
Northern Ireland Assembly

Tuesday 20 April 2010

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

Members observed two minutes' silence.

Ministerial Statement

British-Irish Council: Energy Ministers' Meeting

Mr Speaker: I have received notice from the Minister of Enterprise, Trade and Investment that she wishes to make a statement.

The Minister of Enterprise, Trade and Investment (Mrs Foster): With your permission, Mr Speaker, I wish to make a statement in compliance with section 52 of the Northern Ireland Act 1998 regarding a meeting of the British-Irish Council energy Ministers. The statement has been agreed with junior Minister Gerry Kelly, and I make it on behalf of us both.

The meeting was held on Monday 22 March 2010 between 9.00 am and 12.00 noon at Church House, Westminster, London. The Executive were represented by junior Minister Gerry Kelly and me, attending by video conference from Netherleigh House. The UK Government were represented by Lord Hunt of Kings Heath, Minister of State at the Department of Energy and Climate Change, who chaired the meeting. The Irish Government were represented by Eamon Ryan TD, Minister for Communications, Energy, and Natural Resources. A full list of delegates is appended to the written copy of this statement, which was circulated to Members in advance of the sitting.

The British-Irish Council was established under the Good Friday Agreement as a forum for its members to work together on matters of mutual interest within their respective competencies. The energy sectoral group was established at the British-Irish Council summit meeting on 20 February 2009 and includes an electricity grid infrastructure subgroup led by the UK Government, through the Department of Energy and Climate Change, and a marine renewables subgroup led by the Scottish Government. The

sectoral group's task was to consider and report back to the British-Irish Council ministerial summit on relevant energy matters of mutual interest that affect British-Irish Council members.

At the meeting on 22 March 2010, progress was noted on a number of specific areas of work that could be taken forward over the coming months in the grid infrastructure and marine energy subgroups. It was agreed that energy is vital to all our jurisdictions and that there are many areas of mutual interest that offer opportunities for collaboration to help meet challenging European Union energy targets. Ministers agreed that the subgroups should report progress on both work streams to the next BIC summit, which is planned for June 2010 in Guernsey.

Ministers considered the discussion paper that was prepared by the electricity grid infrastructure subgroup and was presented by Lord Hunt. Discussion centred on identifying key areas for consideration and information exchange and the subgroup's future work programme. Andy Hiorns of National Grid and Andrew Cooke of EirGrid also gave presentations to Ministers on grid infrastructure developments in the UK and Ireland.

Ministers agreed that the British-Irish Council grid subgroup would focus its work on the following areas: exchanging information and experience of research and development and other studies to promote greater understanding and co-operation in electricity grid infrastructure; sharing experience of and approaches to the regulation and planning consenting of electricity grid infrastructure to promote best practice and effective decision making within and, where relevant, between BIC members; and working together to exert greater influence on the direction of emerging EU policy on grid infrastructure and to leverage maximum EU funding, where applicable to relevant members,

from EU sources for grid infrastructure developments and projects of mutual interest. In endorsing those areas for future discussion, Ministers recognised the existing co-operation between British-Irish Council members. They agreed that the British-Irish Council has an important role to play in furthering understanding and sharing experience to assist in meeting the challenges from climate change and maintaining security of energy supply.

Jim Mather, Minister for Enterprise, Energy and Tourism in the Scottish Government, gave a presentation on the work that is being undertaken by the marine renewables energy subgroup. That ministerial group has discussed marine planning and policy, research activity, initiatives in the marine energy areas and the scope for and benefits of greater exploitation of marine energy resources across British-Irish Council member Administrations. Ministers welcomed the group's progress and future work plan, which includes dialogue with the European Commission on its funding and policy initiatives. Ministers also noted that marine energy will be the theme of the next British-Irish Council ministerial summit, where the subgroup's recommendations will be discussed. A presentation will be delivered at that plenary session on the marine renewable opportunities within the Channel Islands.

Junior Minister Kelly and I endorsed both papers as being a sensible way to proceed to help Northern Ireland to meet its challenging renewable energy targets for 2020. Ministers recognised that careful attention would be required to address environmental and public concerns on the development and location of future energy infrastructure. There are many economic and environmental benefits for the people of these islands in the use of new sustainable generating technologies. It was recognised by Ministers that Northern Ireland has already demonstrated such benefits. For example, Lord Hunt agreed that the development of the SeaGen tidal wave project at Strangford Lough is a particular exemplar of the way in which a range of energy and environmental policy objectives can be addressed.

The two papers reflect the useful discussions between officials over the past year and will send a strong message to the European Union on our co-operation and determination to deliver a robust and sustainable energy infrastructure across the British Isles. Minister Kelly and I

welcome the proposals, as they will enhance opportunities for economic growth and green job creation, strengthen security of supply and help reduce fuel poverty by increasing the diversity of energy sources. They will also support Northern Ireland in engaging and influencing the regional energy agenda, especially in relation to the wider European Union drive on security of supply, climate change and economic recovery.

We commend the work of the British-Irish Council to date in developing its energy work stream to the Northern Ireland Assembly.

Mr Campbell: I welcome the Minister's statement. The issue of renewable energy regularly concentrates minds, and rightly so. The Minister referred to the targets for the next 10 years. Will she indicate to the House the need to take account of widespread consultations, particularly around the north coast, when considering the development of offshore wind farms, which have raised a lot of objection in the past?

The Minister of Enterprise, Trade and Investment: During the summit, a good deal of time was spent talking about the need to gain the public's acceptance of proposals and, indeed, to ensure better understanding of the need to have renewable energy sources and grid infrastructure, as Members can imagine.

We had a long discussion about how we need to engage with the public to explain what is going on with renewables and grid infrastructure. We looked to other member Administrations to learn from their experiences. Scotland has been involved in quite a bit of planning for an interconnector that has been put in place there and was recently approved by the relevant Minister. We can learn a lot of lessons from the experience there. Some of those lessons are good, and we will learn from them. However, we also want to learn about what went wrong. It is a hugely important area, and it is important to bring the public with us when we are talking about energy infrastructure and renewables.

Ms J McCann: Go raibh maith agat, a Cheann Comhairle. I thank the Minister for her statement. My question is about wind generation for electricity. To date, the single electricity market in Ireland has been quite successful, and hopefully it will be in the future. There are also longer-term plans for a European single electricity market. I agree with the public's concerns about where the particular

infrastructure for that would be put, which needs to be planned. There is the potential for us to become exporters, because, obviously, wind cannot be stored.

Mr Speaker: The Member should come to her question.

Ms J McCann: Sorry. Was any thought given to that at the meeting?

The Minister of Enterprise, Trade and

Investment: Grid infrastructure, which is a huge issue for us, was the principal issue that was discussed. Marine energy was discussed only latterly. We wanted to talk about the grid infrastructure not just on the island of Ireland but for the rest of the UK, what was happening there and what was happening at a European regional level. The Republic's Minister for Communications, Energy and Natural Resources, Eamon Ryan, talked a lot about why it was so important to have the new interconnector between Wales and the Republic of Ireland. As the Member knows, we have the Moyle interconnector with Scotland. That is incredibly important for us, because, although we take energy from Scotland at times, there are also times when we export. It is important that we have that interconnectedness to enable us to export.

The Member is right: there are times when we have a lot of wind. I do not know whether the Member has had the chance to visit Systems Operators Northern Ireland (SONI), but down there one can see the amount of wind power that is coming in at any one time. It fluctuates greatly. There is a need for us to have the infrastructure to deal with that issue. As the Member knows, an all-Ireland grid study was carried out, and it looked at how much capacity we could cope with. It said that we could take 42% of our renewables onto that grid infrastructure. Therefore, we need to look at our grid. It is going to involve huge capital expenditure moving forward, and we need to plan it in such a way that consumers are not hit with disproportionate costs when it comes to the point of expanding our grid. The Member will also know that we very much want to move ahead with our second interconnector, and the ice storms that we had in March point to the reason for that.

Mr Cree: The Minister is aware of the electricity grid weakness in the west of the Province and the high cost of reinforcing it. Was that issue raised at the meeting? Furthermore, in

the context of adding wind generators, was the Minister able to identify any EU funding that could be accessed to assist with the reinforcement of the grid in the west?

The Minister of Enterprise, Trade and

Investment: The west was not specifically mentioned at the meeting. We were looking at grid infrastructure more from a strategic point of view. We will certainly be looking to all sources of funding to strengthen the grid. Indeed, I understand that the new interconnector between the Republic of Ireland and Wales benefits from the European Union in that about one fifth of the cost comes from European funding. Therefore, we will be looking at that. As the most peripheral part of Europe, we have a strong case for capital expenditure if we want to raise the standard of our grid and meet the European Union targets.

Mr McDevitt: I welcome the Minister's commitment to sustainable energy and, in particular, to tackling climate change. I hope that she is successful in advocating that position more widely in her party.

I want to ask about tidal and other forms of sea current generation. Can the Minister report on any further proposals to take new projects beyond the one that has, to date, been relatively successful in Strangford Lough?

10.45 am

The Minister of Enterprise, Trade and

Investment: In respect of the SeaGen project in Strangford Lough, it is very gratifying to hear something within one's own jurisdiction being referred to at a British-Irish Council meeting as an exemplar, so we should be rightly proud of what has happened with the marine current turbine in Strangford Lough. The Member may be aware that we are finalising our draft offshore renewable strategy. Subsequently, when we have identified places that are suitable for offshore renewables, we hope to put out a call for projects.

It is a hugely exciting time for energy. I listened to the other member Administrations represented at the meeting, and it is clear that they are pushing ahead. We need to push ahead as well, because we cannot be left behind, especially given that we have such a marvellous resource off the coast of Northern Ireland. I very much want to see us moving ahead, but we can only do so in partnership, because we

only have jurisdiction of tidal waters up to 12 miles out, beyond which one enters territory in which one has to deal with the Crown Estate. Nevertheless, we will move ahead because there are huge opportunities, not just in the renewable energy field. Invest Northern Ireland is looking at how we can capitalise on what is going on in renewables, so that we might get more manufacturing jobs and benefit from the design end of things. Yes, we are certainly forging ahead in that area.

Mr Neeson: The Minister will be pleased to learn that the Committee for Enterprise, Trade and Investment met at Castlereagh House last week, and the time that we spent in the control room was interesting.

We recognise the impact that the EU will have on energy policy. What plans do both jurisdictions have to discuss energy issues with the European Commissioner for Energy?

The Minister of Enterprise, Trade and

Investment: The Member is right to identify the European Union as an area on which we need to concentrate. I was not aware that members of the Committee had been to Castlereagh House, but I am glad that they were there, because it is a magnificent facility. It is quite scary to see all the lights and so forth. Nevertheless, it is a good facility —

Mr Neeson: At least they were on.

The Minister of Enterprise, Trade and

Investment: That is right. I am not sure that I would have liked being there on the Tuesday before Easter, when things might have been a little more frantic.

Towards the end of the meeting, we discussed the need to work collaboratively in order to make a case to the European Union on issues such as grid infrastructure and renewables. Obviously, some jurisdictions that were at the British-Irish Council meeting do not benefit from European Union membership, particularly the Channel Islands and the Isle of Man, but they want to work with us on European Union matters in order to benefit from being part of the British-Irish Council. The meeting was excellent, and I am looking forward to going to the next summit in Guernsey.

Mr Weir: I thank the Minister for her statement. On the issue of energy co-operation, will the Minister update Members on the latest position

on the North/South interconnector? It appears that some Members opposite do not have a great deal of enthusiasm for it.

The Minister of Enterprise, Trade and

Investment: As one would expect, at the meeting, both the Irish Government and ourselves mentioned having the second interconnector in place. I am not going to talk about the route or planning consent. Suffice it to say that we recognised the need to engage with the public so that they understand why we need to have it.

The ice storm of the Tuesday before Easter illustrated why we need the second interconnector. I am not sure whether Members realise that, at various stages throughout that evening, SONI lost three of the four 275 kV lines from Ballylumford, all four lines from Kilroot and the two lines into Coolkeeragh. In addition, the two cables comprising the Moyle interconnector were also lost at times and had to be put on again very quickly. Most of those faults were caused by the system tripping as a result of ice accretion, a term that I had never heard of before 30 March 2010. Most faults were repaired quickly, but a number reoccurred as ice build-up continued on the line.

The capacity of the North/South 275 kilovolt interconnector may have been inadequate to handle power flows from the Republic if the compounded impacts of those faults had continued. If that had happened, the system would have started to shed load. Blocks of customers would have been taken offline in order to avoid total shutdown. Therefore, parts of Northern Ireland could have been left in darkness. There is real strategic need for that second interconnector. I hope that every Member recognises that need. If so, we can discuss all the other issues.

Executive Committee Business

Unsolicited Services (Trade and Business Directories) Bill: Second Stage

The Minister of Enterprise, Trade and Investment (Mrs Foster): I beg to move

That the Second Stage of the Unsolicited Services (Trade and Business Directories) Bill [NIA12/09] be agreed.

It may be helpful to the Assembly if I begin by outlining the background to the Bill. Before I do that, I thank the Committee for Enterprise, Trade and Investment for its helpful scrutiny and advice during the development of the Bill and the policy that lies behind it.

The Bill re-enacts, with amendments, the provisions of the Unsolicited Goods and Services (Northern Ireland) Order 1976 in respect of charges for entries into business or trade directories. One reason for the 1976 Order was to regulate the circumstances in which businesses could be charged for publication of entries about them in directories. Before the 1976 Order became law, unwary businesses could be tricked by various sharp practices into paying for directory entries that they had not requested and did not want.

The Bill is a technical measure that consolidates the law in that area and removes provisions that my Department believes are burdensome and unnecessary for businesses. It also removes anomalies. It is intended that the Bill will enable businesses to improve efficiency by relaxing and simplifying arrangements for repeats and renewals of directory entries and by putting in place arrangements for sending order forms electronically and requirements that cover the form and content of invoices and other documents.

The Bill has been drafted to ensure that the law in Northern Ireland continues to provide existing safeguards for business against certain deceptions that are practised in relation to the publication of real or pretended directory products. The Bill will also bring Northern Ireland into line with the law in GB and ensure that there is compliance with article 9(1) of the European Commission e-commerce directive.

The equivalent in Great Britain of the 1976 Order is the Unsolicited Goods and Services Act

1971. The Bill will amend the 1976 Order to similar effect to amendments that were made to the 1971 Act by two Statutory Instruments that were passed in 2005. To ensure that there is compliance with article 9 of the e-commerce directive, an amendment to the law is required to create an electronic equivalent of a business order form. That could have been achieved by the Department making regulations under section 2(2) of the European Communities Act 1972 to amend the 1976 Order in a similar way to the Unsolicited Goods and Services Act 1971 (Electronic Commerce) (Amendment) Regulations 2005. However, the authorities in Great Britain considered that the 1971 Act should be amended at the same time in order to relax the existing requirements under which clients renew or extend existing contracts for entries in a directory and to simplify requirements as to the form and content of certain documents that relate to contracts for directory entries. That was achieved by the Regulatory Reform (Unsolicited Goods and Services Act 1971) (Directory Entries and Demands for Payment) Order 2005. That Order was made under the Regulatory Reform Act 2001, which does not apply to Northern Ireland legislation.

My Department wishes to ensure that Northern Ireland businesses have the same benefits and protections in this area of law as those in the rest of the United Kingdom. Accordingly, I decided to introduce a Bill to the Assembly. The Great Britain Statutory Instruments were constrained by limited powers to make them consistent with the Regulatory Reform Act 2001 and the European Communities Act 1972. An Assembly Bill is not similarly constrained. Therefore, the Bill will restate the law, with amendments that are similar to those that were made by the recent Great Britain Statutory Instruments, in a consolidated and more readily understood form. If Members have followed that, they have done very well.

The Bill before the House, although different in structure, will have exactly the same legal effect as the Act that applies to Great Britain, as amended. The Department considers that anyone who complies with the law in GB will comply with the law in Northern Ireland, as set out in the Bill.

My Department carried out extensive consultation on the Bill. During the process of policy development, the Department agreed with the

Committee for Enterprise, Trade and Investment that the Department should contact certain organisations to offer additional briefing during consultation. That was done, and we took steps to specifically offer additional briefing to the Northern Ireland Chamber of Commerce and the Northern Ireland branches of the Institute of Directors, the Federation of Small Businesses and the Confederation of British Industry. None of those organisations had any concerns with the proposals, and they have welcomed the Bill. The Federation of Small Businesses in Northern Ireland has welcomed the simplification of the law, the elimination of burdensome and unnecessary procedures and the bringing of Northern Ireland law into line with that in Great Britain.

I will summarise the content of the Bill. The Bill has nine clauses and one schedule, which make minor and consequential amendments. Clauses 1 to 6 are equivalent to section 3 of the 1971 Act that applies to Great Britain, as amended by recent Statutory Instruments, but restated in a separate form. That approach removes the need for unnecessary cross-referencing, and the text has been consolidated and simplified.

Clause 1 imposes a general prohibition on charges, unless the requirements of clauses 2, 3, 4 and 5 are met. Clause 2 sets out the requirements relating to a signed order form for a trade or business directory entry note of agreement. Clause 3 deals with the requirements for signed notes of agreement. Clause 4 applies requirements to certain cases of electronic communication. Clause 5 permits charges in certain cases of renewed or extended contracts. Clause 6 makes it an offence for anyone to demand payment unless the requirements of clauses 2, 3, 4 or 5 are met. Clause 7 states that my Department will have the power to amend the schedule to the Bill by Order, subject to negative resolution. An Order under that clause may also make any necessary transitional provisions and amendments to provisions that are referred to in the schedule. The schedule sets out certain matters that are included in documents that are referred to in clauses 3, 4 and 5. Clause 8 makes consequential amendments and repeals certain provisions of the 1976 Order.

In summary, I believe that the Bill will ensure compliance with the European Union e-commerce directive and will facilitate electronic commerce by introducing equivalence between paper-based and electronic methods for contracting an entry

in a directory. The Bill also updates the law to reflect modern commercial realities of the directory-publishing industry, while ensuring that legislation continues to provide protection for businesses against a number of scams.

The Chairperson of the Committee for Enterprise, Trade and Investment (Mr A Maginness):

I welcome the Unsolicited Services (Trade and Business Directories) Bill and the opportunity to contribute to the debate. The Department has kept the Committee fully informed throughout the process of developing the Bill to this stage, and I thank the Minister for that. The Committee is grateful to the Minister and her officials for the comprehensive and timely briefings that it has received.

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

The Bill's purpose is to update legislation controlling the circumstances in which businesses can be charged for the publication of entries about them in business directories. It relaxes and simplifies arrangements for repeat and renewal directory entries, arrangements for sending order forms electronically and requirements covering the form and the content of invoices and other documents. The Committee recognises that the changes are technical, minor and non-controversial, and that is reflected in the responses to the Department's consultation.

11.00 am

The most noticeable response was that of the Federation of Small Businesses, which welcomed the simplification of the law and the elimination of what it saw as burdensome and unnecessary procedures. It went on to say that the Bill may provide an opportunity to raise awareness of the practices against which the Bill will provide protection, and I certainly hope that that will be the case.

In conclusion, the Committee for Enterprise, Trade and Investment supports the principles of the Bill. It will consider its proposals further during the evidence gathering process.

Mr Cree: I also welcome the Second Stage of the Unsolicited Services (Trade and Business Directories) Bill, although it is a great pity that it does not have a shorter title. As mentioned, the Bill is a relatively straightforward piece of legislation that will bring Northern Ireland into line with GB and ensure compliance with the European Community's e-commerce directive.

The provisions of the Bill control the circumstances in which businesses may be charged for the publication of entries about them in directories, helping to ensure that that process is transparent and that businesses know what they are getting up front. It will also improve efficiency by relaxing and simplifying arrangements for repeats and renewals of directory entries, and it will help to simplify arrangements for sending order forms electronically and the requirements covering the form and content of invoices. Therefore, the Bill will be a welcome assistance to businesses in Northern Ireland.

However, it is somewhat disappointing that the Bill was not introduced earlier. It reflects corresponding legislation in Great Britain that was introduced in 2005 and it will fulfil our European obligations. It is no secret that we have had significant problems in fulfilling our European obligations in other areas. Therefore, I would have thought that the Minister would have considered a simpler procedure to be a higher priority.

Last month, it was brought to the attention of the Committee for Enterprise, Trade and Investment that businesses and individuals were being targeted with fraudulent invoices, a practice that the Bill will go some way to restrict by helping businesses to identify potentially fraudulent entries in trade directories. Therefore, it is disappointing that it has taken Northern Ireland five years to catch up with the rest of the United Kingdom, and I ask the Minister to inform the House if her Department is not meeting any other European directive. However, I am happy to support the Bill.

The Minister of Enterprise, Trade and

Investment: I am very pleased to note the broad support for the proposals contained in the Bill. Members appreciate that the Bill is a technical measure, but it is important that we update the law in Northern Ireland to reflect the commercial realities of the trade and commercial directory publishing industry in the twenty-first century.

I note Mr Cree's comments, but the Bill only relates to trade directories and not other directories that he may be referring to. I also note the comments that he made in the ETI Committee and the comments that my officials made in response to a press release in February 2010 about Yell, which had encountered difficulties as invoices purporting to be from the company were found to be fraudulent. Yell

has worked closely with the Trading Standards Service in the Department after indicating that there were difficulties. The service continues to work closely with industry and provides examples of fraudulent invoices on its website to alert businesses to that potential problem.

In relation to Mr Cree's comments as to why the Bill was not introduced sooner, I explained in my opening remarks that the process could not be done by regulation and had to be done through a full Bill, because of the way in which matters were dealt with in GB. That meant that time had to be found to bring forward the Bill, and, although I understand his comments, there are no trade publishers in Northern Ireland and anyone who was affected here would have been covered by GB law. However, I wanted to bring the matter to the Floor of the House as soon as possible to deal with the anomaly and gap that existed, to ensure that if anyone set up a trade publication business in Northern Ireland we could deal with the issue directly.

As I said, I am grateful to the Members who have contributed, not only in the House but at the Committee. I look forward to the next stage of the Bill's progress through the Assembly, and we look forward to engaging with the Committee. As the Chairperson recognised, we have consulted more than is normal for a Bill. I make no apology for that; it is good that we engage with the industry to show it that we are listening to its concerns, that we wish to simplify issues for it and that we are dealing with better regulation issues. That and other issues are of key importance to the Bill.

Question put and agreed to.

Resolved:

That the Second Stage of the Unsolicited Services (Trade and Business Directories) Bill [NIA 12/09] be agreed.

Welfare Reform Bill: Second Stage

The Minister for Social Development

(Ms Ritchie): I beg to move

That the Second Stage of the Welfare Reform Bill [NIA 13/09] be agreed.

The Welfare Reform Bill makes provision for Northern Ireland similar to that made for Britain by the Welfare Reform Act 2009, which received Royal Assent on 12 November 2009. The Bill will further reform the welfare and benefits systems to improve support and incentives for people to move from benefits into work and set the scene for the eventual abolition of income support.

The next stage of reform is about creating a system that recognises that barriers to work are different for each individual, a system that is flexible enough to respond with personalised support and a system in which most people move towards an eventual return to work and are expected to take up the support that is available to them. We know that that approach works and that combining rights with responsibilities, having regular contact with our customers and getting them to think about a return to work can change not only mindsets and outcomes but lives.

The key provisions in the Bill draw heavily from the report entitled 'Realising Potential: A Vision for Personalised Conditionality and Support' by Professor Paul Gregg, which was published alongside the White Paper 'Raising expectations and increasing support: reforming welfare for the future' in December 2008. Professor Gregg recommended a system of personalised conditionality matched by personalised support with virtually everyone who is of working age and on benefits being expected to take active steps towards work.

He identified three broad groups. First are those who are work-ready. The second group is those for whom an immediate return to work is not appropriate but for whom working could become a genuine possibility with time, encouragement and support. That second group is referred to as the "progression to work" group. The third group comprises people for whom there should be no requirements.

The work-ready group comprises people who are on jobseeker's allowance. Most people who claim jobseeker's allowance leave benefits

in less than two years. Even in the current economic climate, most leave within six months. However, some people do linger, and we need to build on the substantial support that we are making available earlier in the jobseekers' regime to minimise the risk that jobseekers will repeatedly cycle through the system.

It is for that reason that the Bill makes provision for a "work for your benefit" programme. That programme will be designed to move jobseekers closer to the labour market, help them to find sustained work in the open labour market and provide them with the experiences and training that they need to end the cycle of benefit dependency. Although the Bill makes provision for the programme, I emphasise that it will be piloted initially in four areas in Britain. The introduction of the programme to Northern Ireland and the form that the programme will take here will be considered following a full evaluation of those pilots.

