the family at the heart of what they do.

My allocated time for speaking is almost up, but I will finish with another quotation. This quotation is not from an eminent author but from a sufferer who was quoted in the Alzheimer's Society report, 'Listening Well'. When asked about planning for the future, the individual said:

"You've got five to ten years, 15 years of your life so you had to plan, what's my family going to do ... you have to think of it, you don't want to be a hinder (sic) to your family ... But then you get on with life and then you say right that's ok because they could have told you, 'Six weeks to live you have cancer'".

Mr Buchanan: I congratulate the Members who secured the debate on this important matter, and I am pleased to speak in support of the motion. Recently, I spoke in a debate about the devastating impact of cancer on the lives of sufferers and their carers. A similar dark cloud can descend when a person is diagnosed with dementia. In some ways, it is an even darker cloud, because the deteriorating nature of the sufferer's mental condition is such that it places an almost unbearable strain on loved ones and carers, and it leaves them having to take some very hard decisions.

I am sure that most Members will be aware and perhaps have personal knowledge of the devastating impact that dementia, in all its forms, can have on the lives of victims and their loved ones. Coping with dementia is a harrowing experience. In many ways, it is like a death sentence. Indeed, it was well described

in yesterday's 'News Letter' as "a living death". I have heard people speak of how the person they knew had, in reality, been taken from them before they had actually died. Therefore, in a sense, bereavement is experienced well in advance of death. That terrible burden cannot be fully understood until it is experienced. I watched my father-in-law in 2006 being nursed through dementia before his death, and I saw the anguish and pain that it can cause to a family. Therefore, I know something about it. I commend the carers for the tremendous work that they do in looking after people who have dementia.

The Bamford Review of Mental Health and Learning Disability in Northern Ireland reported in June 2007 that an estimated 16,000 people over 75 years of age had dementia, but already those figures have been shown to be over-optimistic. Figures in the UK-wide report published by the Alzheimer's Research Trust just a few weeks ago indicate that the figure for Northern Ireland is nearer to 24,000, which is 6,000 higher than the figure stated in the Bamford report. As medical knowledge grows, so does the accuracy of diagnosis, and it is estimated that the number of cases could rise dramatically over the next few years. It is also important to recognise that, although dementia affects mainly older people, it can also strike younger people.

I recognise the ongoing work that is being done by the Health Minister to improve the quality of life of dementia sufferers through, for example, the new dementia service development centre in Belfast and a dementia strategy, which I hope Members will soon have sight of. Although those measures are welcome, we must go one step further. We need to address the complex root causes of the disease. Research is vital, because it holds the key to our ability to control and minimise the impact of dementia.

I have no doubt that any disease of the brain presents the medical world with a major challenge, because even the most advanced computer is nowhere near as complex as the human brain. Indeed, even in the twenty-first century, some aspects of the brain have yet to be discovered and explored.

The recent important and detailed report by the Alzheimer's Research Trust, to which I referred earlier, tells us much about the impact of dementia on society, and it highlights the urgent

need for increased resources for research. Referring to the report, Rebecca Wood, chief executive of the trust, said:

"The UK's dementia crisis is worse than we feared. This report shows that dementia is the greatest medical challenge of the 21st century."

The report reveals that dementia places significant pressure — £23 billion a year — on the British economy, which is more than cancer and heart disease combined. However, it also reveals that research into dementia is massively underfunded compared with research into other major health concerns, such as cancer and heart disease.

It is vital that we face up to the reality that dementia is an increasing challenge. In order to tackle it properly, the finances and human resources need to be put in place to facilitate cutting-edge research. I support the motion.

4.30 pm

Mr Brady: Go raibh maith agat, a LeasCheann Comhairle. I welcome and support the motion.

Dementia very much needs to be made a health and social care priority. There is a need for dementia research funding that will deliver improved treatment and care for those with the condition, now and in the future. Dementia research must receive the same investment as diseases such as cancer and heart disease. The most common form of dementia is Alzheimer's disease, which accounts for 62% of all dementia sufferers. There are approximately 16,000 people with dementia in the North. Mr Buchanan alluded to that being an over-optimistic assessment. Statistically, by 2051, that number will have increased to about 47,000.

Urgent research is needed into early diagnosis, as only 40% of those with early-stage Alzheimer's disease are diagnosed, and, therefore, prescribed drug treatments. I met a musician friend on Sunday night with whom I had not spoken for quite a while. He told me that he was diagnosed with Alzheimer's disease two years ago, and that he is doing very well because he was diagnosed early and is getting beneficial drugs. In contrast, a very good friend of mine died 11 years ago from Alzheimer's disease. It took two and a half years to diagnose him. He died, tragically, at the age of 48. Early diagnosis is, therefore, extremely important, and I cannot overemphasise that.

Alzheimer's disease and other forms of dementia are among the world's most significant health and social care challenges. That highlights the need for more effective research to deal with the problem, because, unfortunately, there is a lack of awareness among policymakers, clinicians and the public.

In many cases, people with dementia do not seek health services. Too often, dementia is regarded as a stigma, and those with the condition can be excluded from even residential care. Primary health care services play an essential role in detecting, managing and preventing dementia. The Bamford review highlights a range of important issues that need to be addressed urgently. Those should include access to independent information and advocacy services for people with dementia and their carers.

There has to be a major focus on early diagnosis, intervention and treatment, as well as on improved access to general health and social care intervention for people with dementia. However, community care services are available only to those with complex needs and in situations in which carers are under so much stress that they are unable to cope. It is essential that effective drug treatments for dementia are made widely available and are not withdrawn on grounds of cost, as has happened in the past.

The Bamford review also highlighted significant issues about the rights of older people with mental health issues. There needs to be mental health law reform and proposals to implement capacity legislation. Mental capacity legislation would afford older people more protection. The assessment of an individual's capacity, and, when necessary, the use of independent advocates would respect older people's right to make their own decisions, which would be made in their best interest. Mental capacity legislation would be greatly welcomed and would fill the legislative gap here.

The Minister's decision to encompass mental health and mental capacity legislation in a single piece of legislation is welcome. Also welcome is the announcement of a dementia strategy for the North. Government here must ensure that we are well equipped to meet the needs of those individuals for support, service provision and treatment. The strategy must address the issues highlighted in the Bamford

review and should contain measures such as the development of memory clinics. Those measures should be implemented as a matter of priority.

So far, our strategy on ageing has fallen short in its promises for the older generation. The strategy's focus is fundamentally flawed. It lacks detail, innovation and focus, reflected by a lack of commitment to improve the lives of older people. Ageing will continue to be a negative experience for many older people until those issues are addressed effectively.

With an ageing population, it is time for us to take the ageing agenda seriously. If proper and adequate funding for dementia is not made available, we will continue to fail older people and to alienate them more and more. We do not have a choice; we need to act now.

In conclusion, I pay tribute to all those carers out there and organisations such as the Alzheimer's groups regionally and locally that do so much important and worthwhile work to highlight all the issues already mentioned.

Mr Deputy Speaker: I call Mr Jim Wells. Jim, you are welcome to remain seated if you so wish.

Mr Wells: Many would regard the Health Department in Northern Ireland as facing many great difficulties, and a series of conditions have been identified almost as time bombs that, if we are not able to deal with them, could lead to huge pressures on the health budget in the future. Such conditions include obesity and diabetes. The statistics for dementia are also extremely worrying.

