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Northern Ireland Assembly

Tuesday 2 July 2024

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

Members observed two minutes' silence.

Assembly Business

Mr Speaker: I draw Members' attention to the fact that the Business Committee will not meet today. It has therefore been agreed that there will be no suspension of the sitting at 1.00 pm. Question Time will commence as normal at 2.00 pm.

Ministerial Statements

British-Irish Council: Forty-first Summit

Mr Speaker: I have received notice from the First Minister and the deputy First Minister that they wish to make a statement. Before I call the deputy First Minister, I remind Members that there will be time for questions and answers following the statement.

Mrs Little-Pengelly (The deputy First Minister): The forty-first summit of the British-Irish Council (BIC) took place on 21 June 2024 and was hosted by the Isle of Man Government. The heads of delegation were welcomed by the Isle of Man Government's Chief Minister, Alfred Cannan MHK. I attended the summit with junior Minister Aisling Reilly and the Minister for the Economy, Conor Murphy. The First Minister was unable to travel but participated via a meeting weblink. The Ministers agreed that I should make the statement on their behalf.

The Scottish Government delegation was led by the First Minister, John Swinney MSP. The UK Government delegation was led by the Secretary of State for Northern Ireland, the Rt Hon Chris Heaton-Harris. The Welsh Government delegation was led by Cabinet Secretary for Economy, Energy and Welsh Language, Jeremy Miles MS. The Government of Guernsey delegation was led by the Chief Minister, Deputy Lyndon Trott. The Government of Jersey delegation was led by the Chief Minister, Deputy Lyndon Farnham. The Irish Government delegation was led by the Taoiseach, Simon Harris TD. A full list of the principal delegates is attached to the copy of the statement that has been provided to Members.

This was the first summit meeting of the British-Irish Council that had been attended by Ministers of the Northern Ireland Executive since 2021. We were warmly welcomed by the representatives of the other Governments. In what is the 25th anniversary year of the

Council's establishment, all Governments reaffirmed their commitment to the Council and emphasised its value and importance as a forum for the exchange of information and ideas.

As is customary, the summit opened with reflections on the latest political, social and economic developments across each jurisdiction. Members will not be surprised to learn that the Governments are grappling with many of the same problems and challenges, including the impact of the cost-of-living crisis on their communities and constraints on the funding needed to tackle those issues. We took the opportunity to outline what our key priorities have been since the resumption of our Government in February, including working to establish a sound fiscal framework and the need for transformation of public services.

The theme of the summit was "Unlocking the economic and social opportunities of renewables across these islands".

The Isle of Man Government had earlier given a presentation on the progress that they are making in transitioning to renewable energy. The Council discussed the initiatives taking place and best practice across Administrations to support the shift from fossil fuel, ranging from decarbonisation of heat to harnessing new and emerging technologies. British-Irish Council Administrations are collectively at the international forefront of renewables, and Northern Ireland is certainly playing its part in that. Earlier this year, the Council's energy work sector, comprising officials from across all Administrations, visited Northern Ireland to see for itself the fantastic work happening here.

In discussion, the employment opportunities that greener energy supports were highlighted, as well as the positive environmental impacts and wider associated health benefits of renewables. Of particular note are cleaner air and the contribution of carbon reduction to the sustainability of our planet. Equally, we recognised the need to engage with and enlist the support of stakeholders in the development of our strategies. We all agreed on the importance of enhanced cooperation and sharing learning between Governments so that we can face the challenges and realise the potential and ambition in unlocking the economic and social opportunities of renewables across these islands.

Finally, the Council noted that the next BIC summit will be hosted by the Government of Scotland in December. That concludes our statement.

Mr O'Toole: Deputy First Minister, in order for Northern Ireland to meet its renewable energy targets as set out in climate change legislation, we will need interconnectors east-west and North/South. We need that North/South interconnector, and the Executive need to make progress on the permissions in order to deliver that. Do the Executive still support the development of the North/South interconnector, and when will we see progress on its delivery?

Mrs Little-Pengelly: Yes, of course, there is a drive across all the Departments in government because of the targets set down but also because of a collective willingness and a recognition of the importance of the measures. There is a process in place, which the Member will be aware of, and those processes will have to go through appropriately. Of course, another Department is managing that, but, once we reach out to that Department, I will be more than happy to give the Member an update on the particular issues that he has raised.

Mr McGuigan: I thank the deputy First Minister for the statement. Will she outline the various work sectors of the British-Irish Council?

Mrs Little-Pengelly: I thank the Member for his question. As the Member is undoubtedly aware, eight Administrations are involved in the work of the BIC, and there are 10 work sectors, three of which Northern Ireland leads. The three that Northern Ireland leads on are transport, housing, and planning and places. The other areas are energy; early years; environment; indigenous, minority and lesser-used languages; drugs and alcohol; social inclusion; and creative industries.

Mr Bradley: Did the First Minister hold any bilateral meetings on the fringes of the British-Irish Council? If so, with whom and what issues were discussed?

Mrs Little-Pengelly: I thank the Member for his question. Yes, we held two specific bilaterals with the Isle of Man, which was hosting, and we discussed a range of issues, including the developments in the Isle of Man, particularly around renewables and green technologies but also the wider issues around the Isle of Man's economy and tourism. We also held a bilateral with the First Minister of Scotland, John Swinney, on a range of issues, particularly looking forward in relation to the fiscal situation and what was likely to happen in budget terms as well. Of course, those meetings provide an opportunity to have conversations with attendees and delegates, and, over a number of days, including the formal dinner that was

held, I had the opportunity to engage and have significant conversations with representatives of all seven other Administrations that were present.

Ms Egan: I thank the deputy First Minister for her statement. Clearly, important issues were raised, including a sound fiscal framework, the need for transformation of public services and, of course, renewable energy. How will those fit into a Programme for Government?