The progression to work group will include people in a work-related activity group who receive employment and support allowance, partners of certain benefit claimants and lone parents with young children. We want to ensure that preparation for work becomes a natural progression rather than a sudden step. The Bill makes provision for a requirement to undertake work-related activity and for people to be mandated to a specific work-related activity that is prescribed in an action plan. As with the work for your benefit scheme, work-related activity will be piloted initially in Britain. Although the Bill includes provisions for that, its introduction in Northern Ireland will be considered following a full evaluation of those pilots.

The Bill also contains powers to ensure that people on employment and support allowance in the work-related activity group undertake activity that is most appropriate to addressing their individual barriers to work. Those reforms will deliver better, more flexible and more appropriate support to people across the spectrum of out-of-work benefits by providing a personalised model of support and conditionality that is not dependent on the benefit that a person claims, but on the circumstances in which he or she claims it.

Work-related activity will also be initially piloted in Britain, and its introduction in Northern Ireland will be considered after a full evaluation of those pilots. There are those who, rightly,

should not be required to look for work or to undertake activity in order to move closer to the labour market. I am referring to people with caring responsibilities, those who have a serious illness or disability, and the parents of very young children. However, many will want to make that journey, and we must support them in doing so. We must make support better, more flexible and more suitable for people when they need it. That is what Part 1 of the Bill addresses.

We also want to simplify the benefits system so that it is easier for people to engage with it. The Bill signals the intention to abolish income support when resources allow and when it is clear how that change will fit with other changes that are under way. The aim is to move towards a dual benefits system for people of working age that is based on the employment and support allowance, which is specifically for people with a health condition or disability; and jobseeker's allowance, which is for a range of other groups. People moving from income support to jobseeker's allowance will retain the same level of conditionality as at present. We also propose to amend the law so that couples in which one partner is capable of work will make a claim for jobseeker's allowance. That will ensure that the partner who is closest to the labour market can access as much support as possible in order to move back into work. We will not move carers from income support until we have a clear plan that sets out how we will reform the benefits system over the longer term.

The remaining adult dependency increases in the benefits system will be abolished, and the contribution conditions for employment and support allowance and jobseeker's allowance will be more closely aligned. Powers are being established to improve the delivery of community care grants and to allow us to provide items, such as white goods, at a much lower cost. The Bill also contains provisions to extend the circumstances in which payments on account of benefit can be made. That will allow for advance payments of benefits to be made to those who are facing hardship while they are waiting for their first full benefit payment.

We will not tolerate violence against benefits office staff, and we will sanction those who engage in such behaviour. We will also sanction those who fail to attend their mandatory interviews at jobs and benefits offices without good reason. Benefit fraud is at a low level, but we are not complacent, and we will increase

the sanctions for those who are found to have committed it. Later, I will speak about the meeting that I had last year with Jim Knight, the relevant Minister in Britain, about the issue of operational flexibility.

Part 2 of the Bill includes provisions for further changes to child maintenance legislation and builds on those made in the Child Maintenance and Other Payments Act 2008. That Part of the Bill will assist with the administration of maintenance payments, extend the offences relating to information to include a failure to report other changes and circumstances, and increase the timescale for bringing a prosecution action for providing false information. Part 3 of the Bill is more general and deals with matters of a technical nature, such as consequential amendments, repeals and transitional arrangements.

The Bill represents a way forward. It is designed so that we can work with people to lift them and their children out of poverty. I am conscious that some people feel that that should be done when children are aged seven rather than five. We want to be flexible enough that the requirements that are placed on people are aligned to their circumstances. People must come first. The Bill is also designed to ensure that the expectations that we have of any claimant are realistic and achievable.

We do not want to create a welfare state that punishes people; we want to create a welfare state that supports people by ensuring that the safety net is never abolished. However, we must not forget that social security can be achieved only through co-operation between the Department and the individual. We are working to provide the help that people need to deal with the challenges of the recession today, which are particularly pernicious. However, we are also determined to take this opportunity to help people to overcome the obstacles that they may face in the future. In other words, we want to help people to find work, which I acknowledge is difficult in the current financial circumstances.

11.15 am

The Bill is a key stage in the continuing reform of the welfare system. I hope that it will allow us to deliver comprehensive reforms to ensure that the welfare state is supported and expects people to support themselves. The Bill is not about punishing people for being on benefits. It is about ensuring that the welfare system

provides them with the opportunities that they need to improve their skills, prepare for work and, where appropriate, move off benefits and into employment. However, there may be circumstances where that is not appropriate.

Let no one say that a recession is the wrong time to address welfare reform. It is precisely the current socio-economic climate that makes reform more urgent, not less.

On 23 July 2009, I met the Minister from the Department for Work and Pensions in London. I told him, as I now tell the House, that there are aspects of the Welfare Reform Bill about which I have some disquiet. I told the Minister that I wanted to have operational flexibility in Northern Ireland. He agreed to that and also to look at certain aspects of the Bill. That is why, contrary to the convention in this House with reference to social security legislation, I instructed that the Bill be subject to full scrutiny by the Committee for Social Development.

That is important. Normally, social security legislation goes through the House according to accelerated passage. In this instance, I disagreed with that, and, within the Committee, there was a variation of views. I did it because I wanted to hear the Committee's views on the legislation. If there are better suggestions about the Bill's operational flexibility which do not endanger parity or the money that we receive through annually managed expenditure, I am very happy to hear them. That is what the Committee process is about, and I want Members to be very aware of that.

As the original legislation was made at Westminster, it is important that we participate there fully in the Committee Stage and in the House of Commons itself, where it is debated at Second Reading — *[Interruption.]*

It is not a laughing matter. It is a serious, practical, political point that I hope all Members will take note of. *[Interruption.]*

Mr Deputy Speaker: Order.

The Minister for Social Development: In conclusion, the Bill is designed to help us further along the road to a more personalised benefits system and ensures that parents take full responsibility for their children's upbringing. I am conscious that people feel that sometimes bonding has not been completed by age five, and that it may take a little longer, perhaps until

age seven. Every child and every household is different. I fully appreciate and understand that, although I am not in those particular circumstances myself.

It is a necessary Bill. However, I am very anxious to hear the Committee's views on operational flexibility. I am particularly conscious that the money for these measures and for benefits in general does not come from the Northern Ireland block grant, but from annually managed expenditure that brings a significant amount of money into the Northern Ireland economy on a year-on-year basis.

The Bill is a parity measure and an important step in the ongoing process of welfare reform. Notwithstanding my own reservations, the Bill encourages people to work while supporting those who cannot.

The Chairperson of the Committee for Social Development (Mr Hamilton): The Committee for Social Development devoted substantial energy and time to considering the principles underpinning the Welfare Reform Bill. The Committee reviewed the Green Paper of the equivalent Westminster Bill and responded to that consultation.

The Committee also responded to the Department for Social Development's equality impact assessment consultation on the Northern Ireland version of the Welfare Reform Bill.

Before I refer to the key components of the Bill, I will make some remarks that set out the Committee's general view. I stress that my comments will be an attempt to give the broad range of views that were expressed by the Committee during its deliberations.

The majority of Committee members support the principle of maintaining parity with the rest of the United Kingdom in respect of social security, child maintenance and pensions matters. Most members generally feel that Northern Ireland's position within the UK welfare state is beneficial for those claiming benefits and other claimants. Thus, the majority of members welcome the Bill in so far as it maintains access to existing welfare provision within Northern Ireland and introduces necessary and beneficial reforms.

Given what I just said about the maintenance of parity, I must record the Committee's well-expressed dismay at the Department's delay to the introduction of the Welfare Reform Bill.

That has led to an administrative disparity between Northern Ireland and the rest of the United Kingdom in respect of certain social security matters. It is understood that to avoid any possible detriment to claimants in Northern Ireland, Royal Assent for the Bill must be secured before October 2010. To facilitate that, the Committee has agreed that following referral of the Bill, the Committee Stage will be undertaken as expeditiously as possible.

I strongly believe that scrutiny at the Committee Stage and amendment, where necessary, at the Bill's subsequent stages are of critical importance to the legislative process. With that in mind, the Committee will endeavour to complete its work thoroughly and in a timely manner so as to ensure an appropriate level of review, while minimising the consequences of the Department's pre-introduction delay.

I will now make a few remarks on the various clauses of the Bill. As the Minister indicated, the Welfare Reform Bill continues the process of change to social security provision. Many aspects of the Bill are intended to be helpful, such as encouraging the long-term unemployed or those with caring responsibilities to regain the skills and habits associated with employment. The Committee recognises that paid work is a good thing. As I have said in the House before, regular, safe and appropriately rewarded employment brings economic, social and even health benefits to those in employment and, crucially, to their families.

The Committee agrees that no one should be left behind by the welfare state and it welcomes the principle of inclusion for all sections of our community in the benefits of regular and rewarded employment. Although the majority of Committee members do not dispute that principle, some members may have difficulties with the outworkings of the measures proposed in the Bill.

The Bill proposes a work for your benefit scheme, as the Minister outlined. The principle of providing encouragement and intensive support for the longer-term unemployed to help them overcome barriers to employment is welcome. However, the proposed practice of compelling the unemployed to undertake work for no additional remuneration may prove more controversial.

Committee members understand the Department's assurance that such a scheme

would only be introduced to Northern Ireland following the evaluation of pilot schemes in Great Britain and a decision in Westminster to proceed with a national roll-out of the scheme. Nonetheless, members of the Committee are understandably concerned that the Bill requires the Assembly to sign up to a scheme that could be viewed as being unfair to claimants and could also undermine the existing employment market. Committee members will want to explore, as far as time permits, the manner in which that provision can be fairly implemented while maintaining parity with the rest of the UK in social security provision.

The Bill also proposes the complete phased migration of income support claimants to employment and support allowance (ESA) and jobseeker's allowance (JSA). The House has taken a great interest in the implementation of ESA, and members of the Social Development Committee recently visited the ESA processing centre in James House. The record of ESA claimant processing, although greatly improved in recent times, was extremely poor when the new benefit was launched. Although the full migration of income support claimants to ESA and JSA will be phased in, members are keen that there is no repetition of the lengthy processing times, confusion and unnecessary concerns for claimants that characterised the initial transfers to ESA.

The Welfare Reform Bill contains provisions that will require certain lone parents to undertake work-related activity and to produce employment action plans as a condition of the continued receipt of benefits. The Committee notes that the Bill also contains provisions that require the well-being of claimants' children to be considered in the development of employment action plans.

Since the Committee first considered the proposals for the Bill in October 2008 and at every juncture thereafter, members have consistently highlighted concerns about claimants who have children. Members contend that the proposed measures may be workable in Great Britain where so-called wrap-around childcare is available; however, in Northern Ireland, there is considerably less provision for childcare and, as yet, no overarching strategy to address the situation. As a consequence, some Committee members have signalled that the additional measures for lone parents may require amendment or, possibly, further

Assembly procedures to ensure that their implementation does not disadvantage lone parents in Northern Ireland.

The Bill introduces benefit sanctions for fraudsters, claimants who have been convicted or cautioned for violence against benefits staff and for claimants who fail to attend certain mandatory interviews. Everyone will agree that benefit fraud must be countered, and everyone will also agree that all sensible measures should be taken to protect benefits staff from violence or from the threat of violence. The proposed sanctions in that area are understandable and have, generally, been welcomed by the Committee. However, the sanctions for failing to attend mandatory interviews are a cause of concern for some members of the Committee. It is anticipated that some time will be needed to review the proposed outworking of those sanctions and their impact, particularly on the children of claimants.

The Welfare Reform Bill includes measures that, although unwelcome, most members accept as inevitable, including the abolition of adult dependency increases for certain allowances and the requirement for new claimants of contributory ESA and JSA to have more National Insurance contributions. Most members accept that changes to those provisions would be expensive and, therefore, outside the legislative competence of the Assembly.

Some aspects of the Bill are very welcome. For example, in the view of most Committee members, the extension of certain disability living allowance (DLA) payments to the visually impaired, the introduction of payments on account for benefits claimants and the introduction of exemptions from job-seeking conditions for the victims of domestic violence reflect the advantages of parity with the rest of the United Kingdom on social security matters.

Subject to the approval of the House, the Committee for Social Development will review the Bill with its usual rigour and energy. Certain aspects of the Bill that relate, for example, to the contracting out of services provided by the Department for Employment and Learning will be referred to that Department's Committee for scrutiny. Subject to the co-operation of the Department for Social Development, the Committee intends to conclude its scrutiny as quickly as possible. I assure the House that the Committee will ensure, as far as possible, that

there will be no detriment for benefits claimants in Northern Ireland as a consequence of the Department's delay in introducing the Bill.

Before I conclude, I want to make some remarks as a Democratic Unionist Assembly Member. My party has consistently supported helping people who can work to return to work; everyone in the House subscribes to that idea. We are all aware of the very high levels of economic inactivity in Northern Ireland and of the fact that many people included in those statistics want to work, are capable of working and simply need support and encouragement to do so. Furthermore, we are mindful that although the Minister's Department and other Departments can make many interventions, the best way for an individual or a family to get out of poverty is through a good, well-paid job. That is the best antidote to poverty. We all subscribe to the idea of encouraging people who can work and who want to work to get back into the labour market. That is why I am very pleased with the reforms in the Bill and with the support that is proposed.

The support is not only about interviews; it is, in many respects, a hand-holding exercise, because some people who have been out of work for a very long period have forgotten what it is like to apply for a job. They do not know about that process at all. We need to help people not only to build the skills that they might use in work, but the skills that they need to apply for a job or for several jobs.

So, it is as much about building CVs and interviewing skills as about training and simply having support. I welcome that focus of the Bill. We will see how that operates as the Committee rescutinises the Bill.

11.30 am

I want to talk about the breach of parity. Some Members perhaps do not agree with parity, and the Minister, in her successful bid for her party's leadership, talked about moving away from having Northern Ireland encompassed within the UK social security umbrella. However, I have always believed in maintaining parity with the rest of the United Kingdom, because it provides a safety net for our citizens. We have all worked with the system day in and day out in our constituency work, and some Members have done so professionally in the advice sector. No one would say for a second that the system is perfect. As the Minister herself said, however, it is at times such as this, in the middle of very

difficult economic circumstances, when the benefits that our welfare state provides for our citizens are seen, and that comfort blanket is there for people so that they do not fall through the cracks, or, if they do, they can still be caught with other protections. We should all subscribe to that. Therefore, my party and I take very seriously any breach of parity, whether for one day or one month — indeed, any break of any magnitude — because of the fear that has been instilled in us down the years and certainly over the past three years. I cannot recall how many times, during my membership of the House, I have heard the Minister or officials tell us of the catastrophic consequences that a breach of parity could cause. We were told that the roof would fall in if there was a breach of parity, yet here, because of the delay caused by the Department, there has been a breach of parity.

I accept the Minister's explanation that the breach may well be only technical. "Technical" is one of those euphemistic words that covers a multitude of sins. It appears that a lot of these initiatives and measures kick in somewhat down the line, and we have until October to get the legislation in place. However, I ask the Minister to explain more clearly the consequences of the breach in parity. No Chairperson or member of a Committee would not welcome the opportunity to scrutinise at length and in detail every piece of legislation. However, as the Minister herself acknowledged, every other piece of social security legislation presented to the House in the past three years has gone through by accelerated passage and, therefore, has not been amended by Members.

Although I accept and welcome the Minister's points about operational flexibility, that is the very narrow remit with which we are dealing: it is operational matters, nothing to do with the detail of the legislation and certainly nothing to do with payment levels or new or non-payments. The House and Committee are dealing with a matter of very limited territory. I have to ask, therefore: why the delay; why the breach in parity; and what are the consequences of the breach?

Even though there has been a breach in parity and even though that old fox that we must have parity at all times has been shot, I still hear the Minister talk about the need to maintain parity. Although my party and I certainly agree with keeping parity, we are concerned that there has been a breach, albeit of a technical nature. Nonetheless, there has been a breach, and I

ask the Minister to outline better for the House what the consequences of that may be and, if there was any delay, what the consequences would be after October.

With those remarks as a DUP Member over and subject to the reservations that I have set out as Committee Chairperson and personally, the majority of the Social Development Committee generally welcomes the principles of the Bill. I look forward to the Bill's various stages and the opportunity to scrutinise it in detail and at length but in a timely manner.

Mr Brady: Go raibh maith agat, a LeasCheann Comhairle. I apologise for missing the beginning of the Minister's contribution: I was at a Committee meeting.

It must be realised that the Welfare Reform Bill heralds one of the major changes in benefits since the inception of the welfare state and needs to be scrutinised in detail because of the implications that it will have for those who are reliant on the benefits system. By saying that people must come first, the Minister expressed a noble sentiment about the Welfare Reform Bill. We shall wait and see the eventual outcome of the Bill as it starts to affect people, because work-for-benefits schemes have been mooted in the past, particularly in models based on welfare-to-work programmes in America. However, in the past, such schemes were initially felt to be too prescriptive on claimants and people in the benefits system.

I apologise for repeating some of the issues that have already been covered by the Committee Chairperson and the Minister, but I will start with the issue of lone parents with young children having to be available for work. The lack of a childcare strategy has already been mentioned. The introduction of such a strategy and the proper provision of childcare should not be done in isolation; it should be an interdepartmental initiative.

I am impressed by the Minister's knowledge of child psychology and the age at which children cease to bond with their parents. Seven seems to be the cut-off point. In future, the Bill may reduce that cut-off age to one. What will happen then to the bonding process in children between the ages of one and seven? I am sure that the Minister will give us some idea of that in her summation.

The Bill also makes provision to reform the social fund. It will provide that, at the discretion of an appropriate officer, a payment may instead be made to a third party to provide goods or services. That idea was tried in the 1980s before the social fund was introduced as a replacement for single payments. In my work area at that time, it sometimes led to a monopoly developing with certain providers, and, in some cases, the stigmatisation of social security claimants. Shops actually put up signs stating "DHSS claimants accepted". However, people were reluctant to use those shops because, by doing so, they immediately felt stigmatised in the sense that they were receiving what they might have considered handouts. Some providers of goods specifically touted for social security claimants. In fact, when the social fund was introduced, some retailers in my area went out of business because the social fund was not on a par with the old single payments system.

The Bill provides for benefits sanctions for jobseeker's allowance claimants who, without good cause, fail to attend mandatory appointments in connection with their claim. The Committee heard evidence from the National Autistic Society, and I think that adults with autism and people with mental health problems must be handled sensitively. The Minister for Employment and Learning's expressed interest in providing proper training via, for instance, Disability Action, is to be commended. There will also be sanctions against claimants who act violently or threateningly to staff. That can be very traumatic for staff, but the backgrounds of the perpetrators, who may well have mental health problems, needs to be established.

The Bill mentions lifetime opportunities. Policies are designed, apparently, to improve employment outcomes for disadvantaged groups, such as lone parents and disabled people. It also mentions increased employment, improving individuals' welfare and fostering social inclusion. Work remains the best and most sustainable route out of poverty; it is also good for people's health and well-being. Apart from sounding patronising and aspirational, the Bill provides no evidence that the work mentioned should be suitable, financially beneficial or provide stimulus and satisfaction for the person involved.

The Welfare Reform Bill mentions removing benefit complexity, which can be only good. The

employment and support allowance (ESA) centre that I visited with the Committee was very impressive. The process of taking claims was very good; getting payments out seemed to be the main problem.

The ultimate aim is to have one universal benefit. That will surely lead to more centralisation, the diminution of front line services and, inevitably, job losses in the Social Security Agency. I am sure that the Minister will address those matters in her summation.

Removing income support may well mean that people will have to satisfy more stringent requirements for benefit. If people are to be encouraged back to work, there is an urgent need for a complete overhaul of the tax credit system. For a large number of people, that has proven a complete shambles, with large overpayments being made and challenged, and tax credit offices being virtually uncontactable.

The Welfare Reform Bill is something of a curate's egg: it is good in parts. In its present form, it will be difficult and complex to administer. There are many areas in which parity may simply not be applicable, even though it will be enforced. I am reluctant to say that I have seen it all before, but provisions in the Bill have been considered and tried in the past and were found seriously wanting. As someone once said, it is like *déjà vu* all over again.

Mr Armstrong: I welcome the Bill, which is an opportunity to tackle welfare reform and unemployment in Northern Ireland. However, I am concerned that the reforms do not go far enough. We can be more imaginative in how we effectively address welfare reform. Perhaps the Minister will assure the House that the traditional approach with regard to parity has been taken in respect of the Bill.

The Bill includes a number of clauses to be considered in the months ahead. It is part of the ongoing process of welfare reform and modernisation of the benefits system in Northern Ireland. The Bill consists of three Parts: Social Security; Child Maintenance; and Miscellaneous and Supplementary. The first Part relates to social security and addresses the abolition of income support, supporting parents with young children into employment, community care grants and benefit fraud. The second Part addresses child maintenance and provides for amendments to the current statutory provisions that relate to information offences. The final

Part addresses repeals and revocations of other legislation and the like.

It is likely that the Bill will lift more families out of poverty and potentially assist more people into work in Northern Ireland. The Bill proposes to reform the welfare and benefits system to improve support and initiatives for people to move from benefits into work. In recent months, we have seen redundancies in many businesses and manufacturing industries throughout Northern Ireland. They are happening in ones, twos, tens, and we have even seen hundreds of jobs going in individual companies across Northern Ireland.

Unemployment and redundancy are about much more than statistics. Each of us knows people, constituents, friends and family members who have lost their job and the income for their whole family. Some are struggling to get their first job. Young people are trying to enter the labour market for the first time. Mothers and fathers are struggling to feed and clothe their children, as well as make their rent or mortgage payments. Unemployment is rising faster than at any time in the past 18 years. Youth employment has been particularly badly hit.

Tackling unemployment and the dependency on the benefits system remains central to ensuring that people meet their potential in the workforce and to engendering the positive contribution of individuals to our society. We all know that work is key to physical and mental well-being. It also has a generational impact on the well-being of our children. I look forward to discussion of the Bill in Committee.

Mrs M Bradley: I welcome the Bill. Many points have been raised by various members of the Committee. I am sure that the Minister will address those. I want to know about the flexibility that the Bill allows for. The Minister said that she has considered that matter with the relevant GB Minister and that we will be allowed a bit of flexibility. There is a big difference between Northern Ireland and Britain; look at the habits here and the habits there. We need flexibility. I hope that that happens for the Bill, and I hope that the Minister will be allowed to use her flexibility. I welcome the Bill, I thank the Minister for bringing it to the House, and I look forward to its coming to the Committee.

11.45 am

Ms Lo: I support the principles of the Bill, but I have concerns that many of the sanctions seem to be very draconian. At the beginning of the debate, the Chairperson comprehensively set out the reservations of Committee members. As the Minister said, we need to look at evaluations of the various pilots in England to see whether those sanctions and steps and measures are workable for Northern Ireland. It is not that people do not want to work, but many people here have limited or no qualifications to gain employment. Sometimes they are offered jobs that do not pay them enough, and they are much better off on benefits, so they stay on benefits. Therefore, it is important to give people practical help and support to try to upskill them to make them employable. It is not just the responsibility of the Department for Social Development. There must be joint working with the Department of Education and the Department for Employment and Learning to help people to get the necessary qualifications so that they can work.

As other Members have said, work provides people with self-esteem and better mental health. There is a lot of apprehension in the community about the various steps in the Bill, and lone parents in particular are concerned. Mickey Brady was right to point out to the Minister that the Bill aims to bring lone parents back to work when their children are one year old. I have two children and a stepson, and I know that I would not have wanted to be forced to leave a one-year-old baby in the house while I went out to work, particularly when many neighbourhoods in Northern Ireland do not have affordable and accessible childcare. We have seen a decline in the number of childminders, which is forcing people to leave their little ones at home with a childminder who may not be appropriate. That is a great concern for me and for the community and society.

Some sanctions, such as child maintenance, sound quite incredible to me. With my background in community work and social work, I have always had a strong view that non-resident parents should pay maintenance so that their children will not be deprived. However, following successful piloting in Great Britain, the Bill will allow the administrative disqualification of non-resident parents from holding or obtaining a driving licence. That will make people lose their job, and that will not

help anybody, least of all the child. We will need to look carefully at the outcomes of the various pilots in England. The Bill will also create an offence relating to failure to disclose a change of circumstances by a non-resident parent. I agree with that, but it seems very negative to take away a person's driving licence.

I ask the Minister to be careful. I welcome her decision to breach parity, although I share the Committee Chairperson's concerns. I welcome also the period that the Committee has for more detailed scrutiny of the Bill.

Mr Easton: I generally welcome the reforms laid out in the Welfare Reform Bill, but I have some issues, which I will outline towards the end of my speech.

I welcome the "work for your benefit" scheme. It is not about people being forced to earn their benefits, but about providing them with the experience that will help them to get a job. Many people who are on jobseeker's allowance and other work-related benefits have been on them for some time, and the longer they have been out of work, the greater an obstacle it becomes for them when filling in a job application form. The scheme will, therefore, be beneficial to those on unemployment-related benefits in that it will help them to gain practical work experience, and I look forward to the results of the pilot scheme on the mainland.