Not only is dementia a condition that we know will increase dramatically as our population ages, its burden on the Health Service budget could become quite difficult to meet. It is an extremely distressing condition, not only for sufferers but for carers. I am very aware of the fact that for many carers, it is a living nightmare to watch a loved one going rapidly downhill, losing their sense of identity, their memory and all the things that are important to families. It is incredibly distressing.

I welcome the fact that the Minister has announced that there will be a strategy for dementia for Northern Ireland. Although I am speaking as a private individual, in my capacity as Chairman of the Health Committee, I have read several of these strategy documents and

found them extremely useful and helpful. Only half an hour ago, I was looking at some of the comments on the strategy for cancer. The general view is that such documents are a very positive step forward in dealing with long-term health conditions. Therefore, I welcome the fact that that publication is imminent, and the Committee looks forward to examining it and to doing what we can to encourage the Department to advance the cause of sufferers.

For reasons that many Members will know, I might be quite brief in my remarks today. As you can see, I am not my usual self. However, I have direct experience of the closure of Grove House, a residential home in Ballynahinch. There was quite an outcry about that because it catered for those with various stages of dementia.

As part of the group that was campaigning for Grove House, I visited St Paul's Court in Lisburn, where we saw a very modern and innovative way of caring for people with mental health difficulties. We were so impressed with that that I urge the Minister to consider, with his colleagues in the Department for Social Development, ensuring that that model is rolled out throughout Northern Ireland. That model offers hope for dealing with people with dementia with a real sense of dignity. It also offers independence, so that in a husband and wife situation, for instance, if the wife has dementia, her husband can still live with some degree of independence. He can care for his loved one but also get out and about. I welcome that.

I understand that that facility is run by Praxis Care, and I was told by Praxis Care that it believes that it can run similar facilities in Northern Ireland at a cost to the state that is one third less than if such facilities are run by the trusts. I urge the Minister to look at the option of increasing the provision for dementia sufferers by rolling out further models such as St Paul's Court, but using the voluntary sector as the delivery mechanism.

Finally, let us not get too despondent. We were all extraordinarily impressed with the testimony of Bishop Hannon, who was diagnosed with Alzheimer's and who, as Mr Brady said, got early diagnosis and has been able to live a very fulfilled and active life. That shows the importance of early intervention. Also, I am old enough to remember that 30 years ago, a diagnosis of leukaemia was a death sentence; the survival rates after five years with leukaemia

were extremely low. Now, 81% of those who suffer from leukaemia are alive five years later. Modern science is moving on rapidly, and I think that the Department and we as an Assembly need to give that research every encouragement.

If we can crack the terrible conditions of dementia, the saving to the Budget would be so enormous that every penny spent would be money well invested. However, we cannot blame the fact that a huge amount of money is going into cancer research but not into dementia research. That, unfortunately, indicates the opinion of many people, in that they do not perceive it to be the serious condition that it is.

Mr Gardiner: On 23 September 2009, the Minister of Health, Social Services and Public Safety opened the new dementia services development centre at the innovation centre at Queen's Island in Belfast, which is aimed at improving the lives of people with dementia, their carers and their families. The Department of Health, Social Services and Public Safety is co-funding that dementia centre for a further three years, following a successful pilot programme. The grant of £1.2 million will allow the centre to provide a range of resources, including education and training, consultancy, a library and information and research services. The centre writes and publishes practical guides and training packages, in addition to offering consultancy and information services about the latest thinking on dementia care. It also undertakes research into ways of improving the quality of life for those with dementia and their carers, and it will undertake research that is specific to Northern Ireland as part of the extension of the pilot programme.

As recently as 12 February 2010, the Minister for Social Development launched the Trinity Housing Association scheme in Downpatrick for 12 one- and two-bedroom apartments for people with dementia. The apartments for dementia sufferers will be arranged around secure courtyard gardens and will have internal communal spaces to cater for organised leisure and recreational activities. The purpose-built apartment complex was designed with wide corridors and low-level glazing to give the maximum amount of sky visibility and daylight. Subtle signage and technology to monitor residents' activity will also be provided.

I use those examples to illustrate that a great deal of good work is going on to help dementia sufferers, their carers and families. It is important that we, as an Assembly, recognise the work of those people who give so much of their time to their loved ones.

Dementia is a major problem for the Health Service. The Bamford review of 2007 estimated that in Northern Ireland, there were more than 16,000 people over the age of 65 with dementia, and around 10,000 of them have also been diagnosed as having Alzheimer's. It is estimated that the number of diagnosed cases is likely to rise to more than 20,000 by 2017 and to more than 47,000 by 2051.

Research that was commissioned by the Alzheimer's Society in 2007 suggested that more than 20,500 people in Northern Ireland would be living with dementia by 2017, which represents a 25% increase over the 10-year period.

Along with Scotland, Northern Ireland has the highest proportion of people over 65 years of age living in care homes in the United Kingdom, with fewer people receiving day care or domiciliary services. Research also suggests that fewer people in Northern Ireland with the condition receive care at home, compared with most other parts of the United Kingdom. Therefore, there is an issue to address.

Nationally, dementia costs more than cancer and heart disease combined, but it receives only a fraction of the research funding that is available for those two diseases. The Alzheimer's Research Trust has shown that for every £1 that is spent on dementia research, 12 times that amount goes on investigating cancer. With almost £600 million a year, cancer research funding is 12 times that of the £50 million that is devoted to dementia, while research into heart disease received three times as much. Only stroke research receives less funding. For every person with cancer, £295 is spent on research, compared with only £61 for each person with dementia. With 821,884 sufferers, dementia costs the UK £23 billion annually.

4.45 pm

Mr Deputy Speaker: The Member's time is up.

Mrs D Kelly: I welcome the Minister's presence in the Chamber this afternoon.

Like many Members, I can tell a personal story of caring for someone with dementia. Indeed, I have 22 years' experience of working in health and social services caring for people with dementia. Many Members spoke about the need for good education and training for both formal and informal carers. That is essential. Thankfully, the days are long past when people noted, belligerently, that an elderly parent or grandparent was "just doting". At least, we now know that their behaviour has a cause, and, indeed, that new treatments can provide some hope.

The motion deals primarily with the need to invest in research. Many Members have complimented the Minister and his Department for providing additional resources for dementia care and for making advances in that area. However, there is a need to look right across the spectrum of dementia types at the cause of dementia, its treatment and, hopefully, one day, its cure. We are really talking about investing in those three areas.

Mr McCallister was quick to point out — rightly, if I may say — that there are increasing expectations on health and social care services and that care for the well-being of all our citizens makes huge demands on the public purse. Nonetheless, money that is invested in research should ensure a better quality of service, and it may identify opportunities to prevent dementia in the first place. In a debate in the House on 24 September 2007, the Health Minister said:

"Researchers believe that for the majority of sufferers, Alzheimer's disease is due to a combination of different risk factors rather than a single cause. Such factors, which vary from person to person, may include age, genetic predisposition and other diseases or environmental agents. Alcohol can contribute to the onset of dementia, and smoking is now recognised as a possible contributory factor of the disease. It is not unreasonable to suggest that modern lifestyle may be having an impact on the growth of dementia." — [Official Report, Bound Volume 24, p50, col 2].

Mr McCallister: The Minister established the Public Health Agency to address the changes in diet and lifestyle that we all want to see and to address the health inequalities and the other factors that the Member mentioned. Does the Member agree that the Minister has implemented that key policy by establishing the agency?