The extension of certain DLA payments to the visually impaired has to be welcomed, as many people have been disenfranchised under the current system. I welcome also the change in how the payment of community care grants will be made. They will go directly to the suppliers of goods and services. That will ease the burden on those in need and, hopefully, make the delivery of services smoother. I welcome the introduction of payments on account for benefit claimants, as well as the introduction of sanctions against benefit fraudsters, including those who have been convicted or cautioned for violence against benefit staff and claimants who fail to attend mandatory interviews. We must stamp out fraud where we can.

I welcome the introduction of exemptions from job-seeking conditions for victims of domestic violence. That is an acceptance of the genuine reasons why some people may not be able to get into a job. I welcome also the consideration of a child's well-being when looking at parents' benefits.

I do, however, have some concerns and queries about a number of issues in the Bill relating to the migration of income support claimants to jobseeker's allowance and employment and support allowance. I am concerned about the impact that that may have on lone parents, many of whom receive income support while raising and caring for their family. Lone parents have the right to spend time with their children in the absence of the second parent, so what does the Minister propose to do to protect them?

I am also concerned about the requirement for certain lone parents and partners of benefit recipients to undertake action planning and work-related activity as a condition for the continued receipt of benefits. Lone parents should have the support of the state, when they feel it is necessary, in raising their children. I would like clarification of the requirements for certain employment and support allowance claimants to undertake work-related activities. Who does that relate to? Furthermore, what social security matters within the Department for Employment and Learning does the Minister intend to contract out? From my experience, I know that contracting out causes problems, including delays and poor communication. Those receiving benefits, therefore, experience undue stress and hassle when seeking those benefits. I would also like to query the introduction of work focus interviews for claimants who are aged between 60 and 65. Why is that group receiving special attention?

Overall, reform in our social security system is needed, but at its centre are the claimants who, for whatever reason, are receiving state support. The system was created to support people, not to cause a hindrance or distress. It is, therefore, important that we get these things right, because, after one set of reforms comes through, we will need to change them, according to the experience of those who are in receipt of benefits. I will continue to monitor the Bill, and some changes may well have to be made at a later stage.

Mr F McCann: Go raibh maith agat, a LeasCheann Comhairle, Minister agus a chairde. A lot has been said about welfare reform already, and I know that the Bill will go to the Committee for scrutiny. I will raise several points about what I believe the impact of the changes will be on our communities in the coming period.

Since the Bill's introduction, Sinn Féin has raised many concerns about the impact that it will have on those who, because of ill health or lack of employment, find themselves claiming benefits. In the past, my colleague Mickey Brady said that he fears that we are heading towards a universal benefit, which will make it more difficult for people to access benefits. Benefits should not be about stopping people claiming their entitlements but about ensuring that those who need help can avail themselves of it without their motives for making a claim being questioned. It is amazing that, every time there is a change to the benefit system, we are informed that such changes are aimed at making it easier for people to make claims, when in fact the opposite is often the case. Many people believe that such changes are more about forcing people to come off certain benefits than about ensuring that they can access the benefit system.

Close to 110,000 people across the North are in receipt of incapacity benefit. Many people in the voluntary and community sector believe that the decisions to change the name of that benefit to employment and support allowance and to introduce work-related interviews will lead to a serious reduction in the number of claimants. In fact, it has been said that targets already exist to halve the number of people who claim incapacity benefit. That would result in a reduction of some 50,000 claimants. What is laughable about those changes is the push to get people back to work when what is not explained is where the jobs are to be found.

We have argued about conducting job-related interviews and how people with mental health problems, those who suffer from autism or those with other serious problems are being treated. There is a particular concern about people with learning or educational difficulties. It is all right to say that staff have been trained to deal with all eventualities, but, from the feedback that we are getting from departmental staff and the many support organisations that represent those who suffer from various difficulties, that does not seem to be the case. There can be serious consequences not only for claimants but for staff who are forced into the position of having to deal with someone who has serious problems. Such members of staff may be unable to recognise that the claimant is having difficulties. I appeal to those groups and individuals to take part in the Committee Stage of the legislative process.

Several weeks ago, the Committee for Social Development visited the headquarters of the processing of claims for employment and support allowance. I have to say that we were impressed by the commitment of the staff and management at that processing centre. However, problems still remain. In the past week, from my office, I phoned a number that was provided to elected representatives, but it took up to 25 minutes to get through. However, when I eventually did get through, the staff dealt with the query effectively.

My colleague Mickey Brady covered other issues, including effective training for staff and how the changes will impact on lone parents, especially given the lack of effective childcare provision.

We also have serious concerns about the use of sanctions, such as the removal of benefits for the most trivial reasons. Many people have been left without payments for many weeks with no other means of survival. Changes to the social fund will make it more difficult for people to access benefits and, in particular, interest-free loans, which many people rely on to clothe their family at various times of the year. The change will have serious consequences and will force people into the waiting arms of unscrupulous moneylenders who charge huge interest rates. Therefore, the changes will impact on people's ability to survive and provide.

Although we are tied to parity, I would be in no rush to implement some elements of the legislation. We have the ability to administer the benefit system so that it helps rather than hinders people. We should remember that circumstances are not the same here as in England. We live in a low-pay society in which many essentials are more expensive. As I said, where are the jobs to ensure that people go from benefits to employment? Let us not fool ourselves: the implementation of certain provisions in the Welfare Reform Bill could have detrimental consequences for many of our citizens.

Alex Easton spoke about sanctions. I understand and appreciate what the Minister said about anyone who issues any type of threat against staff or resorts to violence being subject to sanctions. However, many people who, for whatever reason, forgot to turn up for an interview have had their benefits suspended for anything from one week to eight weeks. During that period, they have to rely on family or friends to survive.

If people are forced down that road, the system must be wrong. We continually talk about the impact that crime has on our society, yet we are forcing people into positions in which they are being sanctioned. They may have nobody to turn to when it comes to feeding and clothing themselves or when it comes to socialising. That needs to be taken into consideration when we are looking at how sanctions are being administered across the board.

12.00 noon

The Minister for Social Development: I thank the Chairperson of the Committee for Social Development, Simon Hamilton, and all the Members who spoke. I listened to Members' points carefully, and I trust that I will be able to address any concerns that they might have. If I do not fully answer the issues that they have raised, I will write to them after a full examination of the Hansard report.

Mr Hamilton asked about the consequences of the delay to date for individuals in Northern Ireland. That brings us back to the technical issue, and principle, of parity. I assure the Member that the delay to date has no consequences for individuals in Northern Ireland. The main impact is that adult dependency increases here will not be abolished from April 2010.

The Chairperson also mentioned the work for your benefit programme, which is designed to provide the long-term unemployed with work experience and training to enable them to be in a better position to find work. We should always exhort and encourage people, and I would like all officials to be in that frame of mind so that they can be particularly sympathetic to all claimants' needs while encouraging them to find work. I take on board the fact that that is difficult during an economic recession. Nevertheless, every effort should be made to help people.

The exact form of the work for your benefit programme will become clear after the pilot schemes in Britain have been evaluated. Members should remember that I said, during the Second Reading of the Bill, that I had certain reservations and concerns. In July 2009, I put those reservations to Minister of State at the Department for Work and Pensions Jim Knight. Consequently, I was allowed to bring about operational flexibility, which makes Northern Ireland that bit different and reflects its special circumstances. Other issues in

relation to the work for your benefit programme will be considered in conjunction with the Department for Employment and Learning.

Mr Hamilton also mentioned income support, which will be abolished only when arrangements have been made to transfer claimants to other suitable benefits. There is no timescale for that. Carers will not be moved until suitable arrangements for them have been put in place.

The Chairperson and Mr Brady mentioned lone parents. I am very well aware that childcare is an issue in Northern Ireland, particularly in rural communities, where the same access to childcare is not available. Childcare is a matter for other Ministers around the Executive table, so I hope that Members will encourage their colleagues to do everything possible to ensure that adequate provision is put in place, particularly with respect to early-years partnerships. That is why, given the difficulties with that matter, I got the approval of the Minister of State at the Department for Work and Pensions to introduce extra flexibility.

Mr Brady: Will the Minister give way?

The Minister for Social Development: I will come back to Mr Brady in a minute.

It will be at least two years before the changes set out in the Bill are introduced here.

Therefore, there should be time to look at all of this and make a start on dealing with the childcare issue. In any event, no lone parent will be sanctioned — I do not like sanctions — if suitable and affordable childcare is not readily available. In fact, I also gave that assurance with respect to other social security legislation. I am particularly concerned about the level of childcare, but it is within the remit of other Ministers.

Mr Brady: I thank the Minister for giving way. During my previous employment, about seven years ago, academics carried out a survey of social services in the Mourne area, which is part of the Minister's constituency, showing that the area had the worst childcare provision in western Europe, with some five registered childminders. That must be addressed urgently. I said in my speech that it is an interdepartmental issue.

The Minister for Social Development: I hear what Mr Brady says. It would be useful if the appropriate Minister brought forward the policy

that the early-years partnership has sought for a considerable time in that area. That would address the issue. I am aware of childcare provision in south Down; in fact, preschool and nursery provision is offered by groups throughout the constituency. Therefore, I want to correct that point. There is a need for the early-years partnership policy, which was promised some three years ago, to be published.

Mr Brady: Will the Minister give way?

The Minister for Social Development: No. I will not take any more interventions.

Mr Brady mentioned the social fund. Detailed arrangements are still under consideration. The objective will always be to get the best value for the money that is spent and to provide the best possible service to claimants. The central issues are service, assistance and help. I want to put that on record.

Simon Hamilton and Mickey Brady mentioned sanctions, which I raised with the Minister of State because of my concern about the matter. I was assured that sanctions will be used only as a last resort.

Mr Brady raised the issue of working tax credits in the context of the Bill. I am rather surprised that he does not know that that is a taxation matter and is, therefore, for the Inland Revenue and the Chancellor of the Exchequer. It does not belong in the Bill. I return to the fundamental political point that one must be in Westminster, where fundamental decisions about social security and taxation are taken.

Mr Brady: Change party then.

The Minister for Social Development: No. That is a simple fact. Members who choose to ignore it should take a lesson on the matter.

Mr Brady also said that universal benefit leads to centralisation and referred to the reduction of staff in Social Security Agency branches. I suppose that the Welfare Reform Bill is part of a move towards simplifying the benefits system. We are moving towards a benefit for people who can work and another for those who are prevented from working by illness or disability. I am anxious that we provide every assistance, empathy and sympathy to those who encounter difficult circumstances. I have told officials emphatically that they must be, and I believe that they are, sympathetic to people's circumstances.

I assure Members that there is no intention to reduce the number of staff in Social Security Agency offices as a result of the Bill. However, we are in a difficult financial climate. I am conscious, as, I am sure, is Mr Brady, that staff work under particularly difficult circumstances because of higher live load: a higher number of people are claiming. Members are aware of that because people who are in difficult circumstances come into our constituency offices: people encountering poverty who have never been in that situation before. I have told my officials that they must be particularly helpful, sympathetic and empathetic to those people's needs.

Billy Armstrong and Anna Lo raised the issue of driving licences. That proposal was dropped. In fact, in July 2009, I told Mr Knight, who is the appropriate Minister in Britain, that I would not go ahead with it and that I wanted flexibility to ensure that it was dropped, which it was.

Lack of qualifications is a matter for the Minister for Employment and Learning. I will ensure that any issues that relate to employment and skills, which are his responsibility, are referred to him. I will ask him to respond to Members appropriately.

Mr McCann raised the issue of whether the staff would be trained to deal sympathetically with customers at all times. The answer is yes. I would like to think that all our staff deal with people sympathetically, because that is the very least that we expect when we deal with people. We want to deal with people on a human, sympathetic basis. I have instructed staff that they must take on board the needs of those who may be meeting difficult financial circumstances for the first time, and others who have ongoing financial difficulties. We must be particularly sympathetic, because we meet such people regularly in our constituency offices, on the streets and, perhaps, in our own families.

There are those who say that benefit claimants have responsibilities, as well as rights. However, it has always been my contention that many who have problems with their benefits are in dire straits. We have to take that into account and be particularly sympathetic, and I have instructed staff to do so. People do not decide to apply for benefits lightly; they do so because they are in financial distress.

Alex Easton raised the issue about the power to direct claimants to undertake specific

work-related activity. I assure the Member that personal advisers will always encourage, persuade and support people to take up work-related activity, which is considered necessary, before considering requiring someone to undertake a particular activity. If someone consistently fails to engage effectively with the personalised support arrangements, two situations are envisaged whereby an adviser may be able to require someone to undertake a specific activity. For example, where there is a significant barrier to work that the claimant has been encouraged to address, but has failed to do so, discretion will be used as to whether the claimant is directed into the specific work-related activity straight away or allowed the period between work-focused interviews to comply voluntarily with the suggestion before a formal direction is given. Additionally, action may be required when a claimant may have failed to meet his or her general work-related activity requirement without due cause.

I would like to think that we can be as sympathetic as possible. I am conscious of the fact that we are in difficult financial circumstances, that we are in an economic recession, and that the number of jobs available in certain areas is not what is used to be. However, I would like to think that all of us in the Chamber will provide every opportunity for everybody, through our words and through our actions, and that we will use every opportunity to ensure that people are dealt with sympathetically and that every form of skill and training will be available to those who want it and who want to be encouraged.

Ms S Ramsey: Will the Minister give way?

The Minister for Social Development: I am nearly finished, so I want to continue and to conclude. I hope that I have addressed all the points that have been raised. I will read Hansard carefully and if any Member has raised an issue that I have failed to address or that needs to be dealt with in more detail, I will write to that Member. Suffice to say that I, too, have reservations, which I raised with the appropriate Minister in GB last year. I look forward to the work of the Committee. I have given it the opportunity to scrutinise the Bill line by line, and I want Committee members to come back to me with the particular issues that they have raised. I want to ensure that every possible aspect will be dealt with. I urge Members across the Chamber to ensure that their ministerial

colleagues who have responsibility for childcare fulfil their obligations in every possible way, rather than take out little daggers at DSD.

Question put and agreed to.

Resolved:

That the Second Stage of the Welfare Reform Bill [13/09] be agreed.

12.15 pm

Revised Programme of Expenditure 2010-11

Mr Deputy Speaker: The Business Committee has agreed to allow up to two hours for this debate. The Minister will have up to 10 minutes to propose the motion and 20 minutes to make a winding up speech. All other Members who wish to speak will have five minutes.

The Minister of Finance and Personnel (Mr S Wilson): I beg to move

That this Assembly approves the revised programme of expenditure proposals for 2010-11 as set out in the Budget laid before the Assembly on 13 April 2010.

Last Tuesday, I presented the Executive's revised Budget proposals for the financial year 2010-11, following the period of consultation on the draft proposals from the review of the 2010-11 spending plans. Today, on behalf of the Executive, I am seeking the Assembly's approval for those plans.

The supporting document that I published last week provides details of the consultation process and the Executive's response to it. As only a limited amount of time has been set aside for the debate, I will not go over all the issues or the individual allocations to Departments. However, I want to emphasise a few key points on the Executive's revised plans for Members to consider in advance of the vote on the motion.

The 2010-11 Budget allocations for Northern Ireland Departments were first determined as part of the Budget process in 2007. The plans were based on the phased introduction of water charges for domestic consumers, a freeze in the domestic regional rates and a delivery of significant capital receipts by Departments. However, since those plans were agreed by the Executive and approved by the Assembly in January 2008, the economic landscape has changed substantially. Some will suggest that those changes could have been predicted, but it is worth noting how unreliable some of the economic forecasts made at that time have turned out to be. For example, in 2007 Treasury projections were for the UK economy to grow by 2.7% in 2009-2010, yet, in reality, it shrunk by 3.7%. In addition, UK unemployment was projected to remain at under the one million

mark in 2010, yet the actual figure is some 700,000 higher.

Since the Executive proposals were approved in 2008, a number of spending pressures have emerged, including the Civil Service equal pay claim, which amounted to £160 million, and the Northern Ireland share of the £5 billion additional public expenditure savings expected of UK Departments this year, which amounts to £122.8 million. In addition, the improved spending performance of local Departments since the restoration of devolution has meant that it was prudent for the Executive to revise their planning estimates of the starting level of overcommitment. However, the most significant cost pressure facing the Executive in 2010-11 relates to the deferral of the introduction of domestic water charges, which will cost £200 million.

As a consequence of those and other changes, the Executive were faced with a net spending pressure of £217.1 million in current expenditure and £149.9 million in capital investment spending. In response, the Executive's draft proposals, which I launched for consultation on 12 January 2010, involve a reprioritisation of existing Budget allocations to Departments to deliver additional savings this year. In recognition of the potential impact on front line services, the Executive agreed a targeted approach with the lowest rate of current expenditure savings to be made by the Health Department, due to the importance of health and social care services.

In addition, a lower than average rate of savings is required from the Department of Enterprise, Trade and Investment (DETI) and the Department for Employment and Learning (DEL). That reflects the priority afforded in the Programme for Government to growing the economy.

Although I have sought to protect priority services at Executive level, it is also important that individual Departments deliver savings in a manner that has the least possible impact on the services that they provide. One of the best ways to ensure that that happens is for the plans to be subject to public scrutiny, which is why I asked ministerial colleagues to publish their Departments' detailed plans on websites to facilitate consideration by the Assembly and the wider public.

The main form of consultation on the Executive's proposals has been through the Assembly, although adverts were also placed in local

newspapers, inviting comments from the wider public. I am pleased at the level of interest that the Assembly has expressed in the Executive's proposals, which was shown in the take-note debate of 9 February 2010. The motion was tabled by the Committee for Finance and Personnel, which played a key role in the consultation process in co-ordinating the views of all of the Assembly's Statutory Committees.

I had the pleasure of meeting the Committee on 11 February, and I was most grateful for the receipt of the report from the Committee at the start of March. The report raised a number of pertinent and relevant points on the Executive's proposals. In particular, I am glad that the Committee has recognised the scale of spending pressures facing the Executive and that it has agreed in principle with the approach that had been taken in response. However, the Committee expressed concern at the level of engagement by some Departments on their detailed plans. That point was prominent in the take-note debate and in Question Time since then.

I recognise fully the temptation for some Departments and Ministers to adopt the safety-first principle in seeking to avoid criticism by not presenting the full picture to the Assembly and to the wider public. However, that is a short-sighted way of working. Policies can be improved only if departmental proposals are transparent.

In addition to the Assembly's important contribution, 18 responses were received from public interest groups, including business organisations, health and social care bodies, children's groups and organisations representing the interests of women. Although a broad range of issues were raised in the responses, including calls for the levels of savings that are expected in some public services to be reduced, almost no reference was made to the critical issue of how that would be funded.

The one aspect of the Executive's proposals that has been most welcomed by the Assembly is the £26 million of funding for the invest to save fund. Departments have submitted 60 proposals for support from that fund at a cost of just under £90 million. The proposals were first subjected to an assessment in the areas of value for money, deliverability and additionality, and the remaining projects were then ranked in order of the level of projected savings versus the upfront cost in 2010-11.

That resulted in the invest to save allocation, which is set out in detail in the revised 2010-11 spending plans document. It includes £6.5 million for redundancy costs associated with transition to a more streamlined administrative structure in education and £4.8 million for a land measurement improvement project in the Department of Agriculture and Rural Development (DARD) to reduce the risk of CAP disallowance payments, which have the potential to reach £15 million each year. It includes £3.7 million for the digital dictation project in the Department of Health, Social Services and Public Safety (DHSSPS) to reduce the need for administrative support, £1.4 million to fund additional redundancies as part of the restructuring of libraries and £1.4 million to fund the refurbishment of Enterprise trains to increase fuel efficiency.

Apart from invest to save allocations, there has not been a significant change to the overall financial position since January. Most of the revisions to the draft spending plans are due to technical changes and transfers between Departments. That includes a residual amount of funding of just over £100 million for the deferral of water charges that previously had been held centrally.

The other significant change is in respect of the £12.1 million of additional funding made available to the Executive as a result of the Chancellor of the Exchequer's announcement during the UK Budget last month. That additional funding is being held centrally, and it will provide enhanced scope for the Executive to address pressures as part of the 2010-11 in-year monitoring process.

Having agreed with the draft proposals on the level of savings from each Department, the Executive sought to confirm whether that was the correct approach through two separate exercises.

Mr Deputy Speaker: Bring your remarks to a close, please.

The Minister of Finance and Personnel: I will try to pick up on some of those points at the end of the debate.

In conclusion, although the focus over the past several months has been on the amount of additional savings that will be required of Departments, the reality is that such issues

are of little direct importance to the people of Northern Ireland.

Mr Deputy Speaker: Time.

The Minister of Finance and Personnel: Their main concern is the delivery of services. That requires us to look at not just the amount of money but how it is being spent. That will be one of the jobs of the Committees in the coming year.

The Chairperson of the Committee for Finance and Personnel (Ms J McCann): Go raibh maith agat, a LeasCheann Comhairle. I thank the Minister for his opening remarks. When launching the original proposals in January, the Minister asked the Committee for Finance and Personnel to produce a co-ordinated report on the revised 2010-11 spending plans on behalf of all the scrutiny Committees. The Committee was asked to publish its report speedily, either before the end of February or as soon as possible thereafter, in order to provide the Executive with sufficient time to consider the Assembly's views in coming to an agreed final set of spending plans for 2010-11 by the middle of March.

Although there has been some slippage in that regard, I welcome the fact that the revised proposals are now before the Assembly for debate. In order to inform its work, the Committee sought the other Committees' views on the proposals for their respective Departments. It also led a take-note debate on 9 February that gave all Members an opportunity to debate the proposals and shape the Committee's report, which was subsequently agreed on 3 March and issued to the Department of Finance and Personnel (DFP).

The Committee recognised the limited options available for addressing the public expenditure pressures for 2010-11, and it endorsed in principle the proposed targeted approach to savings. That said, during evidence sessions with DFP officials and the Minister, the Committee sought to determine the precise methodology that gave rise to the specific percentage savings for individual Departments. Members noted a dearth of supporting information to explain the rationale behind the targeted percentage savings for each Department, and the Committee concluded that all available information should have been included in the review consultation document.

A particular criticism which was evident from the responses received from the Committees, and which was repeatedly raised during the take-note debate, regarded the lack of detailed information available on the plans for the majority of Departments. Seven out of 11 Committees expressed varying levels of dissatisfaction with the shortcomings in the information that their Departments provided. The Committee considered that the lack of detailed information prevented substantive input from the Assembly and the wider public, and it is strongly critical of those Departments that failed to engage properly with their Committees.

Since it published its report on the Executive's draft Budget 2008-2011 in December 2007, the Committee has repeatedly called for the establishment of a formal Budget process. The Committee considers that that would enable the Committees to plan the necessary scrutiny of future Executive Budgets and expenditure, and that it would focus Departments' attention on the need to meet their Committees' requirements. It might also prevent a repeat of the difficulties encountered by the Committees during this mini-budget process. In that respect, the Committee looks forward to receiving a briefing from DFP officials on 12 May on the outcome of DFP's review of the Executive's Budget process 2008-2011, which was originally due for completion by the end of 2008. That should inform the establishment of an effective process for determining future Budgets. It will also enable the Committee to move forward with the second phase of stage 1 of its inquiry into Budget scrutiny, which it aims to complete before the summer recess.

12.30 pm

The Committee also intends to press ahead with stage 2 of its inquiry, which will review the resources available for assisting Statutory Committees and Assembly Members in undertaking budgetary and financial scrutiny and will seek to identify any recommendations necessary to enhance the capacity of the Assembly in that regard. The Committee intends to complete stage 2 of its inquiry in advance of the summer recess.

The Committee for Finance and Personnel remains committed to maximising the Assembly's contribution to the Executive's Budget process and to enhancing the role of the Assembly's Statutory Committees and

Members in budgetary and financial scrutiny. The Committee looks forward to engaging with DFP and with the other Statutory Committees over the coming months and to ensuring that an effective Budget process is established for future years.

At its meeting tomorrow, the Committee will also be taking the opportunity to question DFP officials on the detail of the revised 2010-11 spending plans.

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

The sitting was suspended at 12.31 pm.

On resuming (Mr Speaker in the Chair) —

2.00 pm

The Chairperson of the Committee for Social Development (Mr Hamilton): I will begin by making a few comments as the Chairperson of the Committee for Social Development.

The Committee considered the revised departmental expenditure plans for the Department for Social Development on several occasions in January, February and March 2010. I am sure that I will not be the only Committee Chairperson to express my disappointment at the behaviour of Departments — in this case, the Department for Social Development — the lack of detail in the initial departmental submissions and the questions that remain unanswered from subsequent briefings. If our Committees are to be as robust and effective as we know they can be through our participation in them, it is imperative that, when dealing with fundamental issues such as the Budget and the expenditure plans for an incoming financial year, Departments divulge those plans as quickly and fully as possible. Sadly, that was not the case with the information that my Committee received.