Mrs D Kelly: I thank the Member for his intervention. That was the point that I was

going to make. The Minister has sought to communicate that message more fully and to make it a public health priority. We want to see more of that. We need to get the message out, particularly to our young people. There is evidence to suggest that young women in particular are making bad lifestyle choices about alcohol and tobacco. Dementia is not an outcome that often enters the minds of young people as being a possible result of their indulgence in those two habits. That shows the need for good research into ways to prevent dementia in the first place.

The Minister said that although the types of drugs that are available on the market today for early-onset dementia may be recommended under the NICE guidelines, he will still make the decision on whether they are the most cost-effective way in which to treat dementia. I wish to hear the Minister's thoughts on that a bit more.

My colleague Mr McDevitt commented on the North/South Ministerial Council's ability to invest on an all-island basis. Mr Gardiner mentioned the fact that Scotland also has a high number of people in care homes, so the British-Irish Council's ability to invest on an east-west basis should also be considered. Our citizens have legitimate, realistic expectations that we put dementia on those two bodies' agendas so that, where possible, we can avail ourselves of European funding opportunities that may present themselves. We could then put money into research on dementia because, right across western Europe, demographic changes are occurring. In moving the motion, Ms Anna Lo said that because increased life expectancy means that there are now more older people in our society, we will only ever see an increase in cases of dementia. Therefore, we should use all resources at our disposal to ensure that money is put in at the sharp end to fund research to tackle the disease much better.

Mr Shannon: I support the motion. Figures are very important, because sometimes they tell the story. When we read that some 820,000 people in the United Kingdom have been diagnosed with severe cognitive decline, and that that figure is projected to double in the next 20 years, amounting to 1.6 million, that reveals some of the issues. Such age-related decline in mental functions may include some aspects of memory — we all probably know people who have been affected — processing speed and reasoning. All those mental functions are

important for carrying on everyday activities, because for many people it is just about living. That is the issue.

Thair loass can gyely vex aulder fowk, thair femmelies an' thaim at leuk efter thaim. Ap tae noo, scientists dinnae hae a fu' unnerstannin o' the caases o' mental deterioration an the stairt o' dementia. Hit bes a disorder at gets wor' es time gaes by an' hit effects hoo the brain waarks. Hit bes gye raire i thaim unner 60 an' moistly effects fowk aiged mair nor 75. Hit isnae a normal pairt o' agein'.

The loss of those mental functions can cause terrible distress to older people, their families and their carers. As yet, scientists do not fully understand what causes mental deterioration and the onset of dementia. It is a progressive disorder that affects how the brain works and is rare in those under 60 years of age, mainly affecting those over 75 years of age. It is not a normal part of ageing. Alzheimer's disease is the most common type of dementia. Another is vascular dementia, which can start after a stroke or even a series of mini-strokes.

I am not one for rhyming off statistics, but if one wants to tell a story about dementia and Alzheimer's disease, the statistics tell that story. Some 820,000 people in the UK live with dementia. Estimates from last year put that figure at 700,000. Dementia costs the UK economy £23 billion a year; it used to cost £17 billion. That is almost twice the cost of cancer, which costs £12 billion; almost three times the cost of heart disease, which costs £8 billion; and more than four times the cost of stroke, which costs £5 billion. Combined government and charitable investment in dementia research is 12 times lower than spending on cancer research. Some £590 million is spent on cancer research each year. I am not saying that that money should not be spent. I am sure that most of us in the Chamber give to charities, and I regularly give to cancer charities, because the disease has affected my family. Research into heart disease receives £169 million a year, while stroke research receives £23 million a year. All those figures tell the story of dementia and Alzheimer's disease.

Every dementia patient costs the economy £27,647 a year, against an average UK salary of £24,700. That figure can be compared with cancer patients, who cost the economy just under £6,000; stroke patients, who cost just

under £5,000; and heart disease patients, who cost around £3,500. The fact that dementia research remains so disproportionately underfunded is of great concern to a great many people whom the disease affects. It is estimated that some 25 million people — 42% of the UK population — are affected by dementia through their family and close friends. The concern of families affected in the Province is what led to this motion's being tabled.

Every one of us knows people who are in that category, and we understand the condition. The financial burden of the disease is already high and will increase as the population ages. Unless a cure, or a way of preventing dementia, can be found, it will not go away. Therefore, it is of paramount importance to sufferers and to society as a whole that investment be made into research, which is, perhaps, the aim of the motion.

According to 'Dementia UK', a report that was produced by King's College London, dementia costs the UK over £17 billion a year. That was the cost at the time of the report; it may be much higher now. We wish to see what can be done to change that. Potentially, the number of people with dementia will rise by 63% from 224,098 to 365,231, which puts the issue into perspective. The issue for me and many other Members is clear: carry out research, find a solution and find out what helps to slow the rate of decline. On a recent TV programme, it was stated that singing clubs can benefit people with dementia. If that is true, and it was stated as fact, all options must be considered to determine whether they can help with research.

I stand with all sides of the Chamber in support of the motion. It is feared that dementia may become a pandemic. I ask the Minister to ensure that that does not happen.

Mr G Robison: The debate addresses an area of ill health that, worryingly, is on the increase. A few years ago, people were silent on the subject of cancer or talked quietly about it, and dementia is similarly treated now. That must change, and the debate can help to raise awareness of dementia.

In many ways, dementia is one of the worst kinds of illnesses with which families must cope. Their loved ones are slowly taken away from them while still physically healthy. Many families care for loved ones at their own expense — not that of the taxpayer — which

can lead to social exclusion and economic inactivity. The families and carers of people with dementia do the most amazing and dedicated job for their loved ones, and I pay a sincere and overdue tribute to them.

The Alzheimer's Research Trust document, 'Dementia 2010' states that it costs almost £28,000 a year to care for a patient with dementia. That shows how essential the care and monitoring of dementia patients is and how many staff are required to care for the patient. As a result of the funding of research and treatment, many people who suffer from other serious medical conditions can expect to have a good quality of life after receiving treatment.

Figures in the same report show that, for every £1 million that is spent on health-related research, almost £130,000 is, justifiably, spent on necessary cancer research, but only £5,000 is spent on research into dementia. That amounts to just £61 per person. The money for medical research is welcome and essential. However, it is also proven that research into any health condition ultimately cuts the cost of care to the public purse. Therefore, it is essential that more funding be directed towards dementia research so that, in the future, essential treatments and lower personal care costs can be developed.

The Minister of Health, Social Services and Public Safety will say that his budget is tight, and I agree with him, but so is that of every other Minister. Unless a focused research programme into dementia is started, the budget for personal care will continue to be stretched for many years to come. I hope that the Minister and all Members will see fit to support this worthy motion.

Mrs M Bradley: It seems no time since dementia was last debated in the Chamber, but it was more than two years ago. Much has changed since then, and the figures now are even more frightening. The Alzheimer's Research Trust reckons that 24,000 people here suffer from dementia, and that does not include the people who have not been diagnosed. That is worrying. It shows that there is a clear need for significant investment in research into the causes, prevention and diagnosis of dementia to ensure that sufferers are diagnosed early and are given access to the treatments, care and support that they need.

5.00 pm

It is incumbent on each of us to understand fully just how devastating a diagnosis of Alzheimer's disease can be, for the family in particular, because the sufferer is often unaware of the symptoms. Regrettably, I can speak from experience on the issue. I was fortunate in that I was able to care for my father at home, because I had good family support from my husband, daughter and relatives. I never regretted it, even for one minute. I truly appreciated being able to look after my father. I said that if my father was not able to care for himself, I would do it, because no one knew how to care for him better than me. As I say, I was fortunate to be able to keep him at home. I did it with pride and with respect for my father.

It is imperative that the voices of dementia sufferers and their carers are heard. What is frightening about the forecasted figures for the number of people who will develop Alzheimer's in the future, particularly in Northern Ireland, is that the onset is occurring at younger ages every year. Paul Priddy from Northampton was diagnosed with the disease at 36. Although such cases are rare, they do happen. In my constituency, a young mother, who is trying to raise a young family, was diagnosed with Alzheimer's before she turned 40. That is devastating news for any family. It shows that there is real need for increased funding to help to develop new treatments and find a cure. Our constituents are living longer, which is placing even greater demands on the medical and caring professions, neither of which are receiving appropriate budgetary allocations to cope with the existing demands, never mind future demands. It is of the utmost importance that research and funding be increased so that new therapies and new ways to prevent the disease can be developed.

I welcome the Minister's new strategy. However, there needs to be investment in the Health Service to enable it to deal with what will be the biggest challenge that it and society, as a whole, will face in the coming years. The people who are suffering most from the cuts to front line services are older people, because they are the ones most affected by dementia. Some of them are not even getting the services that they need. Instead, they are being put on waiting lists to receive the services that they require now. That is not acceptable. I ask the Minister of Health, Social Services and Public Safety to implement

the Northern Ireland dementia strategy at the earliest opportunity. I fully support the motion. I call on the Minister of Finance and Personnel to look at the health budget. A few weeks ago, I asked him to increase it with respect to older people. He asked me where I was going to find the money to do so, but it is the Minister of Finance and Personnel who must find that money.

The Minister of Health, Social Service and Public Safety (Mr McGimpsey): I thank the Members who proposed the motion for raising this important issue. As we know, dementia is a term associated with memory loss that is not a normal part of the ageing process. Although the chances of a person's developing dementia will increase with age, not everyone will develop the disease in old age. There are many different types of dementia, the most common being Alzheimer's, but they are diseases that can increasingly be treated and managed by the health and social care services.

On the basis of figures in a recent report commissioned by the Alzheimer's Research Trust, we estimate that around 18,000 to 19,000 people in Northern Ireland suffer from dementia. Given current trends, it is thought that that figure could rise to around 60,000 by 2051. It is clear that the human cost for people and their families living with dementia is huge. The increasing number of people with dementia is putting further pressure on health and social care services and on our staff, who are already struggling to cope with ever-increasing levels of demand without any additional funding. If the onset of dementia could be prevented or delayed, that would have a very important implication for the number of people with dementia and for the levels of service that they would ultimately require.

Groundbreaking research into dementia has allowed us to make great leaps in our understanding of the condition. However, to increase our understanding further, much more needs to be done in the three main areas that are critical to that research: cause, cure and care. Better outcomes for dementia sufferers can be achieved when we come to understand how to prevent dementia, and when we have better diagnoses and more effective treatment alongside high-quality care.

Our best hope for future treatments lies in translating research findings into new policies, services and treatments. However, that cannot be achieved by Northern Ireland in isolation. It

is only by pooling local talent and resources with researchers across the UK and internationally that we can make the necessary advances. My Department provides the health and social care research and development budget. Since its establishment 10 years ago, £3 million has been invested locally in research on dementia and related diseases. However, that is by no means the whole story. There is now a co-ordinated approach to health research funding. The pooling of national talent and resources has delivered a significant improvement in the UK's research infrastructure.

In addition to well-equipped laboratories, we have invested in technologies, including CT and MRI imaging systems, which provide knowledge about patients' organs without them having to undergo invasive procedures. Locally, my Department has directed a significant portion of its R&D budget to supporting clinical trials through the Northern Ireland Clinical Research Network. Through those trials, patients from across Northern Ireland can gain access to promising new treatments, sometimes years before they are widely available to Health Services. The clinical research network for dementia is newly developed, but it has already supported five new trials specific to dementia. Up until the end of January 2010, that has involved a total of 251 patients. Since November 2008, over £84,000 of funding from our R&D budget has been spent on supporting trials specifically on dementia. In addition, patients are still being recruited to those trials and further new trials are in development.

It is essential that we do not underestimate the massive scale of investment that is required to develop new treatments for dementia. That includes investment in money, skills and expertise, probably for the next decade and beyond.

Members may be aware that, in December 2009, the results of a major international collaboration were published in scientific literature. A worldwide team of over 40 researchers, including a team from Queen's University in Belfast, received funding from a range of funders, including the UK Medical Research Council, the Wellcome Trust and the Alzheimer's Research Trust, for work that has resulted in pinpointing a small number of genes that are strongly associated with Alzheimer's disease. That work was hailed by the media as one of the greatest scientific achievements of the year, and I congratulate everyone involved.

Knowing about those genes gives us, for the first time, specific biological targets at which to direct new drugs.

The role of charities and private companies in research is also very important. Members will note that just as Northern Ireland must engage with its national and international partners in the research field, so too must public bodies engage with the private and independent sectors to advance our knowledge.

I am committed to improving the health and social care services that are available to people with dementia and to their families. My Department is developing a Northern Ireland dementia strategy that will be available for consultation shortly. I expect to publish that strategy by Easter, so that the consultation process can be completed by summer. That will allow for an action plan to be developed during the summer of 2010. Issues that the strategy will address include raising awareness of dementia; improving prevention and delaying the onset of dementia; early recognition assessment and diagnosis; support for carers; legislative change on mental health capacity; and the promotion of research. The strategy will include an action plan with timescales and an identified lead organisation for each action. The strategy will recognise the need to support people with dementia and their carers so that, as far as possible, people can remain in their home environment and maintain their independence.

The expansion of flexible and responsive domiciliary care services is a central element of our response. We have worked closely with the independent and voluntary sectors and have made significant strides in that area over the past number of years. An increase in the use of technological aids can also enable people to remain in their own home. To that end, Mr Wells mentioned St Paul's Court in Lisburn. He will note that, if the capital provision is available, we have similar plans for St John's House in Downpatrick and for care homes in Ballycastle and Greenisland. However, he probably knows more about the availability of money than I do.

I am aware that it will not be possible to support everyone in their own home. If we cannot do so, we will ensure that everyone is supported in an environment that is right for their needs, whether through supported living or residential or nursing home care. The introduction this

year of the single assessment tool will bring a more structured approach to the assessment of the needs of older people, including those with dementia. The Bamford review estimated the health and social care costs of dementia services to be a little over £200 million at 2004-05 prices; they are probably closer to £250 million today. That cost relates only to health and social care costs and equates to about 40% of all spend on elderly care. It excludes contributions from people in care homes who meet some or all of their own care costs and excludes the cost of all informal care that is provided by families.

I recognise that a high proportion — almost half — of people with dementia in Northern Ireland are in care homes. Almost 2,700 care home places are registered for dementia care, but many older people in other care homes have dementia. I acknowledge the valuable role of family carers; they must be looked after. In the current funding cycle, I secured an additional £1.8 million to provide by 2010-11 an extra 2,000 weeks of respite care on top of what we already provide. I am also progressing work that arose from the recent joint review with the Department for Social Development on support for carers. That wider work will affect people who care for those with dementia.