I will make a couple of comments based on the information that has been provided and focus on some of the areas where the Committee has concerns about the adjustments that have been made. A primary concern is the Housing Executive's capital improvement programme for 2010-11. The overall reductions to that programme might be as significant as £40 million and could affect many deprived areas and estates throughout Northern Ireland. I would welcome further clarification from the Department for Social Development on the funding for those important capital projects.

The Committee expressed concern initially that the Department was just apportioning 2-6% downward adjustments for each of its business areas, even though the Minister and the Executive did not take that approach. The Committee was concerned that that sort of salami-slicing approach was not particularly effective, and it was concerned about some of the areas that were being hit, such as capital projects and community development. Many members of the Committee are embroiled in their communities and in working to improve those communities, and they are concerned about the effect that the adjustments may have in deprived and disadvantaged communities across Northern Ireland.

In the two and a half minutes that remain available to me, I want to talk about some of the generalities around the revised expenditure plans. Neither I, the Minister nor anyone else speaks with any relish about downward adjustments of any kind. Listening to some Members and their party colleagues, you would think that they were licking their lips at the very thought of making significant cuts to budgets. That is not something that I want to do. However, in accepting what is before us today, we have to recall why we are all here. I am not asking why we are here in an existential sense; I am asking why we are here today dealing with the revised departmental expenditure plans. We are doing that because of decisions that we have taken, decisions that the Executive have taken and decisions that we all agree with. The primary example, as the Minister outlined before the lunchtime break, is the deferral of water charges and the £200 million associated cost. That was a good decision, and it was the right decision at the time. However, it does not come without consequences.

Another example is the resolution of the Civil Service equal pay claim. A resolution to that was something that we all wanted to see and something that Finance Ministers had repeatedly sought to achieve. The present Finance Minister, Mr Wilson, has managed to achieve a resolution. However, that has not come without a cost: some £155 million to £170 million in total, a large chunk of which has to be paid this year. There are also central adjustments that the Minister talked about coming down from Whitehall. Those are all our own decisions; they were all agreed by the Executive and by every party in the Assembly. However, there are consequences for taking those decisions.

I welcome the fact that the adjustments have not been made crudely by apportioning them equally across Departments. Some measure of protection has been afforded to critical services such as health and, in keeping with our objective to grow a dynamic and vibrant economy, there has been a measure of comparative protection for DEL and DETI so that we can try to continue to stimulate growth in our economy.

I also put on record my support for the invest to save scheme. I see that there are some very good, innovative schemes in the finalised plans, which is an overall principle that we all want to see continued. I support the motion.

Mr McNarry: The Minister will be well aware of the difficulties that his Department is causing throughout Northern Ireland. Not having an agreed Budget at this stage of the financial year is unprecedented. Are we carrying out something that is legally safe? Is it not true that legal opinion has been sought by at least one Department and that further legal consideration would give cause for concern with regard to the revised Budget's introduction in the House today? I have some serious reservations about the manner in which the revised spending plans have been brought before the House today.

Section 64(1) of the Northern Ireland Act 1998 states:

"The Minister of Finance and Personnel shall, before the beginning of each financial year, lay before the Assembly a draft budget".

Can any of us imagine the Chancellor of the Exchequer or any other Finance Minister throughout Europe missing the deadline for his own Budget, as ours has? I understand that the plans were agreed by the Business Committee on 13 April 2010, some eight days after the end of the financial year. Will the Minister reassure the House that the Budget is legal? Will he also inform the House as to when the revised programme was agreed by the Executive? Along with every other Member, I received a copy of the plans and a letter from the Minister on 12 April 2010. Had the Executive agreed the plans at that stage? It is my understanding that they had not.

Therefore, will the Minister guarantee that we will not have to revisit the plans because they are open to legal challenge? If the process is proven to be unsafe, what is the Minister's fallback position? Has he taken any legal advice on what we are doing today? What advice has he received from the Departmental Solicitor's Office? What is the legal position of the Attorney General, who is the person ultimately responsible for legal direction? Is the Attorney General, John Larkin, in post, or will that pose a problem for the Assembly?

The entire process illustrates a mismanaged Department. The DUP is responsible for the Finance Department. We all know that yesterday it launched its manifesto, which contained a large number of mostly spurious ideas and commitments but absolutely no information on how the party will pay for them. Not surprisingly, given how it has mismanaged

the Finance Department and given the waffle that we will hear at the Dispatch Box later, all fears have been confirmed. The manifesto is a manifesto of waffle that has earned them a deserved reputation as a party of financial mismanagement and fiscal irresponsibility. At a time when the United Kingdom needs serious politicians who have the best interests of the union at heart, what the DUP is offering is simply not good enough. The party will know that on 6 May.

I have posed serious questions to the House and the Minister that deserve serious consideration and response. I have to say, in case the Minister attacks me later, that I might not be here to hear his response because of other commitments. However, I can read the Hansard report. I commend that idea to other Members, who will be able to see the cackling in it. I have raised issues of undoubted importance. Last Thursday, the Ulster Unionist Party's two Executive Ministers, when placed in circumstances that were not to their liking, voted against the revised Budget as an expression of their revulsion, disbelief and discontent at the manner in which the Executive dealt with the revised Budget. I make that statement of intent on behalf of my Ministers and my party. The Minister must recognise that, and I hope that he will do so.

Mr O'Loan: The motion asks the Assembly to approve the revised programme of expenditure proposals for 2010-11. That is not a proposal to which I or my party can give assent, and, if necessary, we shall divide the Assembly on it. That is consistent with the position of my party, which has had great concerns about the budgetary arrangements over the past three years. Unfortunately, I think that our stance has been vindicated.

The document on the Minister's spending plans states:

"There have been a large number of significant changes to the public expenditure environment since the Budget 2008-11 document".

Indeed, it spends a whole chapter outlining those changes. We know the headings such as the overcommitment; the failure of the capital assets realisation programme; the deferment of water charges; and the equal pay issue. Of course, other pressures always arise. This year, two of the larger pressures have been Bombardier and swine flu. However,

no contingency fund or other arrangement has been put in place to address those issues. The document fails to address not only those fiscal issues but the other big change in the environment, namely the economic downturn. We have consistently argued that the Budget ought to have been fundamentally rewritten to address that situation.

Of course, when considering plans for this year, we should be preparing for a future after the Westminster election. Although no one knows what will happen in this financial year, it is almost certain that, for the next financial year, any Government there will be faced with the position of bringing their Budget back into regularity. The consequences here are likely to be considerable.

We feel that the issue of the economic downturn and the building up of our economy has not been adequately addressed. The Minister knows that, and he said that we were not doing enough on the economy. One press statement reports that the Minister will make it clear that:

"it is difficult to see any significant change in policy focus towards economic growth over the last few years."

I can only agree with the Minister, but what is being done in the Budget to address that issue?

2.15 pm

What led the Minister to perform his U-turn on corporation tax? I greatly regret that policy objective's not being achieved. Many of us believed it a key issue in turning our economy around, and it was recently proposed by the Economic Reform Group. Presenting our case is all the more difficult when the Minister is expressing a high level of scepticism. The Minister has not considered a number of corporation tax issues, such as a possible phasing-in of the tax and the fact that the current corporation tax take is very small. We always factored in the cost in our support for that arrangement. Is there not confidence that that policy measure would pay for itself? That was the whole point of the proposed corporation tax policy measure.

The one element of the Minister's paper of which I greatly approve is the invest to save proposal. Given our economic situation and future budget, serious public sector reform must be undertaken. My only complaints about the

invest to save proposal are that it is too meagre and should have happened a considerable time ago. It is too little, too late.

The Minister's officials appeared before the Committee for Finance and Personnel last week and talked only about PEDU.

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

Mr O'Loan: His officials were unable to present any forward work programme for PEDU, which is the Minister's one significant initiative for public sector reform.

Dr Farry: This is my first comment to the House in a different context, given that I am no longer a Member of the loyal opposition. *[Interruption.]* However, the Alliance Party will continue to take a constructively critical view of coming Assembly decisions, although we shall demonstrate the responsibility that comes with being a party on the Executive.

The Executive and the House have an obligation to ensure that we have a Budget in place. There may be issues about the process to date and about whether we should have had three Budgets or a three-year Budget, which we are now modifying. However, those are secondary to issues of substance, such as where we are going with the money. My party leader supported that issue in the Executive. The Budget was inherited, but that support reflects our sense of the importance of moving forward as opposed to an endorsement of the detail, and there will obviously be discussions in the years ahead. I am not going to go down the road of making an election speech. Suffice it to say that I was rather —

Mr Kennedy: I thank the Member for giving way. The Member's introductory remarks remind me of the comment by the late Michael Foot about David Steel on a famous parliamentary occasion, when he said that he had:

“passed from rising hope to elder statesman without any intervening period whatsoever”.

Dr Farry: Given my lack of grey hairs compared with those of Mr Kennedy, I am not quite sure about that one. However, I am impressed by the ability of the Conservative Member for Newry and Armagh to quote left-wing socialist firebrands to make his point. I was rather amused to hear the Conservative Party

lambaste other parties for not providing costings in their manifestos.

Mr Speaker: The Member has an extra minute.

Dr Farry: Thank you very much, Mr Speaker. Other parties here are not claiming that they will be part of a future Government; rather, they are trying to influence decisions. However, I note that Mr McNarry's party is intent on forming part of the Government. It may be worth reflecting on the fact that there were no costings in the Conservative manifesto that was unveiled last week.

I want to mention issues on which we have gone wrong in the past and on which we must make progress in the future. There are major distortions in Northern Ireland's public finances. We have talked about the cost of division, a matter about which I will say no more today. The ongoing deferral of water charges has created the major difficulty of where to find the money to meet that loss of revenue. That is on top of the issues that have knocked the Budget off course over the past months, which the Minister outlined.

Looking to the future, Departments are being asked to trim the sails of their public expenditure plans. That may well be a precursor to further rationing. In a sense, it is easy for us to talk about cuts in terms of what will be lost. However, we never get the chance to discuss the missed opportunities — things that we could have done but have been unable to because we do not have the required resources. In some respects, that is the missing link in our current discussions.

I concur with Declan O'Loan's view on the importance of corporation tax as a stimulus to our economy and as a way to find a step change towards closing the productivity gap with the rest of the UK. I disagree with him that the Finance Minister has done a U-turn on the issue: it is more like a 360 degree turn. He has done two U-turns and is now back on board, lobbying for a change in corporation tax that is important to Northern Ireland. It is not a clear missed opportunity in the sense that we must lobby the Treasury to put it in place, but the House should unite on taking the campaign forward.

I also want to stress the importance of the manner in which we address efficiencies in Departments. Far too often, efficiencies mean

cuts to front line services, increased charges levied by Departments or Departments doing less. We need to focus on the true meaning of efficiencies — productivity gain and achieving greater outcomes with less available inputs.

I welcome the concept of the invest to save fund and the initial steps being taken to implement it. In the future, that could become a vehicle for further expansion. Will the Minister consider earmarking a specific percentage of the block grant in years to come for initiatives such as invest to save so that we can encourage innovation? My party believes that areas like the cost of division present clear opportunities to take that forward.

Finally, will the Minister clarify whether there were any changes in the revised public expenditure figures? Are they different to those that were issued in draft for public consultation?

The Chairperson of the Committee for Education (Mr Storey):

As Chairperson of the Committee for Education, I wish first to place it on record that I share the concern of my colleague Mr Hamilton, the Chairperson of the Social Development Committee, about the lack of information provided to Statutory Committees. I refer particularly to the lack of information provided by the Department of Education, despite repeated requests to that Department and its Minister. I note that paragraph 5.5 of the Executive's revised spending plans document comments thus on the level of engagement by Departments with Assembly Committees:

"the Committee for Finance and Personnel highlighted the need for established protocols for the provision of timely and appropriate budgetary information to Assembly committees."

As Chairperson of the Education Committee, I ask this: what protocols have been put in place to ensure that appropriate information is given to Committees so that they can give assistance and advice? Members will recall that one of the current Minister of Education's get-out clauses has been that the Education Committee has not given her any advice. Well, the Committee will give advice on the basis of appropriate information that is provided to it.

The Committee for Education's submission of 5 February to the Committee for Finance and Personnel highlighted why it was not in a position to consider or give its views on a

number of departmental proposals. The Minister of Education identified five areas of potential reductions, but no information was provided on the impact of those reductions. I remind Members of what those five areas were. The first was the reduction in bureaucracy and streamlining of services in relation to education and library boards, the Council for Catholic Maintained Schools (CCMS) and other non-departmental bodies that are serviced by the Department of Education. The second was Classroom 2000 (C2k), which is the computer system in our schools. It has an annual budget in excess of £50 million. We wanted to know what impact a reduction would have on that programme. The third area of potential reduction was the entitlement framework, something which the Education Minister is wedded to and closely associated with. However, she wanted to take almost £5.5 million out of the entitlement framework budget. What impact would that have on the delivery of the entitlement framework, which will be a statutory requirement in 2013? The two other areas identified were the school improvement programme and the Council for the Curriculum, Examinations and Assessment (CCEA), which is the organisation that was set up to assess and test —

Mr McCarthy: Does the Member agree that it is totally and absolutely outrageous that the Minister of Education has withdrawn a mere £85,000 from the I CAN early years centre in Ballynahinch, which has deprived 20 young children of speech and language therapy? Those youngsters will not get that service anywhere else. I have seen the good work that has been done at that centre, and the Minister's decision is an absolute disgrace. She should hang her head in shame.

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

The Chairperson of the Committee for Education:

I concur with the Member and his comments about what the Minister should do, and I speak as a Member of the House rather than as Chairperson of the Committee for Education. The Committee has received correspondence in relation to that issue. In a moment or two, I will highlight another situation that is equally disgraceful.

The aim of the convergence delivery plan is to remove duplication and streamline educational services. When that was brought to the

Education Committee, we had not received all of the information. As Chairperson of the Education Committee, I am raising an issue that is probably relevant to other Committees also: there is a delay in having appropriate papers brought to Committees to enable them to scrutinise effectively the work of the Executive. That has to change radically. In respect of the Minister of Education in particular, it has to change big time.

The review of the education capital programme is a very important issue. I remind the House of a statement that impinges on this Budget, which was made by the Education Minister on 27 July 2009 in relation to Whitehouse Primary School, which had been destroyed. I commend the North Eastern Education and Library Board, the school and others for the way in which the school was relocated. A promise was given by the Education Minister, who said:

"My Department is also working to progress the planned new school as quickly as possible and we would hope construction can start later this year."

Now, in 2010, the contracts have run out of time. Not a sod has been turned in relation to Whitehouse Primary School. That situation, along with the one in Ballynahinch, is an absolute disgrace.

The Minister of Finance and Personnel:

Does the Member agree that what makes the situation even more unacceptable is that an Irish-medium school that burnt down at the same time is now practically rebuilt while youngsters in Whitehouse Primary School are left without proper premises?

The Chairperson of the Committee for

Education: I agree with the Member. It is another example of inequality in respect of the delivery of capital projects in the Department of Education.

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

The Chairperson of the Committee for

Education: The bottom line is that the Education Committee should have been in a position to give advice about areas of help. However, appropriate information was not given by the Department to the Committee to make those decisions.

The Chairperson of the Committee for the

Environment (Mr Boylan): Go raibh maith agat,

a Cheann Comhairle. I welcome the opportunity to outline the Committee for the Environment's views on the Department of the Environment's revised expenditure plans for 2010-11.

The Committee was briefed by departmental officials at the start of the year. Members were left in no doubt that the Department faces significant financial pressures.

The £4 million savings required by the Executive, combined with a significant shortfall in planning fees, the cost of planning reform and the review of public administration, result in the Department being called on to make savings of 11.3% in its baseline budget.

2.30 pm

The Committee generally welcomed the Department's proposals for achieving those savings, which include reducing the amount that it spends on consultants, lowering its running costs and reviewing its corporate service functions. Members were pleased to hear that the Department intends to focus its staff cost savings on not filling vacancies in order to avoid the upfront costs involved in rapidly addressing staff numbers. They were also pleased to hear that the Department will bring the Planning Service's operating costs into line with the reduced fees that are now being received. That issue has concerned the Committee for some time.

Planning receipts have been in rapid decline since 2007, and members feel that the Department should have sought to relocate staff to maximise efficiency much sooner. However, Members remain concerned about the impact that that will have on non-governmental organisations, and, since the Committee alerted the House to its concerns during the take-note debate in February, several organisations have been in touch with the Committee to express their concern about cuts that they are facing in funding from the Department. Unlike the Department, those organisations do not have the opportunity to relocate staff, and they will have to make people redundant. That is not just a loss for the organisation; it is a loss for everyone here. It will lead to a loss of expertise from the sector or the region, and possibly even the deterioration of the environment. Some organisations affected by the decision deliver or contribute to statutory environmental protection obligations, and cutting their funding may not be the most cost effective approach in the longer term if it

leads to further deterioration of protected sites and/or EU infraction proceedings.

Mr McCallister: Does the Chairperson agree that funding is a particular issue for the Mourne Heritage Trust? The very issues that he mentioned are very much in evidence when we see the excellent work carried out by the trust around the Mourne and Slieve Croob areas of south Down.

The Chairperson of the Committee for the Environment: I agree with the Member, but we will find that a lot of organisations will lose funding over the next while, and we need to address that. Other organisations provide services to a range of citizens who will be left at a disadvantage in the absence of that funding.

The Department allayed some of the Committee members' concerns by indicating that it is looking at options such as phasing out grants over a longer period and targeting organisations that have a variety of funding streams available to them and are, therefore, not solely dependent on the Department's funding. That is to be welcomed. The Committee also welcomed the fact that the Department is liaising closely with the organisations that are affected, but has asked for details so that the Committee can assess the real impact of the Department's funding cut proposals over time.

The Committee urges the Department to base any decision to cut funding on recent and impartial information about the service or function provided. That must include assessment of the need for a service or function, as well as the value for money that the organisation is providing.

The Committee would also like to see the Department giving an opportunity to organisations to be offered reduced budgets in the first instance, rather than simply cutting grants. That will allow organisations to find ways to survive the current financial constraints and retain expertise both for our citizens and the environment.

Finally, the Committee stressed the importance of using powers afforded by the Audit Office to data match information across Departments and ensure that any receipts for any breaches for which the Department of the Environment has responsibility are maximised. We live in uncertain economic times, and tough measures have to be taken to ensure that savings are made and value for money is being achieved.

The Environment Committee understands that, but it urges the Department to find its savings carefully and with an eye on the longer term. Short-termism now could have a detrimental impact on the environment for many years to come, and it could cost our economy much more in the long run. Go raibh míle maith agat.

The Chairperson of the Committee for Health, Social Services and Public Safety

(Mr Wells): On behalf of the Committee, I should like to point out that we are unable to give a substantive comment in this debate. That is because Minister McGimpsey has still not supplied a detailed breakdown of how he intends to implement the proposed additional savings across his Department. In fact, the situation has not changed since the revised expenditure plans were last debated in the House in February. That is not to say that the Committee has been sitting on its hands on the issue. We took evidence from the Minister and officials, and we wrote to the Minister on a number of occasions regarding the revised expenditure and other budgets, particularly the budget for swine flu. We are still waiting for the Minister to give us his detailed proposals. Four months later, the Committee is still in the dark as to what is happening. Why is the Minister not providing us with the information?

The Minister of Finance and Personnel: I have listened to the catalogue of concerns that the Member has expressed about the health budget. Does he find it incongruous that, on one hand, the spokesman for the Ulster Unionist Party has talked about the manner in which this budget has been presented, the financial mismanagement and the difficulties that are being caused by lack of information, yet on the other hand, one of the Ministers from his party has not supplied any information to his Committee?

The Chairperson of the Committee for Health, Social Services and Public Safety: I can say only that it has not been particularly helpful of the Minister to behave in such a manner. The Committee, which has oversight of the largest budget in the Assembly, is unanimous in the belief that this is making its life difficult. We are getting little or no information from the Minister. We know that implementing the revised spending plans without affecting front line services will be difficult, but the total silence from the Department on the issue is worrying.

I know that the Minister publicly took the position that the Department of Health, Social Services and Public Safety should be exempt from having to make any additional savings — in other words, that his Department should not be subject to the proposed additional savings of £92 million in revenue and £21.5 million in capital funding. The issue, however, has moved beyond the point where there was ever the slimmest possibility of that happening. The delay from the Minister is causing problems and issues in the health and social care community. It is creating uncertainty and a vacuum, in which all sorts of stories and scaremongering are occurring. That is not responsible leadership on behalf of the Department and Minister.

In the past few months, the Committee has received numerous letters and correspondence from a wide range of groups involved in the health and social care sector. As a Committee, as individual members and as MLAs, we have also met, formally and informally, with such groups. All such groups are focusing their energies on funding, trying to make a case for their speciality and defending that case. They are trying to make the case for protecting the funding of stroke victims, heart attack patients, children in care, people with eye problems and people who are looking for help with the elderly, for instance.

Let me make it clear: there is considerable worry in the community about next year's health and social care funding, and that worry is exacerbated by the total lack of information and by bad news stories such as those relating to increases in waiting lists.

The Committee intends to start to look at the strategy for acute hospitals across Northern Ireland. Even that piece of work is dependent on information on funding. Rumours are rife about whether this or that hospital is to be built or to remain open. We need information and answers as soon as possible.

Mr Kennedy: Turn over the page.

The Chairperson of the Committee for Health, Social Services and Public Safety: This certainly cramps my style.

We are into the 2010-11 financial year. Do the health and social care trusts know what their budgets will be? How can they plan and deliver effectively and efficiently in such circumstances? Initially, the Committee

had some sympathy and understanding for the pressures facing the Minister and the health and social care sector; it understands that demand is increasing and that funding is limited. However, any sympathy and understanding for the job that the Minister is doing is slowly eroding as we continue to look into the black hole of no information.

The situation is not good enough; something has to be done. I understand that the Committee for Finance and Personnel is undertaking an inquiry into the role of the Northern Ireland Assembly in scrutinising the Executive's Budget and expenditure. I urge that Committee to consider ways in which information flow can be secured. It is not acceptable to allow Departments to totally ignore their Statutory Committees and not provide information. We need some teeth, some way in which the Minister has to be accountable to the Committee on this important issue.

The Chairperson of the Committee for the Office of the First Minister and deputy First Minister (Mr Kennedy):

I welcome the opportunity to address the House on this issue. The Minister of Finance and Personnel launched a consultation on the outcome of the Executive's review of the 2010-11 spending plans in the Assembly on 12 January. The Executive proposed a reduction to OFMDFM's budget allocation in 2010-11 of £4.1 million of current expenditure, which is a reduction of 5%, and a reduction of £5.2 million in capital investment, which represents a 30% reduction.

At the outset, I wish to express the Committee's concern that due to the late receipt of proposals from the Department — there seems to be a theme emerging here — the Committee was unable to scrutinise fully the Department's proposals for reductions in the 2010-11 financial year. The Committee did not receive the Department's proposals until after the take-note debate on Tuesday 9 February, which left the Committee little opportunity to consider the Department's proposals in detail.

Officials from OFMDFM briefed the Committee on their proposals for reductions in the 2010-11 financial year on Wednesday 10 February, after which we highlighted our concerns, including the timescales for decisions regarding the Civic Forum and when an international relations strategy will be developed. The Committee regards this strategy — *[Interruption]*.

Mr Speaker, it appears that some Members regard the affairs of south Down as more important than the uniquely and distinctly important speech of the Chairperson of the OFMDFM Committee. *[Laughter.]* I have been accused of making moving speeches, but none quite as moving as this.

The Committee regards that strategy as an important tool for promoting Northern Ireland in Europe, North America and elsewhere.

The Committee also noted the Department's work to address the number of appeals that come before the Planning Appeals Commission; the figure is down from 2,800 to 943. However, we remain concerned about whether the commission has sufficient staffing resources and funding to handle the substantial number of area plans and article 31 inquiries outstanding.

The Committee also received a briefing from the Office of the First Minister and the deputy First Minister on 14 April 2010 on its organisational restructuring, which will reduce the number of posts in the Department by 51 and which, when fully implemented, will deliver projected savings of £1.5 million in administration costs and £0.3 million in resource costs. The Committee awaits further information from the Department on that issue.

On behalf of the Committee, I place on record its concern over the continuing late receipt of financial papers from the Department, as that delay restricts the Committee's ability to fulfil its scrutiny function.

The Chairperson of the Committee for Culture, Arts and Leisure (Mr McElduff): Go raibh maith agat, a Cheann Comhairle. The Culture, Arts and Leisure Committee took evidence from departmental officials on the proposed revised budget for 2010-11 at a meeting on Thursday 28 January. The Committee was disappointed that, as a percentage, the Department of Culture, Arts and Leisure (DCAL) suffered the highest cuts of all Departments. The Committee is of the view that DCAL is sometimes regarded as a soft target for budgetary cuts because the impact of its business areas is not fully recognised or understood.