The National Institute for Clinical Excellence (NICE) was challenged on its process for developing guidance on the use of drugs for treating people with Alzheimer's disease, and the drug company was granted a judicial review. The judicial review and subsequent appeals have now been completed, and the NICE appraisal remains unchanged. In light of that, I am reconsidering the applicability of the NICE guidance to Northern Ireland. At that point, my approach was that doctors should be allowed to continue to prescribe drugs for mild and moderate sufferers of Alzheimer's disease, although NICE guidance stated that drugs should be prescribed for moderate conditions only.

To help to raise the profile of dementia in Northern Ireland, I agreed last year to fund, in partnership with Atlantic Philanthropies, a three-year pilot of the dementia services development centre in Northern Ireland. The centre's work includes education and training, information services and research that aim to improve the lives of people with dementia and their carers and families. Above all, I recognise the burden of illness that dementia causes in

the population of Northern Ireland and the cost of caring that is associated with the condition. I am committed to funding research in that area and to ensuring the most effective translation of research findings into strategies for prevention, diagnosis and treatment.

Huge investment in research is ongoing, not only in the UK but throughout Europe and in the United States, Australia, New Zealand and Japan. That is a huge amount of work, and we will lend our support, albeit small, as best we can. However, as I said, the team at Queen's University has played a significant role in research to date. I would like to do more work, and I know that Members want me to do more. I know that Members understand that existing need must be addressed; Mrs Bradley made that point.

5.15 pm

I remind Members that dementia services is just one of the many areas of health and social care that is in desperate need of increased funding. Mental health services, learning disability provision and children's services are all seriously underfunded to the tune of 25% to 30%. I have looked to increase resources in those areas, as I have done for older people's services, because of the increases in demand. Mr Wells referred to Praxis Care, which says that it can provide private care at one third less than the current cost of those services. Well, it would say that, wouldn't it? I would like to see the figures and evidence of the comparable standard of care that would be offered at one third less than the cost at which such care is currently provided. Although the carers who provide their services through the trusts are routinely dedicated people, I do not pretend that we are providing a Rolls-Royce service, nor would I like to see where we would be if we spent one third less on care.

Our health and social care service has faced tough challenges in responding to huge increases in demand. Those huge increases have resulted in significant pressures across all services. The Health Service cannot keep pace with that growing need without additional resources. I need the support of the House if that is to change.

Mr McCarthy: I thank everyone in the Chamber this afternoon, particularly those Members who are signatories to the motion, those

who contributed to the debate, and Minister McGimpsey for his attendance and response.

The debate has come at an appropriate time, only a few days after attention was drawn across the UK to the fact that dementia costs some £23 billion a year. That is much more than what is spent on treating heart disease and cancer combined, yet, as was said over and over again during the debate, dementia services receive only a fraction of the overall funding provided.

Figures state that up to 24,000 people in Northern Ireland suffer dementia, some 8,000 more than had originally been estimated. The Alzheimer's Research Trust (ART) has revealed the stark differences in research funding. As was said earlier, the ART calculated that for every £1 spent on dementia studies, £12 is spent on cancer research and £3 on heart disease studies. We support spending money on all those areas of research, but the figures highlight the difference in the money that is spent on dementia research.

As was mentioned earlier, the £23 billion that is spent on dementia services comprises £9 billion on social care costs, £12 billion paid to carers and £1.2 billion on healthcare. Those are horrendous amounts of money in anyone's language, and it is reckoned that if more funding were directed to early detection and further in-depth study and research, those vast sums could be avoided or certainly greatly reduced.

As other Members said, the experience of living with dementia is something that we must all work to prevent. I hope that the Minister will note what Members have said today and take every opportunity to reduce the numbers of people who suffer with dementia. It is important to find more resources for initial research, because all the relevant reports warn of a huge rise in the number of patients with dementia, and with that comes the obvious need for additional funding. Surely it is in everyone's interest to invest now to save people from dementia, while at the same time saving enormous amounts of cash.

I pay tribute to the families and carers of people with dementia. Mary Bradley is a perfect example of that, because she looked after her father. It must have been a traumatic time for Mary, as it is for everyone. We all have some experience of what is involved, but carers must be acknowledged at the highest level.

Carers must be acknowledged at the highest level.

In mid-July 2009, 31 scientists and experts signed an open letter to the UK Government calling on them to end years of underfunding of dementia research. They claimed that the amount that is devoted to studying conditions such as Alzheimer's disease needs to be tripled. The letter warned the Government that the key weakness in research is the lack of funding, not the lack of talented scientists. One co-author of the letter, Professor Williams, added:

"Week after week British dementia scientists come a step closer to understanding what causes dementia, and how this might be translated into new treatments."

It is up to the UK Government and our Health Minister to formulate a national dementia research strategy. I am glad that the Minister is moving along those lines. The experts say that progress is possible, so let us go for it.

I will reflect on comments that were made during the debate. Most Members were straightforward in supporting the motion and used some of the statistics that I have mentioned. John McCallister said that he was disappointed that the motion had reached the Floor. I have no disappointment in that whatsoever. As Mary Bradley said, a similar motion came before the Assembly in 2007, and, by debating it again, we can measure progress. John referred to the strategy for 2010, which enlightened me somewhat. I was glad to hear the Minister say that he expects the strategy to go out for consultation around Easter. That is to be welcomed.

Conall McDevitt and Dolores Kelly referred to a joint all-island strategy. There is a lot of merit in that. The Health Minister made a statement this morning that outlined a number of important health aspects, and this is one that could be fitted into the next meeting of the North/South Ministerial Council meeting in health and food safety sectoral format.

Mickey Brady spoke about the importance of early diagnosis of Alzheimer's disease. He provided some examples that clearly showed that there is merit in quick diagnosis and that it can help to prolong a decent quality of life for people who have been diagnosed. The Chairperson of the Health Committee, Jim Wells, also spoke. We are glad to see him here. The last time I saw him, he was struggling to

stand. He rallied through his five minutes and said that he looked forward to his Committee scrutinising the new strategy. I am sure that, under his chairmanship, his Committee will do an excellent job, as it has always done. He mentioned the provision of Praxis care through the trust, which was an interesting comment. However, I do not think that the Minister was happy to hear what was said. Perhaps time will tell who is right.

Sam Gardiner mentioned the centre that opened recently. I presume that he was referring to the dementia service development centre that opened at the Northern Ireland Science Park at Queen's Island some time ago. That is welcome, and it shows progress. That may well have been a result of the debate that we held in September 2007. However, there is no problem in repeating what has to be done.

I welcome the comments of other Members, and I was encouraged by the Minister's response. He agreed that there should be cross-border and cross-channel information so that we can get to the bottom of the issue. As someone said, every little helps. The Northern Ireland Clinical Research Network is to be welcomed, and the Minister mentioned funding of £84,000 towards further investigation, which is also welcome.

We look forward to the strategy coming out at Easter. We welcome the Minister's support for care in the community, whether at home or in another setting. Finally, we look forward to everyone having a better future as a result of these debates.

Question put and agreed to.

Resolved:

That this Assembly calls on the Minister of Health, Social Services and Public Safety and the Executive to commit to ensuring that funding for dementia research is increased to reflect the scale and seriousness of the condition and the impact it has on the thousands of people living with dementia, their families and carers.

Motion made:

That the Assembly do now adjourn. — [Mr Deputy Speaker.]

Adjournment

Nutts Corner Racetracks

Mr Deputy Speaker: The proposer of the topic will have 15 minutes in which to speak. All other Members who are called to speak will have approximately eight minutes.

Mr Kinahan: There is a mass exodus from the Chamber, but I am pleased to be able to speak on this subject. I am also pleased to be joined by the select few Members for South Antrim, on whose support I knew that I could rely. I raise the matter of the Nutts Corner racetracks because it is an important matter that affects many people who live in and around Nutts Corner. Indeed, the activity on the racetracks prevents some of those people from enjoying life in their own home.

Some 50 households suffer from racetrack noise in and around Nutts Corner. Thousands of people enjoy the racing that goes on there, and they bring trade, money and employment to the surrounding area. There are one or two racetracks with planning permission which control and limit racing as best they can to improve the lives of neighbours, and they lose much income as a result. However, there are four or five that do not make any effort to do so. In fact, one or two of them actively discourage any queries about what they are doing, I am told.

I raise the matter not just to help the residents and people involved with legal racetracks but to ensure that such racetracks are regulated and managed properly in future. I am still considering whether to bring forward a private Member's Bill, but there is little time. Indeed, one or more of the Bills on planning reform, council reform and clean neighbourhoods that are being brought forward could easily be used to address the matter.

I welcome the Minister of the Environment to the debate. I apologise for bringing him to yet another late debate, but I thank him for his attendance. I would like the Minister to consider making it illegal for any racing to take place before planning has been approved. Noise,

toxicity, lighting and pollution are examples of extremely poor neighbourliness. Nothing should happen on a site before a planning application has been approved. There should be no building, track construction, public events or anything else that could be used as a cover for illegal racing. I would like the same legislation to impose very large fines on anyone who breaks such laws. I am told that cash gate receipts for these events are extremely large.

I hope that planning policy can be progressed within a tight time frame. There should be discussion between councils, racetrack owners and local residents to find a suitable set of guidelines with which people can live and work successfully. That would enable the rural homeowner to enjoy his daylight hours with his family, inside and outside. Approved racetracks would be able to hold events that thrill and excite the crowds who watch them, passing on economic benefits to local businesses.

I will paint a picture of Nutts Corner for those who do not know it well. Nutts Corner is the site of the old Northern Ireland international airport. It is flat and widely tarmacked. It is not within any urban surrounding but is a rural location which, a community planner once told me, is ideal for a Poundbury-style environmentally friendly village. Nutts Corner is also the site of a large, regional weekend market. For many people from the west and the south, it is the main route to Belfast International Airport at Aldergrove, which is only a few miles away. Sadly, that makes it a less suitable site for another Poundbury; it is more suited to being a centre of motor and motorcycle racing for Northern Ireland and perhaps even Ireland.

5.30 pm

Nutts Corner experiences more traffic and aircraft noise than the average rural area. Add to that the Nutts Corner sports centre, where motorbikes and/or go-karts, PA systems and commentary are the norm. Although held less regularly, rallycross involves turbo-charged cars screeching and braking. That is the approved position. Now add five other racetracks, one of which involves scramblers, motorbikes and a PA system; another involves stock cars racing and crashing and a PA system; and yet another involves turbo-charged cars braking, revving and screeching and a PA system. Those are only three of the five other tracks.

I tried to find a way of describing what all of that would be like at home. Members should forgive me because this is not meant to amuse, but it gets across the point: it is like dad working in the garden with his chainsaw while his eldest son rides round the garden on a motorbike. At the same time, another son plays the drums in a room in the house, while a daughter turns her music on full volume to cover the noise, and somebody else in another part of the house tries to watch television. It all builds up. Cumulatively, it is a sort of noisy hell.

If the rural area of Nutts Corner is not regulated in future, that sort of noise could occur every daylight moment, from dawn to dusk, every day of the week. If one considers how few warm, sunny days we get, especially those that are good enough to enjoy outside, one will realise how important it is to regulate that area. Warm, sunny days are also best for motor racing and the attending crowds.

If I have my facts right, Sprucefield's racing closed down and moved to Nutts Corner, as did the racing that took place at Aghadowey, Magherafelt and Desertmartin. I am sure that there are many others. In time, others may be moved there as it is such an ideal location. A large area of Nutts Corner should be designated and zoned as suitable for motor racing and managed jointly by Lisburn City Council and Antrim Borough Council. Only in such an area should any racing be considered and approved.

One senior planner told me that current planning and noise laws are ample to manage the situation. Try telling that to the residents and neighbours who have fought for five years. Noise is complicated to measure, and councils are loath to take legal action where doubt or legal battles are likely. Planning is slow and cumbersome; it cannot be done quickly, especially when councils are involved. That is why I suggest a simple ban on all activity until planning approval is given to any would-be racetrack.

There is already a high level of noise at Nutts Corner, even with Belfast International Airport organising all the landing planes to come in on a steeper path. It is difficult to measure noise: should it be done cumulatively or at peak moments? Is an occasional backfiring or an overloud screech much more disturbing than the constant droning of a race? If all those considerations are added together, one will understand the difficulty of measuring

noise. It is worth considering whether noise measurement deals with the fundamental problem of what disturbs a person in their house and whether the right level has been taken into account.

GB laws allow any racetrack 14 days' racing and practice. If people split hairs, as some do, there are 14 days for racing and 14 for practice, making 28 days. If it is done under a different name or in a slightly different place, there could be many more 14 days' or 28 days' racing. Who counts how many days people race or practice?

Racing could be limited by time or engine size or specifically or cumulatively by licence; I leave that to the experts. However, I plead with the Department to take urgent action now to stop all unapproved racing and to impose suitably high fines when the law is broken. The Department should set up a dynamic group of stakeholders to draw up guidelines and regulations for all motorsports events that councils and courts could enforce quickly and easily. I hope that we might do that within the next year, before the next Assembly elections.

The one company there that is approved tries to work with residents. It has put up banks to screen noise, moved a bank, limited the PA and reduced the amount of racing; that is the sort of attitude that I want to see.

I want Nutt's Corner to thrive as a successful racetrack and as a place to live, so I ask that unapproved racing be stopped until we legislate in the next year to deal with the regulatory side of the problem.

Mr T Clarke: I support Danny Kinahan and share many of his frustrations. I apologise for the absence of the MP for South Antrim, Dr McCrea, who is on business in Westminster this afternoon. I should also declare an interest as a member of Antrim Borough Council, which has been monitoring noise in the area for a long time. As a member of Antrim Borough Council, I apologise for the council offloading the problem and selling it on to someone else. When the site was owned by the council, it had an opportunity to do justice to the people who live in the area by closing down the commercial enterprise in question. Unfortunately, the council decided to sell the site to a private enterprise, which enhanced its use and, consequently, made life less enjoyable for the people in the area. There was a time when work was being done to limit activity on the site to carts only, rather than

other motor vehicles. Unfortunately, the council made the wrong decision when it sold the land, so, as a member of the council, I apologise for that decision.

The Minister is listening intently, and he has been familiar with the case for some time, even before he took on his present position. The problem in the area has existed for some years. I support motor sport, but there is a place for it, so measures must be taken to allow people who live in the surrounding area to enjoy their properties without having to endure noise nuisance and other forms of pollution.