2.45 pm

The Committee makes the point that investment in DCAL business areas contributes to key areas of economic growth, such as cultural

tourism and the creative industries. Such activities have the potential to generate jobs and attract tourists to this region. However, the Committee welcomes the recent news that there will be an increase of £1.4 million to the Department's budget under the invest to save programme. I understand that that money will be ring-fenced to allow Libraries NI to embark on its third tranche of redundancies, which are required at middle management level to realise the long-term savings that were made possible by the creation of a single library authority this time last year. That is a positive step that will, ultimately, deliver better value for money.

The Committee has a number of concerns about the consultation process for the revised Budget. The Committees were afforded limited time in which to scrutinise the cuts that their Departments were proposing. The majority of DCAL's budget is distributed by arm's-length bodies: more than 80% of its functions are delivered in that way. One such body, Sport NI, will lose £2 million. How can Sport NI deliver the Sport Matters strategy with the loss of £2 million?

The Committee would, of course, have preferred a longer consultation period in which to obtain from those bodies thorough and detailed information on how the cuts will impact on their ability to deliver front line services. The Committee for Culture, Arts and Leisure joins other Committees in requesting that, in future, the Executive set out a Budget process that allows for proper and considered engagement between Committees and Departments.

The Deputy Chairperson of the Committee for Regional Development (Miss McIlveen):

I welcome the opportunity to speak in today's debate. The Committee for Regional Development has presented its concerns about funding levels for structural road maintenance at every available opportunity. As Members will be aware, the Snaith review, a recent independent review of structural road maintenance, found that £108 million a year was needed to maintain the structural integrity of the entire road network at good-practice resurfacing frequencies. Structural maintenance spend for 2009-2010 was around £85 million, which was £23 million below the recommended level. That £23 million underfunding is additional to the existing £700 million backlog in structural maintenance.

Underfunding of structural maintenance cannot continue. The quality of our road network underpins Northern Ireland's competitive position, enhancing journey time and reliability for businesses, bringing tourists from our ports and airports to the wide variety of leisure and cultural attractions throughout Northern Ireland and ensuring access to healthcare, education, training and employment opportunities for all our citizens.

The final impact of this year's prolonged periods of severe winter weather has yet to be quantified. However, it is clear that the condition of our roads has deteriorated seriously over recent months. Prioritising the economy means prioritising structural road maintenance, and the Committee for Regional Development is calling for additional in-year funding to at least the £108 million recommended by the Snaith review, together with allocations to address the backlog of more than £700 million.

The Committee is aware that additional allocations have been made to the Department for Regional Development (DRD) for the provision of water and sewerage services, and it will schedule more detailed briefings from the Department on the final revisions to the Executive's spending plans, including the funding of water and sewerage services. However, I am taking this opportunity to reiterate the Committee's view that the funding of water and sewerage services is a matter for the Executive and must not have a detrimental effect on DRD's budget and its ability to deliver much-needed investment in roads and public transport.

Spending on public infrastructure, such as roads and public transport, has been shown internationally to support and stimulate growth across the whole economy. Such investment is never more cost-effective than during a period of economic downturn. The Committee has commissioned a research paper on that subject, which is available on the Assembly's website, and it will support continued infrastructure investment to ensure that Northern Ireland is in the best place possible to take advantage of the recovery when it comes.

Finally, the level of engagement in revising the Executive's expenditure plan for next year has been far from perfect. As the Deputy Chairperson of the Committee for Regional Development, I welcome the Executive's recognition of the need to consider that as

part of the Budget 2010 process and look forward to the speedy development of a clearer Budget cycle that also allows adequate time for meaningful engagement between Committees and Departments.

The Chairperson of the Committee for Employment and Learning (Mrs D Kelly): I

welcome the opportunity to participate in the debate. The spending review is tremendously important to all people. It is vital that they see that the issues that surround it are discussed on the Floor of the Assembly.

At its meeting on 27 January 2010, the Committee for Employment and Learning was briefed by departmental officials on details of the impact of the review of the 2010-11 spending plans on the Department for Employment and Learning's budget. The Committee questioned the departmental officials and discussed issues that arose from that.

At its meeting on 3 February, the Committee agreed a response to the Chairperson of the Committee for Finance and Personnel to inform that Committee's report on the spending review. My comments will be based on that response. Generally, the Committee believes that the Department has put a positive slant on the spending review by emphasising that cuts had to be made from what is termed "growth" — that is, increased budget allocation — rather than a baseline budget projection. It confirms that it will still be able to deliver on public service agreement (PSA) targets and Programme for Government key goals. Obviously, the Committee will want to hold the Department to account in the delivery of those targets.

The total spending reduction is £28.7 million, of which savings of £19.7 million are to be made from current revenue expenditure and £9 million from the capital expenditure budget. I would be pleased to hear what the Minister had to say if the Assembly or the Executive tried to put money into infrastructure projects in order to kick-start the construction industry: how would that sit with that Executive objective? Current expenditure and capital cuts will be made primarily from the higher education budget, with a cut of £12.8 million to be made from the current expenditure budget, which is 65% of the total of £19.7 million; and £8.1 million from capital expenditure, which is 90% of the total of £9 million.

The Committee has received representations from the higher education sector about the outcome of the spending review and has responded to them. There are no planned cuts to further education. However, that depends on £10 million being realised as capital receipts. The Committee commends the Minister for the considerable sums that his Department has invested in the sector in recent years. It is pleased to see that that investment is being protected.

However, at lunchtime, I returned from a meeting on programme-led apprenticeships at which key stakeholders, such as departmental officials, representatives from the further education sector and employers' representatives, were present. Concerns were raised about whether programme-led apprenticeships are the right way forward. The further education representatives were clear that uptake in that sector has risen quite considerably. They questioned whether there are sufficient funds to deliver and to meet the needs of young people who join up and seek places on those apprenticeships because of the lack of employment opportunities elsewhere.

During discussions at a previous meeting, the Committee also raised the following concerns. As regards current expenditure, it is acutely aware of the importance of the delivery of skills and training, particularly the value of apprenticeships. Members expressed concern that budget cuts of £6 million would impact on the programme-led apprenticeship schemes. However, we received assurances from officials that the remaining increase in funding of £17.4 million would protect training services. I am sure that the debate on the value of programme-led apprenticeships will continue in meetings during the next few weeks.

As regards capital expenditure, the strategic capital investment fund for universities and university colleges has been reduced from £14 million to £5.9 million. Members were concerned about how that would impact on universities' future expansion plans, which have been outlined to the Committee recently. Officials made it clear that that funding was the only area of the higher education budget that had not yet been formally committed. On that basis, the Committee has accepted that it would have a more limited immediate effect on the development of higher education.

As I indicated, the Committee welcomed the lack of cuts that are planned for the further education sector. However, it expressed concern that that depends critically on planned capital receipts of £10 million being fully realised.

Officials outlined the possible impact on ongoing further education projects that would have to be scaled back. Generally, the Committee believes that the Minister for Employment and Learning and his officials have made a considered effort to minimise the impact of the spending review, which Committee members support. However, they will seek to scrutinise and hold the Department and the Minister to account on the delivery of the PSA targets and the Programme for Government goals.

Mr Speaker: Question Time will commence at 3.00 pm. This debate will continue after Question Time, when the Minister will respond and conclude the debate. The sitting is, by leave, suspended until 3.00 pm.

The sitting was suspended at 2.55 pm.

On resuming (Mr Speaker in the Chair) —

3.00 pm

Oral Answers to Questions

Social Development

Mr Speaker: To give the House some advance notice, I advise Members that Question 4 has been withdrawn.

Urban Regeneration: Shared Space

1. **Dr Farry** asked the Minister for Social Development to outline her Department's efforts to promote shared space within urban regeneration projects. (AQO 1077/10)

The Minister for Social Development

(Ms Ritchie): The creation of shared space and ultimately a shared future permeates the work of my Department. I have placed the issue at the heart of all my endeavours as Minister for Social Development. In urban regeneration, it takes the form of creating physical developments that are open and welcoming to all.

My Department is taking forward approximately 50 master plans and up to 70 public realm schemes across Northern Ireland's towns and cities. As a core objective, the work aims to make public spaces attractive and safe and create spaces in which people can live, work and relax whatever their background or section 75 grouping. It means the creation of animated spaces and opportunities for events and celebrations that bring people together and promote interaction.

In deprived areas, which are the focus of neighbourhood renewal, the creation of a shared future is an important priority. We cannot move forward with tackling disadvantage in our most deprived communities without making them safer and more welcoming for all. To achieve that goal, my Department meets and engages with community groups throughout Northern Ireland. However, the work on a shared future cannot be done alone, and my Department works in partnership with other central government Departments and agencies including the Office of the First Minister and deputy First Minister, which takes the lead on the issue. The Department also works

with its partners in local government and the voluntary and community sector to progress the community development and physical regeneration work that is within the remit of DSD.

Dr Farry: I thank the Minister for her answer. I was pleased that she recognised that shared space is more than just an issue for Protestants and Catholics and is much more wide-ranging. Will the Minister confirm whether work is being done to find an agreed definition of shared space across Departments? Furthermore, the Minister detailed the various partners she and her Department are working with. Is she also working with DOE and DRD, with their respective responsibilities for planning and roads, to ensure that they interact with her Department and others to make shared space work? The concept cuts across departmental lines.

The Minister for Social Development: I shall take the second part of the Member's supplementary question first: my Department already works with the Planning Service — and the DOE per se — in the development of master plans, public realm work and regeneration generally. The first part of the Member's supplementary question dealt with the definition of a shared future. For me, that is very definitely about shared space, developing reconciliation and moving on to that new phase in politics. I was disappointed with the draft cohesion, sharing and integration strategy document, which is all that OFMDFM has produced in that area after three years of doing nothing. The document is completely devoid of any proposals and is perhaps one of the worst documents I have ever seen. I am going to do my best to get a shared future back on track, because I am perhaps the only Minister to have done anything to promote shared space and a shared future.

[Interruption.]

Mr Speaker: Order.

The Minister for Social Development: Building a shared future is the biggest challenge for everyone in the Assembly, the Executive and the wider community of Northern Ireland.

Mr Ross: Shared space in urban regeneration, which was the subject of the original question, is not welcomed by everyone in society. Those who are blind or visually impaired worry, in particular, about town centres having shared spaces without kerbs, as they find it difficult to differentiate between pedestrian spaces and those used by traffic.

Mr Speaker: The Member should come to his question.

Mr Ross: Will the Minister ensure that the shared space concepts that she is involved in will not create no-go areas for those who are blind or visually impaired?

The Minister for Social Development: I ensure the Member that the Department has worked in strenuous ways with, for example, people in Belfast City Centre Management to develop shared spaces for those with disabilities and visual impairments. Indeed, the Department facilitated the creation of disabled parking spaces in the provision of public realm.

Reference was made to the issue of shared space, and it may be worthwhile for the Assembly to note that I am wholeheartedly committed to my Department's ongoing work in creating shared spaces and, in particular, a shared future. For example, through the integrated development fund, my Department contributed £500,000 to a £1.2 million commercial community facility that rests on the interface between the Suffolk and Lenadon estates in west Belfast. That is one way in which we can create a shared space. It may interest the Member for North Down Dr Farry to know that we are working strenuously to remove the plinths, which are anathema to a shared future and shared space, from his constituency. I hope that that problem can be resolved.

Mr McDevitt: I applaud the Minister's commitment to a shared future. It is an important commitment, and it is regrettable that others do not share it. Specifically, what is the Minister's assessment of the progress that has been achieved on the Victoria Square regeneration project?

The Minister for Social Development: The £400 million Victoria Square development has been a resounding success in providing a shared space for all citizens and sections of the community to share and enjoy. It is a dynamic space that provides living, employment and leisure opportunities for people from Belfast, across the North of Ireland and, indeed, across the island of Ireland. Victoria Square has regenerated a large area of Belfast city centre and provided an iconic building that attracts local, national and international interest. I regard that urban regeneration project as a success, socially and commercially.

Shared spaces are only part of the work of a shared future. The progression of a shared future for all must be at the forefront of all our agendas. If we fail to build an inclusive future, we will jeopardise the opportunity that we have to secure lasting peace, sustainable communities and economic prosperity for all our people. I believe strongly that we need a strategic approach to the issue across government, across the Assembly and across civic society as an immediate priority.

Small Pockets of Deprivation Programme

2. **Mr Beggs** asked the Minister for Social Development for an update on future funding for the small pockets of deprivation programme. (AQO 1078/10)

The Minister for Social Development: In December 2009, I approved a further extension to the small pockets of deprivation (SPOD) programme. I committed £415,000 in this financial year for the schemes that are receiving support already from the SPOD programme. That involves supporting the running costs for community centres and salaries for staff who are employed using programme funds to deliver services at a local level. SPODs have been approved in 17 housing estates across Northern Ireland, including in Larne, Sunnylands in Carrickfergus and Greenisland, all of which are in the Member's constituency of East Antrim.

Mr Beggs: Will the Minister acknowledge that the small pockets of deprivation programme was introduced as a result of the adverse findings of the equality impact assessment carried out in the community regeneration programme? Will she ensure that continuing support is given to the programme? She said that the programme provides salaries. Many of those small communities do not even have —

Mr Speaker: The Member must come to a question.

Mr Beggs: They do not even have full-time workers, so will she ensure that funds will be made available to assist the communities in Larne, Carrickfergus and Newtownabbey?

The Minister for Social Development: The SPOD programme is an extension of the neighbourhood renewal programme. It was established to deal with certain pockets of

deprivation that were outside the 10% of the most disadvantaged areas in Northern Ireland that were eligible for neighbourhood renewal funding. The SPOD programme is a further means of assistance.

Two groups in the East Antrim constituency are eligible to apply for SPOD funding: the Carrickfergus Community Forum and Bawnmore and District Residents' Association. The Housing Executive, on behalf of DSD, has met representatives of the Carrickfergus group, which, I understand, could have submitted its application by now. The group is likely to be awarded salary and running costs. A meeting took place with the Bawnmore group on 15 March 2010, and it is being assisted with the preparation of an application for running costs only.

Community groups in receipt of SPOD funding in the Larne area make their applications through Larne Borough Council, and, on receipt of formal applications, decisions are taken on the funding to be awarded to each group. The Member will be aware that the urban regeneration side of our programme is restricted, owing to the budgetary constraints under which we operate. However, I will take on board what the Member said and look at the SPOD programme to see how it may be of further benefit to his area.

Mr Hamilton: I know from the good work that is done in SPOD areas in my constituency, such as the Glen and West Winds estates in Newtownards, that, welcome as the extension of funding for this year is to the people working in those estates, it is the certainty not the quantum of funding that is more important. Does the Minister agree that extending programmes year on year is less favourable than having more certainty around a programme's continuance for two, three, four or more years?

The Minister for Social Development: I will deal with Mr Hamilton's point and then discuss Newtownards. I am sure that the Member agrees with me that it would be great if I had certainty when it comes to the budget for all aspects of my programme. No doubt he will be happy to lobby his colleague the Minister of Finance and Personnel to ensure certainty around the budget for urban regeneration as well as those for housing and the community and voluntary sector. That is an important political point. I must be given certainty that the programme for tackling disadvantage

and deprivation will continue. After all, my Department is responsible for tackling deprivation and protecting the vulnerable.

The Member will recall that we, along with Mr Shannon, visited the various areas that he wants to see designated SPOD areas. At his request, I had an opportunity to meet some of the groups that are doing extremely good work on behalf of civic society to bring people together and tackle deprivation.

Three areas in Newtownards receive support from the SPOD programme. Applications have been received from the Glen, West Winds and Bowtown estates. Those applications have been assessed, and letters of offer have been issued to meet the amounts claimed to cover their running costs and salaries, which is approximately £73,000 for this financial year.

Mr Speaker: I remind Members that, if they wish to ask a supplementary question, they must continually rise in their place. I have to repeat that request almost every Monday and Tuesday during Question Time.

Mrs M Bradley: Sorry about that, Mr Speaker.

Will the Minister summarise how the 2009-2010 budget for neighbourhood renewal has been expended?

The Minister for Social Development: In 2007, I was able to secure £60 million of revenue funding for the neighbourhood renewal investment fund for 2008-09 to 2010-11. In each year during the current comprehensive spending review period, including 2009-2010, £20 million has been allocated to neighbourhood renewal areas. The funds are allocated per capita across the 36 neighbourhood renewal areas to help address the needs of 280,000 people in 100,000 households in the most deprived areas of Northern Ireland.

In 2009-2010, £20 million was allocated to support more than 300 projects designed to address the underlying causes of poverty and disadvantage. The projects delivered services that were designed to address identified needs for employment and training, education and skills, health, and crime prevention and community safety. They also helped to improve the local environment and to develop communities' confidence and capacity to contribute to improving the quality of life in their

area. The services supported were identified as priorities in neighbourhood renewal action plans, which communities drew up in partnership with local government and statutory agencies. The most important point is that that was done in consultation with local residents.

3.15 pm

Public Realm Projects

3. Mr W Clarke asked the Minister for Social Development what budget is available to her to complete public realm commitments. (AQO 1079/10)

The Minister for Social Development: In 2009-2010, my Department spent over £22 million on public realm projects. That included £11.4 million on schemes in Belfast, £5.9 million on the Waterloo Place scheme in Derry and £4.8 million on various schemes in the regional towns of Armagh, Lurgan and Portadown. A budget allocation of £18.3 million is required for 2010-11 to complete existing projects, and the availability of that budget will depend on the reallocation of urban regeneration funds earmarked for the Royal Exchange project, which has slipped back. At the time of the previous comprehensive spending review, the urban regeneration capital budget was fully allocated to the Royal Exchange project to cover an anticipated £110 million debtor position. As the Royal Exchange project has now slipped into future years, the intention is to place bids in the June in-year monitoring round to reinstate the funding that is required for other key regeneration projects, including public realm commitments.

Mr W Clarke: Go raibh maith agat, a Cheann Comhairle. I thank the Minister for her response. It is widely recognised that public realm schemes enhance business opportunities, particularly for small businesses. However, there can be a negative impact on small businesses during the construction phase of such schemes. In Kilkeel, in the Minister's constituency of South Down, I have had complaints about businesses losing up to 80% of their business. Will the Minister assure the House that everything will be done to minimise the impact on small businesses during the construction phase of public realm schemes?

The Minister for Social Development: I will deal with that question in two parts. I have been

addressing the issue in Kilkeel, and yesterday, at my request, my officials attended a meeting at Newry and Mourne District Council. At my insistence and instruction, my officials will meet the retailers from Newry Street, Kilkeel. However, the current work in that area is being carried out by Northern Ireland Water, an agency that is managed and administered by the Member's colleague Minister Murphy.

Mr Clarke is based in Newcastle, at the foot of the Mourne, which is a beautiful town in which our public realm schemes have gained many fine prizes. I am sure that he would agree that that is a fine example of what DSD can do in local communities. On many occasions, on personal and business visits, I have noticed that Newcastle is booming, with a large range of local restaurants and shops all doing very good business.

Mr Kinahan: Will the Minister update me on the current proposals for the regeneration of Antrim town, particularly in the Church Street area? Can she tell me whether there is any news on proposals for Crumlin?

Mr Kennedy: Reg Empey will look after that.

The Minister for Social Development: Mr Kennedy is enjoying himself today and is in rather jovial spirits.

The regeneration scheme for Antrim town has been worked up over the last three years and, since becoming Minister, I have visited the town on about three occasions to look at the regeneration possibilities. A consultation is about to commence on the scheme for environmental improvements, which are technically called public realm schemes. There is an opportunity to lever in council funding of around £75,000 to £100,000. DRD will also be contributing. However, there is a risk that the other funding could be lost if there is inadequate progress in this financial year. I am sure that Mr Kinahan, wearing his local councillor's hat, will be doing everything to secure that funding.

I will investigate the situation in Crumlin. However, from memory, I think that its population level is below the 4,500 threshold for being treated by DSD. I will write to the Member on Crumlin.

Mr A Maginness: I thank the Minister for her characteristically illuminating and informative

answers to the House. What are the Minister's priorities for urban regeneration in the year ahead?

The Minister for Social Development: I want to complete the important regeneration work all over Belfast and the ongoing work in Derry, through Ilex, particularly on the new peace bridge. My priorities also include making progress on a range of regeneration projects, master plans and public realm improvements in Belfast city centre and town centres across the North. Those include Waterloo Place, working with Derry City Council, Streets Ahead in Belfast and the Andersonstown Road in Belfast. Public realm works are ongoing in Portadown, Kilkeel, Downpatrick, Dungannon and other regional towns. Investment in all those projects amounts to a grand total of £19.3 million of contractual commitments. That represents a major contribution to the local economy and to keeping people in jobs, which is the very issue that exercises people throughout Northern Ireland.

Mr Speaker: Question 4 has been withdrawn, and the Member is not in his place to ask question 5.

Town Centre Regeneration

6. **Mr P J Bradley** asked the Minister for Social Development to outline progress in relation to the regeneration and environmental improvement work currently being carried out by her Department in town centres. (AQO 1082/10)

The Minister for Social Development: In the past year, despite the difficult economic climate and increasing pressures on public budgets, my Department has made significant progress in its efforts to regenerate town centres. Since the start of 2009, my Department has published town centre master plans for Omagh, Ballymena, Ballycastle and Armagh. Master plans for a further 16 towns are in progress and will be published before the end of 2010. My Department has been highly successful in delivering public realm and environmental improvement schemes in town centres. Over the past year, 10 such projects have been completed, including the major award-winning schemes in Newcastle and Armagh and smaller projects in towns such as Warrenpoint, Cookstown, Ballymoney, Antrim and Randalstown. Also, despite the downturn in the property and construction sectors, we have

made progress on forming partnerships with the private sector to redevelop derelict sites in Bangor, Holywood and Portadown.

Mr P J Bradley: My supplementary question is one that Mr Clarke could, perhaps, have asked. Will the Minister detail the regeneration work that is ongoing in or planned for South Down?

The Minister for Social Development: I thank the Member for asking such a positive question. I am pleased to inform him that we are doing a great deal of work in South Down, including in Newry, part of which is located in South Down. In 2007, my Department purchased the site of the former North Street flats, which is close to the centre of Newry, and we aim to bring forward a development there that will benefit the city. Work to prepare concept designs for proposed public realm improvements at Hill Street and Monaghan Street in the city centre is nearing completion. In the past few weeks, we engaged the Paul Hogarth Company, a firm of specialist planning consultants, to prepare a master plan for Newry city centre. In Warrenpoint town centre, we completed a public realm scheme in Queen Street at a cost of £500,000.

Later this year, work will start on regeneration strategies for the south Down coastal towns of Warrenpoint, Kilkeel and Newcastle. Those strategies will help to guide the Department on what further regeneration work is required in those towns. We have committed £1.3 million to the cost of a significant environmental improvement scheme in the centre of Kilkeel, which will cost a total of just under £1.45 million. That scheme has been designed to make the town centre a neutral environment with open space that is, importantly, welcoming to all. A contractor has been appointed, and work is starting. In the past year, we completed a major public realm scheme along Main Street in Newcastle. That scheme, which complements the work undertaken by Down District Council on the seafront, has won awards for its high-quality design and excellent environmental standards.

We have also committed £2.6 million to a significant environmental improvement scheme in the centre of Downpatrick, the total cost of which will be just over £2.95 million. The scheme has been designed to enhance the reputation of Downpatrick as an attractive visitor destination that is closely allied with St Patrick as the place where he began and ended his ministry. The scheme will also ensure that

Downpatrick becomes not only an attractive visitor destination but a place that is welcoming to the local community and visitors alike. A contractor has been appointed, and work will start in the town centre very shortly. I anticipate that the scheme will be completed during 2011. Public consultation on the Downpatrick master plan ended on 19 March 2010, and I anticipate that the final master plan will be published by the start of the summer. We are doing a lot, but we have much still to do.

Mr G Robinson: Is there a regeneration scheme planned for the centre of Limavady?

The Minister for Social Development: I take the Member's question on board. On various occasions, he and my colleague Mr Dallat have invited me to visit Limavady. I have found it to be a thriving local economy. I will look at the area and come back to the Member and to Mr Dallat, who has also raised the issue with me.

I am sure that the Member will also lobby his colleague the Minister of Finance and Personnel to ensure that I receive additional funds to promote and pump-prime not only the public realm but urban regeneration in towns and cities in Northern Ireland.

Mr Cree: It was good to hear the Minister mention every town in Northern Ireland before she mentioned north Down, but she got there in the end. Will she provide an update on the progress made with urban regeneration in Bangor?

The Minister for Social Development: The Member will recall that I visited Bangor just before Christmas to deal with the master plan for the area and with the development at Queen's Parade, which has the support of North Down Borough Council. That is a tremendous opportunity to transform that area and ensure that Bangor will be able to compete as a tourist destination with the other coastal towns in County Down.