Danny referred to work that was done on one of the tracks. I do not commend that work so highly, because I believe that the track owners have added to the problems. They constructed earth banks very close to the river, altering its course; there may even be questions about some of the debris that finds its way into the river. Questions must also be asked about how the material that forms the banks was brought to the site. Was it licensed material? Did the track owners seek the relevant permission to bring it on site? Many questions must be answered, so, although it is easy for Danny to claim that the track owners have done a wonderful job, one cannot declare something to be a wonderful job if it has not been done lawfully, and I question some of the amendments that they have made to the site.

The track owners are not the only ones to blame; people on other sites have done nothing to prevent noise in the immediate area. I call on the Minister and his Department to see how the rules might be applied more stringently. I share Danny's concerns about preventing someone from building or running events until they have received the relevant permission. Unfortunately, however, that is not the system that we enjoy in Northern Ireland. The system needs to be overhauled to give enforcement teams more power to prevent building or events from taking place until the relevant permission has been granted. I encourage the Minister to consider how he might legislate to address the problem. In the immediate area, many problems would have been alleviated if the enforcement process had been easier.

Mr Deputy Speaker, you will not find any objections to the subject of the debate. There will be consensus, and no politics are at work. Many people are affected by the problem, and,

in the past five years, this is the first time that members of all political parties have got together to meet residents in an area and to speak with one voice. We are all concerned about the problems at Nutt's Corner.

The issue must be addressed for that reason. People who have chosen to live in that rural area should be able to enjoy their properties. Those who enjoy motorsports should be able to do so but not to the detriment of the people who live in the area.

Mr McLaughlin: Go raibh maith agat, a LeasCheann Comhairle.

We must recognise that there is a history in that area of the type of activity that Members described. There is also a history of unapproved activity and of complaints about noise pollution, which go back more than a decade and a half. That noise pollution is to the detriment of citizens who live in the vicinity and are entitled to the quality of life that they previously enjoyed.

We are also faced with a history of a lack of enforcement. The nuisance was first reported to Antrim Borough Council, which, instead of acting responsibly and responding to the nuisance, actually divested itself of legal responsibility by selling the site on. It did not sell it on for another purpose or with conditions; it sold the site on without any conditions to a proprietor who would continue to use it for the same activity. In anybody's language, that is a disgrace. The problem has since multiplied. Instead of there being one track, there are now six. We are talking about the fact that a number of planning applications are in the system. We are talking about planning officials who say that they have no responsibility for environmental health, because that is a discrete function that falls to councils. One such council is Antrim Borough Council.

Antrim Borough Council was faced with a situation in which Lisburn City Council, to its credit, actually responded to complaints. It has just occurred to me that the Minister was perhaps a Lisburn councillor at that time; I do not know. Lisburn City Council threatened Antrim Borough Council with a noise abatement notice. That provoked Antrim Borough Council to sell off the site. That is hardly the most enlightened response to what was, quite clearly, an identified and substantiated complaint.

Lisburn City Council carried out its own noise-monitoring surveys and established that there was a statutory nuisance. It then activated its statutory powers. In a sense, it did so to compel a local authority that was not prepared to meet its responsibilities or to use the selfsame statutory powers. That is a strange and sad tale. However, it is necessary to get a grip of the matter and to understand how difficult it has been for residents to find the redress to which they are entitled.

Trevor Clarke set out fairly the fact that all elected representatives from the different parties felt compelled to come together and to speak with one voice on the issue. Considerable leadership has been demonstrated. As we all know, many issues divide those parties. However, they have come together on this issue. We appeal to the Minister to get to the nub of the lack of enforcement and the lack of willingness to use or, indeed, enhance existing statutory powers.

The device that Antrim Borough Council used is, in fact, available to any operator, should councils be compelled to use their powers and apply enforcement notices. If the site is sold on without conditions, the entire noise-monitoring process must be carried out again to re-establish the case. The matter dies with the transfer of the property unless the person who sells the site is prepared to act responsibly and ensure that those conditions are transferred.

In presenting the Adjournment topic, Danny Kinahan spoke much more positively about the site. He avoided naming the proprietor, and I will do likewise. However, I am not impressed by what I have seen of the responses to local people and those whose quality of life has been virtually destroyed by the activities. It is a professional operation. They take account of public relations issues, but they are in business, and their business involves a considerable level of noise.

5.45 pm

Some of the other tracks in the vicinity have hosted activities such as bus demolition derbies, which are noisy events that cause much disturbance. That is compounded by the fact that the buses that are destroyed in the derby are burned when the event is over. Overnight, people burn the material to ease its disposal and removal. There is no concern whatsoever for the environment, and nor does there appear

to be any reaction from those who are charged with ensuring that such contraventions never happen. They do happen, and there are many witnesses to that type of activity.

For some reason, there is a stand-off about responsibility for the activity. I think that it emanates from the Department through the various agencies and down to the councils. They should ensure that any legitimate sporting activity on the track is properly regulated. I have no particular interest in the sport, but I accept that it is important to a certain section of our community. They have the right to enjoy their sport but not at the expense of the quality of life of the local neighbourhood. Those people are being victimised and neglected.

The Minister would do all of us a service if he reviewed whether there are adequate powers. If the conclusion is that there are, he should examine why they are not being applied. If they are not adequate, he should bring forward measures to tighten up the control and regulation of the sport. I am certain that he would get support in the Chamber if he introduced such measures.

Mr Burns: This is an important subject. I declare that I am a member of Antrim Borough Council. I thank my colleague Mr Kinahan for securing the Adjournment debate.

The Minister must be made fully aware of the situation at Nutts Corner, so I will take the opportunity to tell him about it. I am pleased that he is in the Chamber to respond. Over many years, my office has been flooded with complaints about the racetracks, and I am sure that every constituency office in South Antrim has had the same complaints, as have many offices in Lagan Valley. The issue is not solely an Antrim Borough Council problem; it crosses over between Antrim Borough Council and Lisburn City Council.

I have made numerous representations to Antrim Borough Council and to various officials on the matter, and I know that other Members who are in the Chamber have done the same. However, not only does the problem drag on; it gets worse. Nothing ever seems to be done about it. The big issue is the noise. The majority of complaints are about the deafening noise of the race events and the practice runs. I am not a killjoy or anti-motorsport; I want people to enjoy themselves. However, for a long time, I have been calling for the commercial and

industrial development of Nutts Corner, because it has great potential. I want Nutts Corner to be developed over time into something similar to Mallusk industrial estate. If that development were properly controlled, it would become a major asset to Antrim Borough Council, Belfast and Northern Ireland.

The situation is ridiculous. Other Members said and the Minister confirmed that there are two approved and lawful motorsport tracks at Nutts Corner. One is the long-established motorsport centre at the Dundrod Road, and the other is the stock car track, which is known as the Nutts Corner raceway, at the Moira Road. The Planning Service is investigating four alleged unauthorised tracks in the Moira Road area of Nutts Corner. To my mind, it is unbelievable that anyone can simply build a racetrack and start running events with no regard for building control, health and safety, damage to the environment or concerns raised by residents. It makes an absolute mockery of the law. Therefore, I ask the Minister to use the powers at his disposal to uphold the law.

Council officials have confirmed to me that, under pollution control legislation, they can investigate, monitor and take enforcement action against nuisance noise from motorsport racetracks. Those powers also extend to neighbourhood councils to take action against nuisance noise arising outside their area.