A master plan is being prepared for Bangor, and I will write to the Member and tell him what stage it has reached. The development of the master plan will be an opportunity for all Assembly Members and councillors for the north Down area to define the development opportunities for their town for the next 20 to 25 years. Therefore, I ask them to seize that opportunity.

Social Housing: Mid Ulster

7. **Mrs O'Neill** asked the Minister for Social Development how many units of social housing were completed in the Mid Ulster constituency in each of the last three years. (AQO 1083/10)

The Minister for Social Development: I am pleased to report that, despite the very well documented problems with my budget, we have just started building 1,838 houses, which is the largest number of new homes for over a decade. Those homes have been delivered to people in housing need across the North of Ireland.

The Member understandably has a specific interest in Mid Ulster. I am happy to say that in the three years up to March this year we delivered 69 new homes at a cost of £5.7 million. We have plans for more homes in the area, which is something that my colleague Mr McGlone has been constantly asking me about. We have schemes planned for 2010-11, covering Cookstown and Magherafelt, and for 2011-12, covering Coalisland, Knockcloghrim, Moneymore, Draperstown and Cookstown. That is significant work.

Of course, our social housing development programme is just one way that we meet housing need in any given location or constituency. The reletting of existing homes in the public sector is another way in which we can help to put more people into houses. We also know that more people are turning to the private rented sector to address their housing needs, and our new strategy, 'Building Solid Foundations', will offer some help and support to those who choose the private rented sector as their tenure of choice.

3.30 pm

Mr P Maskey: On a point of order, Mr Speaker. When P J Bradley asked question 6 about improvement work in town centres, it was clear that the Minister read out a scripted speech about her own constituency that did not even relate to the question. Given purdah and the upcoming election on 6 May, it is very clear that the Minister used the opportunity for electioneering purposes. That is out of order. Will you make a ruling on that? *[Interruption.]*

Mr Speaker: Order. P J Bradley asked a very detailed question that the Minister responded to. All parties are normally allowed to ask supplementary questions, and I am sure

that Members to my left could have asked a supplementary question to the Minister for Social Development. That did not happen. Moreover, I am conscious that minds are somewhere else, maybe not in the Chamber, and that Ministers may take the opportunity to say something. As far as I am concerned, P J Bradley asked a detailed question and the Minister felt that she needed to give a detailed answer. As you know, the Committee on Procedures has looked at the issue of Ministers giving long-winded answers to questions, and, come September, Ministers will have two minutes to answer the original question and one minute to answer a supplementary question.

Executive Committee Business

Revised Programme of Expenditure 2010-11

Debate resumed on motion:

That this Assembly approves the revised programme of expenditure proposals for 2010-11 as set out in the Budget laid before the Assembly on 13 April 2010. — [The Minister of Finance and Personnel (Mr S Wilson).]

The Minister of Finance and Personnel

(Mr S Wilson): I assure the House that I will not make any announcements about East Antrim during my winding-up speech on the Budget motion. I thank Members for the instructive debate, in which opposing views have been put forward. It is important that the Budget is dedicated to making Northern Ireland a better place for our people. Many of the issues have been aired during previous discussions, and, to a certain extent, the debate has covered old ground.

One recurrent theme was raised by the Chairperson of the Committee for Finance and Personnel and by a number of other Members including Mr Hamilton, Mr Storey, Mr Wells and Mr Kennedy. They said that the Budget debate has been curtailed by the absence of detailed information from a number of Departments to Committees, which, rightly, wanted to see how Ministers wished to implement any changes to the budgets in their Departments. I sought, as early as 7 January and on a number of occasions since, to encourage Ministers to provide the information that Committees need to scrutinise Ministers' decisions because, at the end of the day, although we agree the global sums in the Budget, it is up to Ministers to implement it in their Departments and to give the details to Committees.

In light of that, the Chairperson of the Finance Committee raised the issue of the process for future Budgets and the review of the Budget process. I regret that that has not happened more quickly, but other urgent work needed to be done. The Assembly would have agreed that the urgent work to revise this year's Budget was much more important than finalising the report on the Budget process. That has been completed only recently, but it will be sent to the Committee immediately, or shortly after, today's debate.

I hope that the new process will lead to earlier engagement by all Departments with Committees and the wider public, so that there will be an opportunity for Committees, at least, to give greater emphasis to realistic alternatives to the approach being proposed by the Executive.

Mr Hamilton talked about the social development budget and the fact that there was a lack of information. However, the budget allocated to the Department for Social Development will mean that £160 million will be available, which will provide for 2,000 new starts in 2010-11. That will be welcomed by the construction industry and those on housing waiting lists. It represents a 4.7% increase on the 2009-2010 position, and despite some complaints made in the past, this Assembly's record on building social houses has been exemplary. On top of that, there is £15 million extra available for people on low incomes to —

Mr F McCann: I agree with the Minister that the Executive have provided large amounts of money throughout this term to build social housing. However, there is another side to the story, and it involves maintenance and replacements. Funding moved from that side has a dire impact on the construction industry.

The Minister of Finance and Personnel: A balance has to be struck between maintaining the current stock and building new houses. The current Minister's emphasis seems to be on building new houses. The target in the new social house building programme this year was exceeded. Had it been stuck to, perhaps there may well have been some more money for maintenance.

Mr McNarry is a great one for coming in here, making a speech, walking out again, and never bothering to return. That is why he continually makes mistakes. He is never here to learn. He asks questions, looks puzzled and says that he wants serious questions answered; but he never gets to hear the answers. So, he asks the same wrong questions next time. He seemed to have some great concern about the budgetary process, that urgent procedures were used, and he questioned whether the Budget was legal.

The process by which the Budget was decided by the Executive is legal: that is the first thing to say, and it is not waffle. Mr McNarry also accused me of waffle in other things. Let us get to the facts of the case. First, the draft

Budget and changes required were brought to the Executive in September 2009, which left plenty of time for consideration. The proposals were debated by the Assembly and were agreed unanimously. The changes to the draft Budget were taken to Ministers on 19 March 2010, for discussion at the Executive on 25 March 2010. There was no disagreement. The Health Minister raised a point about swine flu, but Mr McNarry's party put in a nil return to the proposals.

At one point, there was an issue about water, which meant that the Budget had to come back, but that was resolved. I think that the Assembly would have criticised me had we started the year without giving Ministers some certainty about the budgetary position. For that reason, and because there had been discussions in the Assembly, that Ministers had been presented with the final proposals, the fact that there were nil returns on those final proposals, and that there was only a small area of disagreement that was quickly resolved, I think that it was fairly safe to go down the route of accelerated passage. We would have been criticised for entering the year without the Budget agreed.

Mr Farry asked a question about the Budget. The changes to the Budget were insignificant. The changes made between what the Assembly and Executive Ministers knew from the beginning of January and what was finally presented were minimal.

Instead of deferring full consideration of the Northern Ireland Water bid until the June monitoring round as normal, that was done and the relevant figure changed. Therefore, we will not consider that in June; it has been done now. When the Assembly discussed the invest to save proposals in February, £26 million had not been allocated, but now it has, so there is £26 million of a change across the budgets as a result of those allocations being made. There were also some technical changes, but those are all the changes that were made. Therefore, by and large, there has been a discussion and an agreement on this Budget.

Mr O'Loan started his speech by saying that he could not agree the revised programme of expenditure proposals and would probably be dividing the House. I have made the point that he did not divide the House on this in February. There is no significant change in the Budget, and I suspect that the only difference between now and February is that there is an election in

a couple of weeks' time. So, Mr McNarry, sorry, Mr O'Loan, being ever the opportunist — of course, Mr McNarry is an opportunist as well — has decided that he will divide the House on a Budget that is basically the same as one about which he had no concerns, or not enough to divide the House, a month and a half ago. He has the right to do that if he wants to, but he must explain that inconsistency.

Mr O'Loan also raised the issue —

Mr O'Loan: Will the Minister give way?

The Minister of Finance and Personnel: I will. Since I mentioned the Member, I should give way.

Mr O'Loan: I presume that the Minister accepts that there is some significance to this substantial document 'Revised 2010-11 Spending Plans for NI Departments'. It is that document and the related proposal that have come to the Assembly today for the first time. At this formal stage, it is entirely appropriate for my party to take a view, and our view is that we do not accept it because of the significant cuts in previously determined spending lines.

The Minister of Finance and Personnel: I do not want to labour the point, but most of the figures — in fact, 99.9% of the figures in the final version of the document to which he referred — have been available and have been discussed in the Assembly and by Committees over the past two and a half months. The only changes are those that I listed in response to Mr Farry's question, namely the change in the Department for Regional Development and the allocation of the invest to save funding. I would have thought that, if there were fundamental difficulties, we would have had a Division before now. However, as I said, it is the Member's right and if he wishes to call a Division, that is fine, but people will see it for what it is: a cheap way to distance himself from the kind of decisions that must be made.

Mr O'Loan also asked what preparations had been made in respect of the slowdown in spending for 2011-12. First, we do not fully know what the situation will be; we are feeling our way in the dark, and the 2010 UK Budget did not really give us much of an indication. However, we know that current spending is not likely to go up at all and that there may well be a reduction of up to 10% in capital spending. I have already told Departments that they should prepare for that; it should not come as a shock to them and they should be looking now at

their spending plans in light of the available information. The invest to save programme was designed to help Departments deal with some of those concerns.

I think that I have dealt with Mr O'Loan's concerns about the Budget. His concerns do not seem to be shared by his party leader, who offered no comment on the recommendations before us. Perhaps the Member needs to talk to her, and a wee bit more communication in the SDLP might be helpful.

I have dealt with Mr Farry's point about how the figures changed. I hope that he is clear on that. As always, he raised the issue of the cost of division. I have answered that question before. Of course, he can now ask his own Minister, because one of the areas in which the cost of division is most apparent will be under the responsibility of the Department of Justice. It will be interesting to see what his party does now.

My one hope, though, is that Mr Farry will not become an Establishment figure. I have always enjoyed the debates and his independence. He is, perhaps, my kindred spirit on this type of topic. He is always prepared to raise his head above the parapet. I hope that he is not now firmly pulled below the parapet because his party is part of the Establishment. I hope that he will continue to have that independence, which at least leads to some lively debate in the Assembly.

3.45 pm

He also raised the issue of corporation tax. He unfairly accused me of doing a 360 degree turn on corporation tax. He accused me of doing twice as much as Mr McNarry did: he accused me of doing a 180 degree turn. Now Mr Farry has me turning round in circles on the issue. The position that I adopted has been consistent. If the result of a reduction in corporation tax is that the block grant is hit immediately, which is bound to have an impact on spending in Northern Ireland and on the move towards a recovery, it is not a price worth paying. That is not inconsistent with my party's position. We said that if we had leverage, we would seek to negotiate the advantage that a reduction in corporation tax would bring without the cost being attached. That may or may not be achievable, but it is entirely consistent with the reservations that I raised in that regard.

Mr Boylan raised the question of redundancies in non-governmental organisations. I have always said that it is far better to be honest: in a period of constrained expenditure, and given the amount of expenditure that goes on manpower and employment in Departments and organisations that rely on public spending, we cannot avoid job losses. They are inevitable.

I see that my time is nearly up. I thank Members for the part that they played in the debate today. Although we have spending plans before us, funding has been tight. I hope that the Assembly will endorse the Budget.

Mr Speaker: Before I put the Question, I remind Members that the motion requires cross-community support.

Question put.

The Assembly divided: Ayes 41; Noes 21.

AYES

Nationalist:

Mr Brady, Mr Leonard, Mr P Maskey, Mr F McCann, Ms J McCann, Mr McCartney, Mr McElduff, Mrs McGill, Mr M McGuinness, Mr McHugh, Mr McLaughlin, Mr Molloy, Mr Murphy, Mr O'Dowd, Mrs O'Neill, Ms S Ramsey.

Unionist:

Mr Bell, Mr Bresland, Lord Browne, Mr T Clarke, Mr Easton, Mrs Foster, Mr Hamilton, Mr Hilditch, Mr Irwin, Mr McCausland, Miss McIlveen, Lord Morrow, Mr Newton, Mr G Robinson, Mr Ross, Mr Shannon, Mr Spratt, Mr Storey, Mr Weir, Mr Wells, Mr S Wilson.

Other:

Dr Farry, Mr Ford, Ms Lo, Mr McCarthy.

Tellers for the Ayes: Mr F McCann and Mr G Robinson.

NOES

Nationalist:

Mr Attwood, Mrs M Bradley, Mr P J Bradley, Mr Gallagher, Mrs D Kelly, Mr A Maginness, Mr McDevitt, Dr McDonnell, Mr McGlone, Mr O'Loan, Mr P Ramsey.

Unionist:

Mr Cobain, Rev Dr Robert Coulter, Mr Elliott, Mr Gardiner, Mr Kinahan, Mr McCallister, Mr McClarty, Mr B McCrea, Mr K Robinson, Mr Savage.

Tellers for the Noes: Mr A Maginness and Mr McDevitt.

Total votes	62	Total Ayes	41	[66.1%]
Nationalist Votes	27	Nationalist Ayes	16	[59.3%]
Unionist Votes	31	Unionist Ayes	21	[67.7%]
Other Votes	4	Other Ayes	4	[100.0%]

Question accordingly agreed to.

Resolved (with cross-community support):

That this Assembly approves the revised programme of expenditure proposals for 2010-11 as set out in the Budget laid before the Assembly on 13 April 2010.

Committee Business

Get on Board Programme

Mr Speaker: The next item of business is the Committee for Employment and Learning motion on the Get on Board programme. The Business Committee has agreed to allow up to one hour 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 are called to speak will have five minutes. I ask Members who are leaving the Chamber to do so in an orderly fashion.

The Chairperson of the Committee for Employment and Learning (Mrs D Kelly): I beg to move

That this Assembly commends the Minister for Employment and Learning for providing funding for the Get on Board programme, which aims to increase and diversify participation in and access to public appointments; calls on the Minister to ask all Departments with responsibility for the delivery of the public appointments process to nominate a specific contact to engage with the programme's delivery; and further calls on the Minister to request that his Executive colleagues arrange with their non-departmental public bodies and agencies for programme participants to be able to attend meetings to gain a greater insight into their workings.

I am pleased to speak as Chairperson of the Committee for Employment and Learning and to bring this important motion to the Floor.

4.00 pm

I want to pay tribute to the previous Committee Chairperson, Ms Sue Ramsey, who ensured that the motion was tabled. Members understand that the issue of public appointments is one that does not sit within a single departmental remit but goes to the heart of two issues that every Member should care passionately about: social inclusion and widening participation. Both of those principles are key parts of the current Programme for Government, and the Committee uses them as touchstones for many of the issues that it deals with. I want Members to think about those issues in their Committees and how they apply to their stakeholder groups. The Employment and Learning Committee's purposes today are to highlight the issue of opening up public appointments so that they

better reflect the diversity of our community, and to call for action.

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

I understand that the Minister for Employment and Learning will be responding today, and I hope that he will be able to attend as scheduled. I reassure the Minister that the Committee clearly understands that the issue of public appointments falls primarily to the Office of the First Minister and deputy First Minister. However, the Minister for Employment and Learning has provided resources for the development and roll-out of the Get on Board programme, for which he is to be commended. The Committee's stakeholders urged it to bring this issue to the Chamber.

The Committee seeks the Minister's assistance as an advocate within the Executive for the Get on Board programme. It wants him to encourage his Executive colleagues and their Departments, agencies and bodies to engage with the programme and improve access for everyone to public appointments.

The Get on Board programme was developed by the Department for Employment and Learning and Belfast Metropolitan College in response to criticisms of, and recommendations regarding, the public appointments process made by Baroness Fritchie, the Commissioner for Public Appointments at the time. She recommended the development of a short course designed to help people learn the skills needed for public appointments. The ultimate aim of the Get on Board course is to widen participation in public bodies. The current commissioner, Felicity Houston, is a strong advocate of the merits of the programme. The programme was piloted in March 2006 by Belfast Metropolitan College, which has continued to run it in subsequent years. The course was mentioned in the OFMDFM public appointments annual report for 2008-09 as being:

"developed to help improve public accessibility to public appointments and other public life positions by explaining what board members actually do and how the appointments process works".

The same annual report went on to highlight the statistics regarding public appointments with which we are all familiar: too few women, younger people, people with disabilities and people from ethnic and other minority groups.

That means, in effect, that there are too many white, middle aged, middle class men.

The Get on Board programme seeks to deal with key barriers to the public appointments system as identified in a 2005 report from the Office of the Commissioner for Public Appointments here. Those barriers are: a lack of awareness of public appointments; the unattractiveness of public appointments; a lack of confidence to apply for public appointments; the commitment associated with public appointments; and remuneration. Recommendation 6 of the report was:

“departments explore ways to make it easier for potential applicants to understand and meet the commitments associated with a public appointment.”

That is what the Get on Board programme is all about. A DEL evaluation of the programme in June 2008 indicated that it had a number of positive achievements, including: the attraction of people hitherto not engaged in public bodies; the possible increased participation of women; high completion and qualification attainment rates; high satisfaction with the course; and evidence of post-course progression. There was a suggestion in the report that further work needed to be done to engage some excluded groups in the programme, such as the unemployed, the poorly-qualified and people in lower-status jobs. The Committee believes that efforts can be made with stakeholder groups to increase participation in the course and the public appointments process by those groups.

As I said, the Committee commends the Minister for providing funding for the development, running and further roll-out of the Get on Board programme. That important course focuses on preparing people for the daunting application process for public appointments and gives participants a clear insight into the nature and function of those offices. The Committee is keen to ensure that all its stakeholders have access to those roles, and other Members will want the same for their Committee stakeholder groups.

The Committee advocates that other Committees engage with their stakeholders as we have and encourage them to seek public appointments. The Get on Board programme provides an ideal vehicle for the achievement of that aim. We want greater diversity among those who make up public bodies and who influence

public policy; we want to give a voice to those who are seldom heard.

Cost is a particular problem for the Committee's stakeholders in accessing the Get on Board programme: the tuition fee for the programme is £140. As the course is accredited, there is an exam, for which the fee is £24, making a total of £164. The Scottish Government offer a one-day, public appointments, non-accredited workshop that is free of charge, and the Welsh Government offer a similar two-day course. The Committee recognises that Get on Board is much longer and is accredited, but surely there is scope to offer that course free of charge to users, considering its potential impact on social inclusion and widening participation in society.

Some of the Committee's stakeholder groups said that it would be useful to have the course available to them locally. The Committee is aware that the South West College, the South Eastern Regional College and the North West Regional College have worked with Belfast Metropolitan College (BMC) to look at providing the course collaboratively. Advertisements for the course were run in local papers to ascertain where the greatest demand for it was, as that would determine which college campuses would offer it. However, at present, the Committee does not know which, if any, colleges will actually run the course. It is still being advertised on the BMC website; however, the Committee understands that no one is available to run the course at that college.

The situation is such that the Committee believes that it is time for the Minister and his Executive colleagues to step in, put the course on a firm footing, roll it out geographically, and actively promote it through Members and Committees engaging with their stakeholders and through targeted advertising. Departments and their agencies and bodies must engage with the course, and boards must be accessible to those who wish to sit on them.

The Committee asks the Minister to make the Get on Board programme known to his Executive colleagues, and it suggests that he ask them to get their officials to engage with the Commissioner for Public Appointments so that they might have a clear understanding of the deficiencies of the public appointments process and the requirements for making the process and its outcomes more inclusive and more representative of all groups. I ask all Members

present to engage with Ministers through their Committees and to ask them how they intend to address the under-representation of the groups listed earlier.

Ms S Ramsey: Go raibh maith agat, a LeasCheann Comhairle. I welcome the opportunity to speak on the motion, and I commend the Committee for Employment and Learning for having the foresight to bring it to the Assembly. I also want to thank the Chairperson for her kind words, and, if I can be of any assistance to her in her new role, she should feel free to call on me. We already have a good working relationship in the Committee, and I hope that that will continue.

The motion came about after I met Eileen Mullan from Belfast Metropolitan College. She expressed her concerns about participation levels for a course on public appointments and whether people were getting the necessary training for, and advice on how to get involved in, public appointments. I felt that it was an issue that Committee members were aware of, had concerns about and would be interested in, so I asked Ms Mullan to bring the matter to the Committee.

During that presentation, we were struck by the evidence of a senior member of the community who had been a firefighter in his time and had decided to give something back by taking on a public role but who had been turned down. Statistics show that most of those who hold public appointments are middle-aged male professionals. It was a concern to us that that firefighter was a professional, but he still found the application process hard to get through.

When we talk about public appointment holders being mainly male and middle aged, one of my colleagues describes them as, "male, pale and stale." I happen to agree with her. That is no reflection on anyone who holds a public appointment, but we need to change that image and the statistics behind it.

This Assembly is about change; the Executive are about change; and we, as elected activists, get involved in political life to bring about change to our communities and constituencies.

As the Chairperson of the Committee for Employment and Learning said, the issue of public appointments does not rest with the Department for Employment and Learning but with all Departments. I commend the

Minister for Employment and Learning and his Department for taking the initiative and funding the programme. When we have the opportunity to commend, it is important that we do so. The purpose of the motion is to ask the Minister to take it one step further and go to his Executive colleagues about the issue.

One of the key points of the Programme for Government that the Chairperson spoke about was social inclusion. If we want to bring about change for the better, we need to ensure that all Departments take ownership of public appointments. As I said, social inclusion is a key aspect of the Programme for Government.

The Get on Board programme came about following recommendations and a call for the development of a short course. Although I welcome that, I have a genuine concern, because when talking about getting more women, people with disabilities and young people involved, it must be recognised that the cost of the course will be a factor. Although we are taking the step to give people the tools to get involved in public appointments, the cost is still a barrier to some. It is an added cost that particularly affects young people, lone parents and women who are in low-paid employment.

A Public Accounts Committee report on the hospitality industry from the 2007-08 session called on OFMDFM to bring forward proposals to change how public appointments are made. I want the Minister to tell us whether that has happened, because in October 2007, the then junior Minister Paisley, while commending the Get on Board programme, said:

"it's important that individuals from a wide range of backgrounds take up public appointments".

That statement was made by a junior Minister in OFMDFM; therefore, we need to be aware that that Department is also playing its part.

Statistics show that a lot of people from certain groups are still under-represented in public appointments. Although we are providing resources to try to change those statistics, we must ensure that we are changing them for the better.

I am conscious that I am running out of time. I support the motion, part of which calls on the Minister for Employment and Learning to raise the issue with his Executive colleagues. Therefore, I ask that the Minister provides

regular updates about responses from his Executive colleagues or departmental officials.

Mr Deputy Speaker: Bring your remarks to a close.

Ms S Ramsey: It is important that we send out a clear message to our communities and constituents that, when they bring concerns to the Assembly, we are listening and making a difference to their lives.

Mr McClarty: I also welcome the debate and agree with the sentiments expressed in the motion.

The Get on Board programme is an excellent course that seeks to develop transferrable skills to individuals with a view to public appointments. Diversifying the profile of those being appointed to public bodies is a sound objective for the Executive. This programme is testament to the Minister's commitment to that goal.

The motion calls for agencies and bodies, which are likely to have Get on Board alumni appointed to them, to open up meetings and enable programme participants to attend. It is desirable that all such bodies should have as many meetings as possible open to the public as a matter of course. I agree that it would be useful for Get on Board participants to have the opportunity to attend meetings to get a feel for how business is done, for better or worse. I also feel that public scrutiny of non-departmental public bodies and agencies should be an objective in itself.

Although I support the sentiment of the motion, I feel that there are broader objectives that can be achieved through an open-door approach. However, I understand that that cannot be a universal approach.

I look forward to hearing the Minister's reply to the debate, and I am particularly interested in how his Department has been assisting in the development of the course. How the course is funded and assuring value for money for the taxpayer is obviously an imperative in any such matters.

4.15 pm

It must be said that, for Northern Ireland's economy to grow, we must grow the private sector. Therefore, I hope that the Minister's primary employment priorities are focused on reducing gradually the proportion of people in Northern Ireland who are employed by the

state. That said, I welcome the Get on Board programme for the work that it does in assisting a wider range of people to participate in the governance of our public bodies. I support the motion, and I congratulate the Minister on his Department's handling of the programme.

Ms Lo: I support the motion, although I have reservations about the Get on Board programme. No doubt the programme has been well attended, but I am not sure whether I would call it successful. Its main aim is to attract people who have been under-represented on public bodies, such as women, those with disabilities, ethnic minorities and those from all walks of life, not just retired head teachers and accountants. Early indications are that the majority of people who attend programme courses have degrees and higher-status jobs. Course representation is also higher among those aged 35 and over. Therefore, we are attracting more of the same; people who are already on public bodies.

I also have reservations about barriers to the course. If it continues to be run in its current format in further education colleges, it will not be suitable or appropriate for many people who come from under-represented groups or communities. First, the cost is too high; £146 is a lot of money. Secondly, the course is far too long. Including examinations, the accredited course lasts for 12 weeks, which is unattractive to working people from a community sector background. Someone mentioned the Scottish model, which consists of a one-day, non-accredited workshop that is free of charge. The Welsh Government offer something similar, which lasts two days and is also free of charge. That is much more appealing to the sort of people whom we want to attract to public bodies.

Furthermore, I am concerned that it is not enough to hold the courses in further education colleges. They should be run concurrently in community settings, such as women's centres, disability support organisations and ethnic minority support organisations, not in big institutions into which many local people do not want to go and which they find to be too formal. I would like the Minister to think about those points. The cause is good, and I support diversification and bringing people in to public bodies from all walks of life. However, we must make the process more accessible.

Mrs McGill: Go raibh maith agat, a LeasCheann Comhairle. As a member of the Committee for Employment and Learning, I support the motion, and I commend the Minister for the work that has been done so far. Like other Members who have contributed to the debate, I encourage the Minister to make progress on the matter.

The subject of public appointments is a big issue, particularly for those who know little or nothing about the appointment process or about the power that public bodies have in many situations. Recently, I learned something about a particular public body. The body to which I refer is the Council for Nature Conservation and the Countryside. The reason that I learned a little about that public body is because of an issue that arose with regard to the designation of an area of special scientific interest (ASSI) in the Gortin and Greencastle area of my constituency. That designation was particularly fraught for people in the area. Parts of local farmers' land were to be designated in a way with which they, perhaps, did not agree. We learned that the Council for Nature Conservation and the Countryside could advise the Minister on the matter. When we asked to speak to the council, we met one member; I believe that the chairperson was unavailable. Although it was a local issue that affected people who lived in the area, they knew little about the council.

Members mentioned under-representation on certain public bodies. I have a list of the members of the council, which advises the Minister of the Environment. The list supports points that have already been made about under-representation. Of the council's 18 members, 15 are male and only three are female. The council deals with the countryside, and females also have a role and a contribution to make. Certainly, widening access and broadening participation is vital to that. If a course is designed to encourage people to get on board and learn about public appointments, that certainly helps communities and society in general.

Members referred to the fees of £164. The Northern Ireland Rural Women's Network wrote to Belfast Metropolitan College about that issue. It made the point well that women, particularly those in rural areas, are not represented at that level, and fees of £164 certainly increase barriers to their participation. The Public Accounts Committee said that action must be taken and access widened. That is

supported by earlier contributions in the debate and by evidence.

Another group that is clearly under-represented is people with disabilities. I looked at statistics for 2007-08 from OFMDFM's central appointments unit that relate to people with disabilities. The documentation gives the figure of 45 with regard to disability, after which it states that there are no statistics on appointments. I am not sure whether that means that 45 people with disabilities applied but were not, in the final analysis, appointed.

Therefore, there is work to be done. The debate will contribute to that. I support the motion.

Mr P Ramsey: I thank the Committee Chairperson for tabling the motion. I welcome the Minister's attendance at the debate.

I want to address two themes, the first of which relates to the Get on Board course. The second theme is the appointments system and how Executive Ministers could act to ensure that the system is promoted to generate wide public knowledge of appointments and how they operate so that successful applications come from a wider range of applicants.

Clearly, as all members saw in evidence to the Committee, public bodies do not reflect the make-up of the general population, particularly in respect of gender, disability, age and ethnicity. That gives rise to questions about equality, which we are all keen to promote. It also means that key skills and insights are likely to be unavailable to various boards throughout Northern Ireland.

We must always be mindful that people who are appointed to public boards take on a great deal of work and responsibility that is over and above any remuneration that they may receive for their role. They put themselves in positions in which they can be held accountable for decisions that they take. It is right that people should be given the necessary support from government to prepare for possible appointments and to carry out their duties.

We have seen the governance issues that arose with regard to one of DCAL's arm's-length bodies. I am not going to go into the details, but the names of the members of those boards were tarnished as a result of the inactivity of some members. I was a member of the Committee for Culture, Arts and Leisure at that

time, and for months the Committee received various reports on the Events Company and the difficulties that had occurred. However, good, decent people were also on those boards, and their names were tarnished.

As we all know, the Get on Board course is a worthy exercise that is designed to ensure wider access to public appointments. Based on the limited information that we have and given the timescales and the numbers involved, I understand that participants on the Get on Board course were successful in being appointed to various boards, and that is important. It is a matter of concern that the Get on Board course has been dropped by Belfast Metropolitan College and has not been taken up by any of the other colleges at present. Perhaps the Minister could use his influence to address that.

The low uptake of the course is part of the reason why it was dropped. Clearly, more needs to be done to persuade people to undertake the course, which has been particularly successful in preparing people from under-represented groups and has allowed them to successfully apply for and obtain board positions. I urge the Minister to go back to the colleges to see whether barriers to access, in particular, can be reduced and to ensure that the courses are promoted so that there is a greater take-up and they can be rolled out successfully across Northern Ireland.

I now want to talk about the appointments system. Research suggests that there is a lack of public knowledge about public appointments and the appointments system. That situation could be changed through better communications, and all our Ministers and their Departments could make an important statement and communicate their policy and role in the matter.

There is also concern that the various boards across Departments and their organisations seem to have a range of different methods of managing the appointments process. The application process is deemed to be complex, with forms that use terminology that may not be understood by people outside the immediate organisations. That situation is preventing competent people from applying successfully, if at all, for board positions. There should be greater standardisation across the boards' application processes, and the application forms should use language that

is better understood outside the immediate organisations.

In addition to his ensuring the roll-out of the Get on Board courses, I ask the Minister, as all Members have asked, to bring to his Executive colleagues and their Departments four points: to ensure higher levels of public awareness of public appointments; to design greater consistency into the appointments processes across the Departments; to ensure the reform of the appointments process; and to take the necessary steps to ensure that there is a cross section of the community on the boards so that they are reflective of the community on the basis of equality.

The Minister for Employment and Learning

(Sir Reg Empey): I thank the Committee for proposing the motion. It is clear that there has been a positive response from the Committee and a number of Members. Initially, I want to address some of the points that have been made.

I clarify that my Department funds the course as it funds every other course, and the funded learning unit (FLU) is applicable to this course as it is applicable to other recognised courses in the college funding. The colleges determine how much they charge for those courses, not the Department. As one Member said, some colleges charge £146 and others charge £39, but those are matters for individual colleges to determine. We fund them on the same basis as every other course.

The other common dominator from virtually all Members was that I should draw the matter to the attention of my Executive colleagues. I have no problem in doing that. I will undertake to do that, and the Department will keep the Committee informed of the responses that we receive.

OFMDFM has policy lead with regard to public appointments generally. One possibility might be to offer courses to applicants on a full cost-recovery basis. That is a matter for that Department, but I will certainly write to the First Minister and the deputy First Minister conveying that sentiment.

The issue of the development of the course was raised during the debate. The Department, through a former permanent secretary, initiated that idea some years ago.

4.30 pm

Anna Lo referred to the Scottish and Welsh practice of offering one- and two-day courses. Although there is nothing wrong with that type of course, the point that Pat Ramsey made was important. Some of the bodies that people are appointed to are significant organisations that hand out very significant amounts of money, and a number of appointees got themselves into difficulties because they did not fully understand their fiduciary responsibilities as directors or board members. Given the wide variety of appointments on offer across the Province — from voluntary and community bodies right through to heavy duty public sector organisations through which very large sums of money are spent — it is essential that people have a solid grounding in and understanding of the financial and other responsibilities of those roles. Therefore, I do not believe that a one- or two-day course is sufficient to cover the whole remit and spectrum of public appointments. Such courses would be helpful but not adequate.

Ms Lo: I have served on several public bodies. After appointment, appointees are sent on training courses, which are generally only one or two days in length. Appointees are taught the values and principles of what it means to be on a body through those training courses, and they learn the remit and responsibilities of the body as they go along.

The Minister for Employment and Learning:

Part of the problem is that the responsibilities of those serving on boards have grown. Take, for example, the issue of staff appointments and the need to treat applicants fairly and equally. That is a huge issue and one that prevents many from applying for appointment to the boards of public bodies. Mr Ramsey also raised the difficulty of some appointees being challenged on their financial duties, and a number of appointees, including those who had come from local government, found difficulties in that area. It is a question of horses for courses; there is a very large spectrum in public appointments.

The Department is looking at the issue from the point of view of widening access. I will give a sense of where we are with it: 208 people have completed the course, of whom 39 — 18.75% — have been successful in achieving a public appointment. Females accounted for 70% of the participants, 20% were under 40 years old, and

69% came from outside the Belfast area. That is fine up to a point, but I accept, as Mrs McGill said, that there is more to be done.

My Department has set aside money for the promotion of the courses, but how that is used is a matter for the colleges. The budget is in place, and colleges can draw down that money to promote the courses in their prospectus. It is not essential that courses are conducted in the classroom or on college campuses. Colleges already run courses all over their respective areas, in community centres and other locations. When it receives applications, each college must make a judgement as to where it feels the location of the course is most appropriate. That decision could be for geographical or other reasons, but there is no impediment to the courses being delivered outside college campuses. Further education is already well versed in delivering courses in the community.

The programme is helping and can help, but it must be remembered that the burden on individuals who take on public appointments is growing; let us be clear about that. People are subject to judicial reviews. Applicants to boards of governors of schools and colleges are doing those jobs for no financial reward. It is voluntary work, even if they chair those boards. They have a huge responsibility and make a huge commitment of time.

We are looking at the issue from the perspective of widening access. The programme is a good thing in any event, and it is part of the tools that are effective in widening access. We do not have the mix of people that, ideally, we would like, but we are getting there. We have provided the tools to the colleges to promote the courses, and, in part, they are doing that. So far, the resources have not been used up. They are still available for colleges if they wish to promote the courses.

Although the programme is open to all colleges, the courses are spreading away from Belfast Metropolitan College. I understand that, so far, the course has been delivered in Enniskillen, Londonderry, Cookstown, Belfast and Ballyclare. All colleges are aware of and are committed to the programme, but they are at the mercy of people showing interest. I understand that some interest has been shown in the programme in the Belfast area. There has been interest in other areas, but it is not yet clear whether those

other areas will have sufficient volume to make the programme worthwhile.

It is important that a qualification emerges at the end because that will give credibility to the course. The course is not essential, nor should it be a barrier to applying for a post. I would not say for one moment that people should not be in a position to have training when they take up a post — I would encourage that. However, the course gives people a basic understanding of their responsibilities, and I certainly undertake to write to colleagues to encourage them, where it is appropriate, to attend meetings of various boards, subject to confidentiality issues and other such considerations that Members will understand. I will do that, and I will be happy to report back to Members.

The First Minister and deputy First Minister have responsibility for public appointments in this area, and I will draw the debate to their attention. As I said, I will be happy to approach them to find out whether they will consider helping people to pay for the courses. I stress that my Department is funding the colleges through our normal mechanisms. I do not believe that it would be appropriate to go further than that at this stage, but that does not mean that others cannot do so.

Each Department has a designated public appointments contact, and those officials might be best placed to engage with the Get on Board programme. I am trying to take on board what Members have said. Although each Minister is responsible for making public appointments to the boards that come under the responsibility of their Department, I am happy to support the Committee's call for Ministers to nominate a specific contact in each Department to engage with the Get on Board programme. I have no difficulty with that, and I certainly support it.

I welcome any initiative that aims to improve access to public appointments, and I accept that the current profile is not ideal. The statistics that I provided earlier show that a high percentage, around 80%, of the people who have completed the course are women. That is over 160 people, which is encouraging. A significant number of younger people have done the course, and both those facts challenge the general assumption about the profile of the people who sit on boards. I hope that Members feel that that is positive.

As I said, the success rate so far is almost 19%. Given that the course is comparatively fresh, people often do not succeed on their first attempt. However, I hope that the experience of doing the course will give people the necessary confidence to keep applying. If they do not get one appointment, they should not assume that they will not get another one. I believe that people having that course under their belt is a positive development.

I thank the Committee for tabling the debate. I am trying to be as positive as possible in my response. I undertake to keep the Committee and the House fully informed about the response of my Executive colleagues when I receive that.

The Deputy Chairperson of the Committee for Employment and Learning (Mr Weir): I thank the Members who contributed to the debate. I suspect that this is not a particularly sexy subject and that we will not see it on the front page of the 'News Letter', the 'Belfast Telegraph' or 'The Irish News' tomorrow. Nevertheless, widening access to public appointments is meaty and important, and that has been reflected in the mature way in which the debate has been conducted. As a newly appointed member of the Committee, I thank the Committee and the former Chairperson in particular for bringing this matter forward. Perhaps I should thank them for dropping me and the new Chairperson in it at such an early stage.

Widening access is important. This may be a mixed metaphor, but, if we can provide a ladder to get people up to a level playing field with those who are already benefiting from public appointments, that is worthy. I think that it was Pat Ramsey who said that none of this was in any way meant to denigrate those who have served faithfully on public bodies for many years. In fact, they have made an outstanding contribution. Widening access and increasing the pool of people who can join public bodies is good for society as a whole.

A number of Members, including the Chairperson, referred to the concern that appointees are mainly male, middle-aged and middle-class or, as Sue Ramsey said, "male, pale and stale". As a 41-year-old Caucasian who previously worked as a barrister, I must speak up for that oppressed minority. In all seriousness, we must realise that public appointments are for everyone. Even some of those who fall into the category of

male, middle-aged professionals have felt excluded from public appointments until now. I do not know whether the firefighter to whom Ms Ramsey referred falls into that category.

I wish to make an important point. Ms Ramsey was right about that individual. We often focus on groups and stakeholders in society. However, we must also remember that there are a large number of individuals in society too. At times, many of them feel intimidated about applying for public appointments because they believe that it is like the Magic Circle and that if they are not able to tick particular boxes there is no point in applying in the first place. As much as this programme is about enabling people to gain qualifications and giving them opportunities, it is also about breaking down barriers and perceptions and giving people the confidence to apply for public appointments. Therefore, it is important that the process is as inclusive as possible. Indeed, although there is a focus on underrepresented groups, individuals can make the best use of it. For many people, there is an invisible wall when it comes to public appointments. They get the forms, if persuaded to do so, and, after looking at them, they wonder about the point of completing them because they are not qualified. We must highlight that issue.

4.45 pm

The outgoing Committee Chairperson outlined the background to the issue and talked about the importance of the push that came from the PAC. Members including Sue Ramsey, Pat Ramsey and the Minister referred to the fact that, although the Committee for Employment and Learning tabled the motion, it is a multi-departmental issue. Therefore, it is important that everyone plays their part. It is about ensuring that we do not have too narrow a focus, and, by the same token, widening access to public appointments is vital. As a society, the more representative our public bodies are, the more representative our decision-making will be. This goes beyond DEL, which I appreciate has been taking the lead on this issue because of the input from the further education colleges. However, it is a message that should go across the Executive as a whole.

David McClarty spoke of the need for diversification, which everyone would welcome. He also highlighted the importance of funding and value for money. Although everyone will welcome the programme, we have to ensure that we get the optimum result for the money

that is put in, and the Minister highlighted some of the success that there has been.

Anna Lo said that there were reservations about the programme. I suppose that the perception is that many people in public appointments are drawn from among those with degrees or higher status jobs. Therefore, we have to make sure that the doors are seen to be open to everyone. As much as anything, it is about breaking down perceptions. She also highlighted the Scottish Government and Welsh Government models. Again, there is a balance to be struck. We have to ensure that whatever is put in place does not create additional barriers for people.

I was struck by something that the Minister said. If someone is looking for a public appointment, it will require a major commitment on their part. However, he said that, at the initial stage, those people may be put off by having to complete a lengthy course. If we are going to provide somebody with qualifications, those must be viewed as credible when people go forward for public appointments. There are weaknesses in a one-day or two-day course. There is a balance to be struck.

Ms Lo also raised the important issue of flexibility in respect of locations, and it has been highlighted that the FE colleges have a reasonably open mind on that. Claire McGill gave a very clear-cut example of how public appointments can be relevant to a local community. She highlighted the major problems of a lack of knowledge and information about public appointments. If someone believes that they cannot apply or they do not know how to apply, those barriers must be overcome. Pat Ramsey detailed the two key themes of the scheme itself and the wider issue of public appointments. He made some concrete suggestions and highlighted the fact that public knowledge lies at the heart of this issue.

In his summing up, the Minister indicated that there were some restrictions on the Department and that, in many ways, fee-setting is largely in the hands of the colleges. Belfast Metropolitan College has carried out some initial projects, and the Minister referred to places where the programme has been used in other parts of Northern Ireland. If we are to promote and create diversity in our society, there has to be geographical diversity so that the programme can be accessed in different parts of Northern Ireland. We must avoid being seen as Belfast-

centric, because such programmes must permeate Northern Ireland.

In conclusion, the Committee warmly welcomes the initiative and the good work that has been done. However, as the Minister said, there is clearly more to be done. We have to build on the programme to ensure that we get an accessible and financially viable scheme that will, hopefully, widen the pool of people who can go forward for public appointments. That lies at the heart of democracy and good decision-making, and it brings things closer to the community. I commend the motion.

Question put and agreed to.

Resolved:

That this Assembly commends the Minister for Employment and Learning for providing funding for the Get on Board programme, which aims to increase and diversify participation in and access to public appointments; calls on the Minister to ask all Departments with responsibility for the delivery of the public appointments process to nominate a specific contact to engage with the programme's delivery; and further calls on the Minister to request that his Executive colleagues arrange with their non-departmental public bodies and agencies for programme participants to be able to attend meetings to gain a greater insight into their workings.

Motion made:

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

Adjournment

Quinn Insurance

Mr Deputy Speaker: I remind Members that the proposer of the topic will have 15 minutes. All other Members who wish to speak will have approximately six minutes.

Mr Elliott: The Quinn Insurance matter, which has been ongoing for a few weeks, is one that many believed affected only Fermanagh. However, it is an extremely important issue not only in Fermanagh but throughout the entire community. I hope to go into some detail on the wider effect during my deliberations. In the Fermanagh and South Tyrone area, the impact is widely felt, because Quinn Insurance employs almost 600 people in Enniskillen alone. We must consider some of the detail of the issues involved. I hope that the Minister will be able to provide more up-to-date detail on some of the more delicate matters that pertain to the issue.

It came as a huge shock to me and to many of the Quinn Insurance staff when, on a day in late March, they received an e-mail on their company computers that told them that the company had gone into administration. It was interesting to hear how some staff reacted to the news. They were heartbroken and felt a sense of no longer belonging and not knowing what lay ahead. The sense of insecurity was hugely difficult for members of staff to comprehend.

I do not want to pass judgement on decisions of which I have no knowledge. However, much is being said about how certain decisions were made. I do not wish to go into detail on that, but one employee summed it up extremely well when he said that the decision may have been legally right but it was commercially wrong. That demonstrated that there may have been a lack of practicality in the decision-making process. I am also concerned that the regulator in the Republic of Ireland was able to stop the company trading in the UK. I still have not received an explanation of how that worked and what involvement, if any, the Financial Services Authority in the United Kingdom had in that decision. I do not know whether discussions

and co-operation are ongoing between the regulator in the Republic of Ireland and the Financial Services Authority in the UK. I hope that the decision by Quinn Insurance to enter voluntary administration will mean that the process can move on more quickly and enable the company to resume trading in the United Kingdom. Given the lack of movement in recent days — at least I have not heard of any — it is clear that difficulties remain.

I want to concentrate on the human cost. When I talk to workers from Quinn Insurance in Fermanagh and surrounding areas, it is difficult to comprehend how serious a matter it is. We hear about three, four, five and even six members of the same family who work for that company and now face the prospect of losing their jobs. Sometimes, they even live as part of the same household. If the company cannot return to trading in the UK, there will be a huge impact on the economy in Fermanagh and surrounding areas. Not only do we think about those families, but we think of the businesses that they use — the supermarkets and the retail outlets — all of which will be hugely affected.

Then there is the knock-on effect on other businesses that are insured with Quinn Insurance Limited. I have been told by businessmen that they would not be in business had it not been for Quinn Insurance Limited. One businessman who has a fleet of lorries — I guess that he has 20 to 25 — was on the verge of going out of business, because the cost of insurance was so high. He was introduced to Quinn Insurance, which helped him to get back into the market by offering him affordable insurance, and he has remained a customer ever since. That man told me that he will not be able to trade if Quinn Insurance Limited is no longer there for him to insure his vehicles and provide public liability cover and other policies. If he goes out of business, more jobs will be lost to the area, something that Fermanagh/South Tyrone and the surrounding areas can ill afford.

I am conscious of some of the ongoing behind-the-scenes issues, but I wonder whether the Minister can give us any update on what happens now that the company is in voluntary administration. Is there any prospect of the company getting back into the UK market in the very near future? That is the only thing that will sustain the jobs in County Fermanagh and the surrounding areas. The issue is a very serious one, particularly for those who

work for the company, but it is also important to the surrounding areas and to associated employment.

Mr Gallagher: I welcome the adjournment debate secured by Tom Elliott on such a crucial issue. As he rightly said, first and foremost our thoughts have to be with the employees and their families, who have been caught up in this unfortunate situation.

More than 600 employees of Quinn Insurance are based at Enniskillen. In the Chamber today, we have the Minister, whose presence I acknowledge, and eight other Members. There are fewer than 60,000 people in Fermanagh, and 600 jobs are under threat. If that were translated to Belfast, which has a population of more than 400,000, some 4,000 jobs would be under threat. I am pretty sure that if a debate on that loss were taking place in the Chamber there would be very few empty seats.

In addition to those 600 employees, there are other jobs, not least those held by the couple of hundred people who live in Fermanagh and travel to work at Quinn Insurance in Cavan. Everybody knows about the other Quinn Group businesses, many of which are located along the Fermanagh/Cavan border and employ at least another 1,500 people from this side of the border and probably as many again in the Cavan/Monaghan area.

No wonder there has been such concern in the west about the situation and the threat to jobs. People are aware of the massive demonstrations that took place in Cavan, Dublin and Enniskillen. Those demonstrations took place against a backdrop of rising unemployment in the area, which has traditionally depended on construction and quarrying to deliver jobs.

We know that the recession has had an adverse impact on those areas. Furthermore, we all know that it is difficult to attract investment to Northern Ireland, especially to the west. I understand that Invest Northern Ireland's strategy has been to nurture what are known as indigenous companies. The Quinn businesses fall into that category. Despite all the difficulties in the west, not least with transport and peripherality, those businesses have been very successful and have made a significant contribution to the area's economy over the years. If the threats materialise, they will undoubtedly cripple the economy in all the border counties in the west.

5.00 pm

Many meetings have already taken place — some on this side of the border and some on the other side of it — and have been attended by all of us who represent the constituency. I thank the Minister again for attending those meetings and for working with Governments and government Departments in the Republic of Ireland and in the United Kingdom to ensure that everything that can possibly be done to safeguard those jobs is being done.

At this stage, the priority must be to enable Quinn Insurance to reopen in the United Kingdom market and to operate new policies and renew existing policies because, since the matter first came to light, the company has not been allowed to carry out any business in the UK. Every day that that situation continues makes the retention of the workforce less likely. Therefore, that must be our first priority. Given how the Quinn family has built the business into what it is today, we all want, ideally, it to still be in charge of the company. However, the company is now in administration, and we must look at wider possibilities. That is one option. Of course, it is possible that the company might change hands and come under new ownership. Those of us who represent the area have been made aware by the workforce that that is a worrying scenario because of the possibility that a new owner could relocate, possibly outside —

Mr Deputy Speaker: Bring your remarks to a close.

Mr Gallagher: — these islands or even outside Europe. We must do our best to ensure that, regardless of who the owners are, the jobs stay in Enniskillen.

Lord Morrow: The situation at Quinn Insurance has gripped the imagination and caused concern not only among public representatives in Fermanagh and South Tyrone but further afield. Tommy Gallagher's comments about the scale of the potential loss of jobs are right, and I hope that the word "potential" is more appropriate than the word "loss". As other Members have said, Quinn Insurance is one the main employers in the county. Indeed, I suspect that that could be true right across Northern Ireland.

MLAs' comments today might not change the situation much, but I look forward to the Minister's contribution. I hope that, when she rises to her feet to address the Assembly this afternoon, she is able to lift the dark shadow

that is hanging over the company at the moment and, indeed, over the whole of County Fermanagh and further afield.

It is not only the future of Quinn Insurance that is at stake; the Quinn Group impacts and impinges on many other people and companies. Quinn is a major employer, and many families — not only County Fermanagh — depend on it for their livelihood.

Those of us who attended meetings at Quinn headquarters and public meetings in Enniskillen saw the depth of feeling that was, understandably, shown by not only Quinn employees, but by people from other small companies based throughout County Fermanagh and further afield who are very interested in the outcome of this affair.

The regulator, rightly or wrongly, took action that made matters much more difficult. Tom Elliott may be right in saying that such action may have been necessary, but was it appropriate at this time? Some of us strongly contend that a bit more thought should have been given to the matter before such drastic action was taken. All the reports that we have heard, and we can go on only what we are being told, suggest that the company was in a sound trading position, and we have to accept that.