Residents come into my constituency office wanting to know what action has been taken, why more action has not been taken, where the enforcement action is, why prosecutions are not taking place, and, above all, when something is going to be done. I call on the Minister, in the strongest possible terms, to demand from his officials in the Planning Service, the various environmental crime units and council officials that they get a grip on the situation and force the owners of those racetracks to obey the relevant rules and regulations or close down the racetracks. They are making people's lives a misery, and they are making a mockery of the DOE, Antrim Borough Council and Lisburn Borough Council.

Mr Kinahan: On a point of order, Mr Deputy Speaker. I failed to declare earlier that I am a member of Antrim Borough Council.

Mr Deputy Speaker: That has been noted.

The Minister of the Environment (Mr Poots): I thank the Member for South Antrim Mr Kinahan for raising the issue through the adjournment debate. I recognise that it is an issue that several Members and their constituents are deeply concerned about, and I have already supplied answers on the matter to Members who raised questions either individually or through the Environment Committee. However, I welcome the opportunity to provide some background to the case and to explain the current situation.

There are six motorsport tracks in the Nutts Corner area, five on the Moira Road and one off the Dundrod Road. Each track has a different planning status, and I shall endeavour to clarify those for Members. First, my Department must recognise that there are permitted development rights under the Planning (General Development) Order (Northern Ireland) 1993. Those rights allow the use of any land for not more than 14 days in any calendar year for the purposes of motor car and motorcycle racing, including speed trials and practising for those activities.

Two tracks are availing themselves of those permitted development rights — Sideways Racing Club and Supermoto NI. There is no evidence to suggest that the permitted development limits have been exceeded in either of those venues. Indeed, I have been advised by the local environmental health office that Sideways Racing Club has not used the site since last summer. The Supermoto club has published its schedule of seven upcoming events for the 2010 season, and they are also within permitted development limits. A storage container has been removed from the site at the request of the divisional planning office.

Another two of the tracks are lawful. The stock car racing track was granted a certificate of lawful development in July 2006. The Nutts Corner motorsports centre, which was formerly owned by Antrim Borough Council, is in established use. A recent application for replacement of burned out buildings at that venue is going through the planning process, having been deferred for a meeting with objectors.

The remaining two sites are the subject of ongoing enforcement proceedings. As a result of action by my Department, a retrospective planning application has been received for J&R Motocross circuit. It has been determined

that the application should be accompanied by an environmental statement. The regulations require the environmental statement to be submitted before 17 June, at which time the statement will be advertised and the members, consultees and public will have the opportunity to make their views known, should they so desire.

In the remaining case, the Shale arena, my Department has served a submission notice requiring the developer to submit a retrospective application for the development. Failure to do so can result in a prosecution through the courts. Alternatively, an enforcement notice may be served. I must emphasise that the submission of any retrospective application is without prejudice to the outcome.

My Department is keeping all the cases under review and, if required, will carry out enforcement action under planning legislation. Noise nuisance from any source, whether lawful or otherwise, falls under article 38 of the Pollution Control and Local Government (Northern Ireland) Order 1978, under which councils have the power to seek abatement for statutory nuisance where it exists.

Although I recognise that there can be benefits to the rural economy and tourism from all kinds of motor sport, they must be the subject of planning regulation to ensure that they are appropriate to their location and must be managed and controlled to avoid conflict with the enjoyment of the countryside and people's dwellings. The House can be assured that the Department is doing and will continue to do everything in its legal power to regularise unauthorised motor racing in the area and to take whatever action is deemed necessary.

Mr T Clarke: The Minister spoke about 14 days' permitted development rights. Can he make changes, as the Member opposite suggested, to prevent a change of ownership extending that period to another owner? Can that loophole at least be closed?

The Minister of the Environment: With regard to permitted development rights, any landowner can operate that type of facility for up to 14 days in a year. The two sites at Dundrod, as I understand, have had very limited, if any, works, which would not constitute development. Since there are concrete runways, individuals have been able to use them for racing.

I know the area pretty well. I travel past it regularly and have seen some of the activities that take place at the site. What goes on there does not necessarily add to Northern Ireland; much of it has a second-rate, shoddy appearance that does little for tourism. The Assembly, Executive and the Members for South Antrim should be looking for a better solution for Nutts Corner. It is a strategic location that could bring huge added value to the area. I know that many would like to see the roads improved, particularly for travelling to the airport, especially for traffic travelling from the Republic of Ireland. Perhaps the Member opposite will press that issue with the Minister for Regional Development. He may have more success in that than some of the rest of us.

Mr T Clarke: The Minister said that there is an opportunity for added value to the area. Again, I declare an interest as a member of Antrim Borough Council, but the council has lobbied for re-zoning the area. However, there was a problem about industrial development. Has the Department of the Environment considered that approach, which would add value to the area and could prevent the land being used for motor sports?

The Minister of the Environment: The Department has provided the opportunity for such development to be advanced in the next area plan for the Antrim area. We should be looking at Nutts Corner as a site of strategic importance, and there is a huge opportunity for a master plan to be developed for the site, which may include warehousing and a proper motorsports arena to attract international events and do things properly in the area, as opposed to having a collection of people who are operating at the margins, if I may put it like that. There are tremendous opportunities for that area, and Antrim Borough Council should be focusing on a significant development that would be in the wider interests of all the people of Northern Ireland. That would be a considerably better position than we are in at present and would be a huge advance on what is currently taking place.

6.00 pm

I can sympathise with people living in the neighbourhood, particularly with regard to some of the events that take place. However, we should not castigate all the operators; a number of the operations are much more professional

and better managed than some of the other activities. It is not appropriate to put everyone into the one category in that respect. We should encourage that which is right and seek to discourage that which is wrong.

Three Members have declared themselves members of Antrim Borough Council. Noise, which is the main issue, falls to Antrim Borough Council to regulate. Therefore, I trust that the Members who raised that issue today will be as vociferous when raising it with their council. Thank you very much, Mr Deputy Speaker.

Mr McLaughlin: Can I intervene?

The Minister of the Environment: I was finished, but I will give way.

Mr McLaughlin: Trevor mentioned the emergence of a flooding issue as a result of earthworks that were constructed on one of the tracks. I decided not to extend my contribution on the basis that that had been drawn to your attention. Is that the Department of the Environment's responsibility? The flooding is a direct consequence of unauthorised works that were constructed on one of the tracks. The shale overspilled into the river and changed the direction of the water, and that has had direct flooding consequences for some of the householders in the area.

The Minister of the Environment: The free passage of rivers is an issue for the Rivers Agency, which falls under the Department of Agriculture and Rural Development. Thank you, Mr Deputy Speaker, for the opportunity to respond on that.

Mr Kinahan: *[Interruption.]*

The Minister of the Environment: Sorry, do you want me to give way?

Mr Kinahan: Please. I want to go back to my main point. Will the Minister consider introducing legislation that makes it easier to stop racetracks operating until they get approval?

The Minister of the Environment: The Member raises a valid issue that relates to permitted development: the 14-day issue. Addressing that would involve introducing some form of primary legislation. We have a busy legislative programme, so that is not going to happen within the lifetime of this Assembly, whether that ends in May 2010 or May 2011. Members might wish to bring that to the Environment

Minister of the new Assembly to see whether the issue can be taken forward then.

I think that I am finished this time, Mr Deputy Speaker.

Adjourned at 6.02 pm.