I trust that as a result of what has happened outside the House and what is happening in the House today, the message will come across loud and clear to the powers that be that decisive action needs to be taken, because every day that the shadow remains across that company, its future, as well as that of other companies that depend on and are interconnected with the Quinn Group, is put further in doubt.

I commend the Minister for her hands-on approach. She is, of course, a County Fermanagh representative. However, she is also the Minister, and she has put herself at the disposal of the company at very short notice to give whatever assistance she can. Those of us who attended those meetings and saw her work at first hand are singularly impressed by her action and the concern that she has shown. I have no doubt that she and her Department will be up for doing whatever is humanly possible.

I do not want to put too much pressure on the Minister, but much depends on what she says, and we look forward to her comments. I hope that she will be able to reassure the House, the Quinn Group and the whole of County

Fermanagh that things will be different, and that there is better news ahead for the Quinn Group.

Mr McHugh: Thank you, a LeasCheann Comhairle. I thank Tom Elliott for bringing forward the opportunity to speak on this issue, which is of prime importance to me, as a representative of that area.

Like the previous Member to speak, I also thank the Minister for her input from the start and for her willingness to work with Batt O'Keeffe and Brendan Smith from the Government in the South to try to come to some sort of understanding of the situation and do as much as possible. I know that the Minister has done an enormous amount behind the scenes. The matter is made more difficult because the company is not necessarily in either place.

There is, perhaps, a tendency for Members who are not in the Chamber to feel that the company is way down in the west somewhere and is not that terribly important to up here. However, Quinn Group workers are from areas from Antrim down to Fermanagh. That includes many private hauliers, from those who bring oil to the glass factory to those who haul glass from various sites in Antrim back to that plant, and other divisions of the Quinn Group bring employees to England and other places.

There is, therefore, a multiplier effect that goes beyond the 6,000 workers. The workers themselves would, understandably, have been very shocked by the loss of the insurance division and the fact that it is not allowed to trade.

There is some semblance of hope that Quinn Insurance may be allowed to trade in some limited way in the UK. The Minister may tell us more about that. My immediate concern is the impact on the workers — their fears over their mortgages and jobs. Many of the Enniskillen workers are kids who have just left Queen's University. They may be considering starting families and putting down roots in the area by buying a house. Indeed, their children would be the ones who would go to school there in the next three or four years. All that is up in the air because those people have to look elsewhere for their future.

We in Fermanagh have been in the same position in the past. We were derailed by the loss of our railways and infrastructure. However, this time we are being derailed from Dublin by a regulator who is now coming down hard on

all job-producing entrepreneurs, including Sean Quinn for trying to push forward his business.

Many of the regulatory and banking practices that have been allowed to operate freely over quite a few years have contributed to the difficulties and to creating a climate in which people expected to be able to obtain very large loans. They were asked to take more than they initially requested — perhaps double the loan that they wanted — and that has contributed to the present situation. If Sean Quinn had looked for a few million, he would have been asked to take a billion. If someone sought a mortgage, they were asked to take double the amount, so people now find themselves in negative equity and in great difficulties because of those practices.

At the time, even the regulators were pressured into removing legal constraints to how banking and other financial business was conducted. We heard this morning that the Irish Nationwide Building Society, which is a mutual, has got into millions of euro of debt by using people's money. That is just an example of where it all went wrong. The atmosphere that exists serves as a backdrop to the Quinn Insurance crisis. However, knowing that does not make it easier on Quinn Insurance workers, and my thoughts are with them as they attempt to see a future for themselves at this difficult time.

Sean Quinn built up the entire region of Fermanagh that we are discussing. Who or what will build it up in his place? Apart from the emigration boat, what was there previously? That was all that the people of the area ever knew previously. The story is similar in Cavan, Leitrim and a good part of Tyrone. If Quinn Insurance is allowed to fail, we must think about the impact that the loss of those jobs will have, because we will never see the likes of the company again.

Some Members mentioned precedents and whether we here can help. For example, would it be legal were the Assembly to come up with some help? Would there be a legal impediment to prevent us from helping? Would such help come under state aid? Is there precedence? Answers to all those questions might provide clarity on the matter and help Quinn workers to explore where they can look to for help. Can Invest NI do anything? I am asking questions so that we can at least investigate possibilities in

the face of the company's possibly failing in the coming weeks or months.

We want Quinn Insurance to continue and to be able to trade. Leaving the running of the business with Quinn would have provided a much better way out of the crisis than we are now looking at, which is the restriction of the whole operation.

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

Mr McHugh: I will. Thank you.

Mr McLaughlin: Go raibh maith agat, a LeasCheann Comhairle. I speak as a Member for South Antrim but directly as a result of being lobbied by constituents of mine who depend on their business relationship with Quinn Insurance.

I congratulate Tom Elliott for securing the Adjournment debate and for providing Members with an opportunity to comment. I acknowledge the degree of co-operation by all elected representatives, led at MLA level, who are working with their colleagues just across the border to make representations at every level and to provide leadership and guidance to the Quinn workers in responding to this crisis. That was very positive and encouraging; it put a focus, quite properly, on job retention and preservation.

5.15 pm

There is no dispute that the regulator was obliged to respond. There is probably nothing of value to the workers in creating a diversion of that nature. Had a regulator been steadfast in their duties earlier, it might have prevented some of the financial crisis. In this instance, however, the regulator responded to the situation as they saw it, and Sean Quinn has admitted that not everything was perfect in the administration of the business.

The administrators who were appointed and who have been made permanent by the High Court act on behalf of the regulator. It may not be a bad thing that it was the regulator who acted; otherwise the Financial Services Authority might have felt obliged to act. In that case, the issue would have become increasingly complicated. I take some encouragement from that because the nature of the response, the leadership that was given and the representation that was made has preserved the possibility that the business can be saved intact and that the administrator's role can be brought to an end as speedily as

possible. That has to be the objective at which we all aim.

Michelle Gildernew is returning from the constituency. This debate began earlier than was intended, so I hope that she will be here before it ends. I speak also as Sinn Féin's spokesperson on the economy. She and I have discussed this issue on many occasions.

It seems that the regulator's concerns, while justifiable, can be addressed by assurances from both Governments. The type of insurance and its significance may be beyond the legal powers and the resource capability of the Assembly; perhaps the Minister will have something to say about that. The words of the administrator are very strong: the company can be returned to viability. He believes that many of its divisions are very profitable.

The regulator has made it clear that his issue was with the reserves. In other words, he was concerned about the solvency of the company, not its profitability. He has said so on record. The problem is not insoluble. The united leadership that has been shown is the best hope of preserving the jobs and the local economy. If we lose jobs — even initial haemorrhaging — the domino effect could collapse the entire edifice. Thousands of jobs could be at risk and thousands more in the supply side of that vast business empire.

We have to approach the issue very cautiously and make representations to both Governments. They found ways of giving billions of pounds of public money to the banking institutions. In this instance, that type of investment may not be necessary; the loan guarantee provision may be sufficient for the company to trade its way out of crisis. Not only would that be an elegant solution, it would ensure that Quinn enterprises have a future and that the sub-regional economy could continue to depend on them.

I thank colleagues who raised this issue for debate. In particular, I register my appreciation of a high level of co-operation and common sense from the elected representatives of all parties in showing leadership in this instance.

Mr Lunn: Like Mr McLaughlin, I speak as a non-representative of Fermanagh and South Tyrone, but I have been asked to say something about the issue because of my 40 years in the insurance business before I came here. First, I sympathise with the employees in the

current situation. None of this is their fault, and, when I heard their initial reactions, which were absolutely natural, I admired their loyalty and commitment to their company. However, I wondered slightly about their passionate allegiance to Sean Quinn and the statements that he has been making, which he has had to temper and change slightly, and I am glad of that.

Mitchel McLaughlin said that the Irish Financial Regulator's interference may not be a bad thing, and I completely agree. Something had to happen. The jungle drums have been beating around Quinn Insurance on both sides of the border for years, and if the Irish Financial Regulator had intervened in a sensible way some years ago, the current situation could probably have been avoided.

I am a considerable admirer of Sean Quinn. Anybody who can build up a business empire in a relatively short time has to be admired, but he has, perhaps, always held the view that running an insurance company is much the same as running a quarry, and that is simply not the case. It involves far more complicated calculations, year on year. Proper reserves and proper claims-estimating are absolutely vital.

I read with interest some of the comments that came out of Quinn Insurance in the early stages of this episode. It was said that the group would achieve cash profits of between €45 million and €50 million in the first quarter of 2010. It was also said that the group was on target to achieve more than €20 million in cash profits each subsequent month for the remainder of 2010. That is crystal ball stuff; it is not insurance.

Quinn Insurance will reach the necessary solvency as required by the Irish Financial Regulator by the year's end. We could take that as a positive thing, or as an admission that it was nowhere near financial solvency when the news broke. The Irish Financial Regulator has, quite rightly, stepped in. It is the first regulator to have shown some backbone down there. Perhaps the Irish economy would not be in the mess that it is in if something similar had been done earlier.

The situation in respect of reserving of claims and estimation of claims is interesting, because Quinn Insurance has made a big thing out of its ability to settle claims, particularly third-party ones, quickly. For instance, if somebody were to suffer an injury as a result of being struck by a motorist who is insured by Quinn, in very

short order, over the years, somebody from the firm would arrive on their doorstep with a chequebook and offer to settle the claim. They would achieve a settlement, write a cheque and get the customer to sign a satisfaction note for full and final settlement. That greatly upset the legal profession, as I am sure that Alban Maginness will agree, because they were being kept out of the loop.

On one level, it could be said that that was saving costs. On another level, Quinn has been trying to stop claims quickly and reduce the amount to be paid. My understanding is that that is not working any more, and that a lot of claims are going to be reopened. I am aware of one case that is ongoing, which involved a very serious back injury some years ago in the Republic, and the claim was settled for €4,000. That would not even have paid for the solicitor's costs. That claim has been reopened even though there was a satisfaction note for full and final settlement. The judge has allowed it to be reopened, and the current claim is for €250,000 instead of €4,000. Who knows where that will lead and how many claims and situations will arise when word gets out that that kind of thing can happen? It has also proved that satisfaction notes just do not stand up.

Mr Elliott mentioned the FSA in the UK and its involvement in the Quinn Insurance case. Quinn Insurance is an Irish-regulated company, which has been allowed to trade in the UK by the FSA because it trusted the Irish regulator. If the Irish regulator says that the company cannot trade, the FSA is almost bound to follow its lead. It makes its own decision in the end, but, in the early stages, it must follow the regulator's lead.

I want to mention a few names before I sit down. I am old enough to remember Fire, Auto and Marine; Brandaris; Vehicle and General Insurance; and, most recently, Independent, which was a top-10 British insurance company. Independent behaved much in the same way as Quinn Insurance appears to have behaved. Its behaviour was not picked up by the regulator, and it went bust in spectacular fashion, costing the jobs of a lot more people than work for Quinn Insurance. I think that the regulator has made a wise move here. I hope that the company can be saved. I see no reason why it should not be saved, but it may have to be under different ownership. I wish it well.

The Deputy Speaker: I call Alban Maginness.

The Chairperson of the Committee for Enterprise, Trade and Investment (Mr A Maginness): I rise as Chairperson of the Committee for Enterprise, Trade and Investment. It is important that I emphasise that, because the situation with Quinn Insurance is not simply some sort of small, local problem. It is a problem that will have an impact across Northern Ireland and the border regions. Therefore it is important that the Assembly addresses the issue carefully in a considered fashion and that it stresses the importance of this difficult situation to all and for the Northern Ireland economy. I am here to show the Committee's interest in the situation, to reflect its concern and to reflect the general concern of Members.

Sean Quinn is a business phenomenon, and his companies have performed phenomenally. It is important that we register and acknowledge that and that we congratulate him on the way in which he has contributed significantly and substantially to the economy of Fermanagh, the border regions and beyond. Without his entrepreneurial genius, that would never have happened. There are questions to be asked by the regulator in relation to Quinn Insurance, and it is right that they be asked. It is also right and proper that a regulator must act if he or she sees a problem. It is not up to me or my colleagues to second-guess that decision. That is a decision that he made in good faith, and we have to accept that.

We are in this situation, and we have to work through it in order to protect the employment of those who are locally employed in Enniskillen, other parts of Fermanagh and elsewhere. A key to the preservation of those jobs is the permission that should be given by the regulator to Quinn Insurance to continue to trade in the UK; that is essential. Without that permission, the jobs are under serious threat. We must work towards the objective of getting trading restarted in the UK. The renewal of business in the UK is as important as taking on new business, because it is natural that people who cannot renew their insurance will go elsewhere. One cannot trade or drive a car without current insurance. Time, therefore, is of the essence in that regard. I am no financial expert, and there are other aspects of the business that need to be clarified and cleared up, but it is vitally important that this particular problem be addressed quickly.

5.30 pm

I hope that the Minister, who, together with colleagues from other parties in Fermanagh and South Tyrone, has done a great deal of work on the issue, can, through her good offices, exert necessary and legitimate political pressure to address the situation. I wish her well in that process.

On Thursday, the ETI Committee will receive a deputation of workers from Quinn Insurance Limited who will have an opportunity to address the Assembly through the Committee and to make representations. The Committee looks forward to what they have to say. It is of great importance to us to hear their concerns and see whether we can assist in the resolution of the situation. We will assist the Minister and the Department in any way possible, and, if we can assist on a cross-border basis, all the better, because this issue transcends the border. It is not necessarily a Northern Ireland or a Southern problem. It affects both economies and workers on both sides of the border. I hope that we can make a useful contribution to resolving this problem.

Mr Gallagher referred to the appalling threat of relocation. Sean Quinn deliberately established his enterprises and businesses in his own locality. Relocations would be very unfortunate, because Sean Quinn has put down roots in his own community and county.

Ms Gildernew: Go raibh maith agat, a LeasCheann Comhairle. I apologise to the proposer of the adjournment debate, the Minister and my colleagues in the Chamber for missing most of the debate. I hope that I do not repeat points already made.

This issue has been of great concern to all elected representatives and to the broader community in Fermanagh and South Tyrone. Since the news came through some weeks ago, we have been involved in dozens of meetings. I was at the meeting in Cavan with the administrator on Easter Tuesday, and we met the Irish regulator that evening. We met the Quinn workers, the management and many others in an attempt to make progress and allow the business to be reopened in the North of Ireland and in Britain and to enable the people who work in Enniskillen — more than 500 of them — to get back to work.

The workers are extremely concerned about the threat to their jobs and about their families. On Sunday, I met a woman in Brookeborough who said that she was the sole breadwinner in the family. She worked for Quinn enterprises and was very concerned about her job. We hear that right across the county.

The Quinn Group has been very good to the county of Fermanagh. Without it, we would be looking at an economic wasteland. For generations people left Fermanagh and Cavan, Leitrim and Sligo, Monaghan and Tyrone to go to England, America and other places to seek employment. However, many stayed at home and got well-paid jobs in their home townlands and villages through the Quinn Group. For that, we are grateful. We do not want to see the demise of the Quinn Group or of those jobs. We do not want to see a competitor coming in, buying up Quinn Insurance Limited and closing down those jobs or moving them to a low-wage economy somewhere else.

It is incumbent on all Members to do what they can, and all the parties in the North and the South have made a huge effort on the issue. I attended meetings with people such as Caoimhghín Ó Caoláin TD, Dr Rory O'Hanlon TD, Frank Feighan TD and Seymour Crawford TD. People from right across the political divide and the island are behind the workers of Quinn Insurance and their families.

The first meeting that we had was at the Quinn Group offices in Derrylin on Good Friday. One suggestion that was put to us was that the Government could underwrite some of the shortfall. I am sure that some Members here alluded to the fact that Quinn Insurance Ltd needed to have the money that would cover not only 100% of claims but 150% of claims in accordance with the regulations in the Twenty-six Counties. Because of the shortfall in funds and the difference in opinion on how that was calculated, the Quinn Group found itself in breach of the 150% rule, and it needed an additional surety to make up the shortfall and begin trading again.

At last week's Executive meeting, I made the point that the Executive should seek to do everything that they could with the British and Irish Governments to try to put that surety in place, to try to underwrite the shortfall in the money and to try to get the business back on its feet and allow its employees to get back

to work. Precedent has already been set. For example, we have seen the British and Irish Governments bail out the banks, and we have seen other initiatives to try to move the economic situation on. It is not outside our remit to press the British and Irish Governments to do everything that they can.

The Quinn Group is not like a big employer in a city. There is no alternative employment in Fermanagh for the Quinn workers. We need to maintain the strategic importance of Quinn Insurance as a big employer in a rural area where we do not have the infrastructure or technology that would enable us to compete on a level playing field. The Quinn Group has invested in the infrastructure and in our people, and it has kept jobs in Cavan and Fermanagh. The strategic importance of the Quinn Group must be fundamental to the actions that we take. We will continue to get behind the Quinn workers to press for the business to be reopened to enable that very talented and motivated workforce in Fermanagh to get back to work providing insurance cover for many small, rural businesses that, without Quinn's competitive cover, might find it difficult, if not impossible, to get insurance.

We are all singing from the same hymn sheet today. We are all behind the Quinn Group, and we need to do everything that we can to ensure that those jobs remain in Fermanagh.

The Minister of Enterprise, Trade and Investment (Mrs Foster):

I want to thank Mr Elliott for securing this debate. As the Chairperson of the Committee for Enterprise, Trade and Investment indicated, the matter perhaps merits a full debate. The importance of the issue is shown by the fact that three Members who are not from Fermanagh and South Tyrone have attended this debate, and I thank them for taking part.

I listened with interest to the points that various Members made, and I think that it will be helpful if I begin by outlining the steps that have been taken to date. I will then move on to talk about our hopes for the near future — the very near future, we hope.

As the Minister and, as has been alluded to, as a Member for Fermanagh and South Tyrone, I have been closely involved in the developing situation at Quinn Insurance. As has also been alluded to, I have personally made contact with ministerial colleagues in the Republic

of Ireland, as well as with the appointed joint administrators, Quinn management and employee groups to give my support and the assistance of the Northern Ireland Executive. I am committed to doing what I can to assist the company, the administrator and the Irish Financial Regulator to find a resolution to the difficult issues in a way that maintains the vital trade and employment that Quinn provides in Northern Ireland.

Mr Elliott and Ms Gildernew made a point about consumer choice. If Quinn Insurance was not in Northern Ireland, people would be unable to avail themselves of insurance at a reasonable price, which is a point that was made strongly to me by certain sectors. That point has been well made.

Concerns were also raised by the First Minister and deputy First Minister in a joint letter to the Taoiseach that highlighted that jobs in both jurisdictions may be in jeopardy. The letter also expressed the Executive's willingness to work with the Irish Government to expedite a positive resolution to help to secure the jobs in Northern Ireland and, indeed, in the border counties of the Republic of Ireland.

Members will be aware that Quinn Insurance Limited is a subsidiary of the Quinn Group, which is a privately owned company with its headquarters in Derrylin in County Fermanagh. It is the most strategic company in that county. I think that it was Mr Gallagher who referred to the fact that foreign direct investment is not greatly evident in County Fermanagh. That is absolutely right and is one reason why the indigenous companies in that county are so important. When we had the rally with the Quinn employees in Enniskillen, I made the point that a lot of foreign direct investment companies left in the 1980s and early 1990s, and we were left with people who took up the reins and continued.

Mr Lunn asked why the employees are so loyal to Sean Quinn the man. The MLAs for Fermanagh and South Tyrone know the answer to that. The employees are loyal to Sean Quinn the man because, as Ms Gildernew said, he provided them with jobs and a reason to stay in County Fermanagh. He is the reason why it is viable for them to stay in their home county. Had Mr Lunn been at the rally in Enniskillen, he would not have needed to ask the question

about why the workers are so loyal to Sean Quinn the man and, indeed, the company.

The Quinn Group employs more than 8,000 in the UK and Ireland. It is an important employer in Northern Ireland as it provides hugely important employment opportunities in an area that does not have many such opportunities. Many Members made the point that the Quinn Group is important not only to Fermanagh and the west but to the whole of Northern Ireland. Mr McLaughlin and Mr McHugh made the point that its closure would have an impact on companies far beyond County Fermanagh. I think that it was Lord Morrow who made the point that SMEs in and around County Fermanagh will feel it most keenly if anything of a prohibitive nature were to happen to Quinn Insurance. That point has been made to all the representatives by a lot of the small businesses in the county.

Quinn Insurance started operations in Cavan in 1996 as a provider of general insurance products in the Republic of Ireland and Northern Ireland. It most recently expanded its business into the GB market in 2004. In 2003, with support from Invest NI, Quinn established a contact centre in Enniskillen, which is one of its seven major contact centres in the UK and Ireland. It employs 557 people on contracts, though temporary positions increase that figure to more than 600. The company received financial assistance and grants from Invest Northern Ireland dating back to 2003. The total financial support has been more than £5.5 million. I have to say that all but £68,000 of that has been paid out to the company.

Some comments were made about the regulator. I am certainly not going to second-guess the regulator. I take issue with Mr Lunn's comments about the projections that were provided by the company. I am not going to second-guess those projections, which I also take at face value. I am certainly not going to talk about practices of settlements and so on, because vested interests always prevail in such circumstances. When we have met representatives of the company, they have always been very open and clear. That was demonstrated by the management team that briefed MLAs and TDs three weeks ago this Friday. Quinn Insurance was very open with us, making the point that perhaps things should have been done differently and that, with hindsight, it should have paid more attention to certain areas of the business. However, that is not to say

that the company has not gone about its business in the most honest way in which it could.

5.45 pm

As Members will be aware, on 30 March, the Irish Financial Regulator made an ex parte application — an application of which no one else had notice — to the High Court in Dublin. Under the Republic of Ireland's Insurance Act, 2000, the court appointed provisional administrators. The answer to Ms Gildernew's point is that 150% solvency is an issue, and the court papers refer to the:

“incorrect calculation of solvency and reserves”.

Ms Gildernew will also be aware that the papers mention the “non-disclosure” of the loan guarantees, which, for the regulator, seems to be an issue as well, and the “systems and controls” that allowed the guarantees to go unreported.

The Financial Regulator separately directed — this is the key issue for this Administration — that Quinn Insurance Ltd must cease writing new business in the UK. As the Chairperson of the Committee for Enterprise, Trade and Investment said, that also means that the company cannot renew business, which is a huge part of its work.

Mr Elliott asked about the FSA's role in the decision to stop Quinn Insurance writing UK business. Quinn Insurance Ltd is registered in Cavan, and it operates therefore under the regulatory guidelines of the Irish Financial Regulator, which has sole responsibility in the matter. However, the FSA is responsible for the operation of the branch in Enniskillen, and discussions between the two regulators to resolve existing issues are ongoing. The Irish regulator is primarily in charge, and that is why it went to court and took the decision.

Mr Elliott: Can the Minister confirm whether the UK regulator is not content with parts of the operation with which the Irish regulator is content? If so, does that mean that the UK regulator can stop the company trading in the UK?

The Minister of Enterprise, Trade and

Investment: The Irish regulator alone makes the decision about whether the market reopens, but, obviously, it will listen to what the FSA in England says.

Existing UK policyholders will not be affected by the decision that is on the books, because all existing policies remain valid. Customers can make claims in the normal way, but that does not resolve the difficulty in which we find ourselves. As Lord Morrow said, the situation has cast a dark shadow across the company.

I will address a point that was made throughout the debate: the Irish regulator has full discretion to grant the company permission to operate in the UK. I wrote to the UK Financial Services Authority to outline the importance of Quinn Insurance and, indeed, the Quinn Group to Northern Ireland and to seek support for the Irish regulator to allow the company to begin writing some business in the UK again in order to prevent its ongoing decline and potential job losses.

Of course, every day that passes means lost revenue, which, we are told, is in the region of £1 million a day. We await the Irish regulator's announcement, which I hope will happen this week. We will then be able to see the impact on the company. Members will appreciate that, like the FSA, the Irish regulator operates wholly independently, and we respect its position and its independence. However, we want — this has always been our desire — to ensure that the Financial Regulator is in receipt of all the available information. That is where our efforts have been concentrated. We have been attempting to let the Irish regulator know about the importance of Quinn Insurance to the workforce and the local economy.

Members will be aware that, since the economic downturn began, Northern Ireland has faced immense difficulties. Inevitably, those global forces, particularly as a result of the banking crisis, have hit businesses both nationally and regionally. However, it is essential that we do everything that we can to ensure that Northern Ireland's burgeoning financial services sector remains a priority. It is a priority sector for us. We need to work with it. I will continue to work, as, I am sure, will the rest of the Executive, to reopen the UK market so that Quinn Insurance in Enniskillen can get back to work and the threat of job losses and closure — the dark shadow to which Lord Morrow referred — can be lifted from the company.

Adjourned at 5.50 pm.