Mrs Little-Pengelly: I thank the Member for her question. Of course, the Programme for Government has to be underpinned by a sound fiscal framework. We all know the challenges that have been articulated in this place every week since restoration and for good reason, because we are somewhat limited in what we can do if we are limited in the finances and funding that we have to do it. Nevertheless, there is some transformation that can take place. We have made the point before in the House that a Programme for Government that promises everything will be able to achieve very little.

We are very keen that the Programme for Government is targeted on some key strategic priorities where, over the next three years, we can genuinely add that value, recognising the challenges of the fiscal environment in which we operate.

That has to be about driving forward some key strategic initiatives, including affordable childcare, which we have referenced. It is also about that very important transformation piece for our public services to address health, tackle waiting lists, support special educational needs and have an education system that works for everybody. Those are key priorities for the Executive, and that will require transformation.

Mr Delargy: I thank the deputy First Minister for her statement. I note that the recent theme was around unlocking the economic and social opportunities of renewable energies. Can she talk me through the next steps in that process, please?

Mrs Little-Pengelly: I thank the Member for his question. There are many opportunities here in Northern Ireland. We have had the announcement from the East-West Council on the enhanced investment zone. That is at a very early stage, but it provides the opportunity to shape that to what we want it to be. I believe that that will provide opportunities to focus on emerging industries that can support good jobs, better jobs and the growth of our economy.

That must mean the identification of opportunities around green tech and green growth.

There are a number of other initiatives, such as the roll-out of the city deals. A number of areas are developing hubs and different initiatives in relation to the green energy space. We are leading at the moment on hydrogen. That is just one example.

We have a determination to identify all the possible opportunities for growth here in Northern Ireland, and there is no doubt that green growth and green tech is one of the key industries that we will be focusing on.

Mr Harvey: Does the deputy First Minister agree that the role of the British-Irish Council is as relevant today as it was when it was first created?

Mrs Little-Pengelly: I thank the Member for his question. Absolutely. Building relationships works. We are a small place, and it is in our interests to work with other jurisdictions, not least in situations where there are opportunities and challenges.

At a time of challenge, when we are facing fiscal constraint, it makes absolute sense to talk to our closest neighbours, to look elsewhere to see what initiatives, projects and policies they are driving forward and what works in those jurisdictions and to bring what works there to Northern Ireland. We do not have to keep reinventing the wheel. We can look elsewhere.

I often say that we can be the magpies of the policy world and look at what has worked and is suitable for here and tailor it for our particular set of circumstances. That is best done through those types of forums. There are seven other Administrations that we can listen to and learn from, and we can take forward some of the initiatives that we hear about.

Mrs Dillon: I thank the deputy First Minister for her statement. I agree with her on green growth, and I declare an interest. I have a specific interest in the economic impact and benefits of that in Mid Ulster. The deputy First Minister also outlined the health benefits, particularly around clean air and the need to engage stakeholders. Can she give us some idea of what that engagement will look like? Will it be with the Health Department and other Departments and with NGOs and advocacy groups?

Mrs Little-Pengelly: Absolutely. Over recent years, more people have been engaged in that area. That is very welcome. A lot of younger people, in particular, are engaged in activism around climate change and driving forward that desire to see policy change in Governments and Administrations. I have also had the opportunity to speak to a number of councils, and it is really good to see their support for those types of initiatives and green growth, particularly under the city deal initiatives.

One of the issues that we talked about at the BIC was the balance across all of that. In some quarters, there is a concern about the burden of climate change and meeting those targets disproportionately falling on particular sectors. That includes our farming and agriculture sector, which is an incredibly important sector for us here.

We need to recognise that, whatever way we roll it out, it must be done in a fair and proportionate way and that no one sector disproportionately feels that burden; that we are really in this together, and we are listening to all the voices with a joint desire to reach the targets and improve the environment in which we live.

Ms Forsythe: I thank the deputy First Minister for her statement. How does the work of the British-Irish Council complement the work of the North/South Ministerial Council and the East-West Council?

Mrs Little-Pengelly: I thank the Member for her question. As I said in the statement to the House on the East-West Council, I really welcomed that addition to a number of those types of bodies that are all focused on sharing experience, building relationships and having that closer collaboration across these isles. There had been that gap, and, of course, the British-Irish Council and the North/South Ministerial Council were products of the Belfast/Good Friday Agreement, but there was no body that looked at internal UK relationships. I am really glad that we achieved agreement with the UK Government to establish and hold the first meeting of the East-West Council.

10.45 am

All of this works together. We do not want the East-West Council to duplicate any of the other work, and I am confident that it will not, but we have few enough opportunities to have genuine conversations on policy. Policy matters. How it is implemented matters. How we deliver for people matters, and talking to each other

makes a lot of sense, particularly at a time of fiscal restriction and constraint.

Mr Kingston: I thank the deputy First Minister for her statement. She mentioned the importance of cooperation and shared learning. Will she give an example of how discussions at the British-Irish Council have helped to inform policy decisions for us in Northern Ireland?

Mrs Little-Pengelly: Absolutely. Even at this meeting, where we discussed the opportunities around green growth, it was useful to hear what other jurisdictions were pursuing. One key point that came out was that we should not be competing with each other across those eight Administrations and countries. We should be working together to make sure that what we are driving for is supplementary and complementary to what is happening elsewhere. There is no point spending significant money to be in competition.

One good example was the £100 voucher that we rolled out in Northern Ireland as part of our COVID recovery. That came about as a result of a discussion at the British-Irish Council with the Government of Jersey, who had rolled out a similar scheme. I know from speaking to many of our small or independent businesses and restaurants in the hospitality sector how valuable that scheme was in putting much-needed revenue into their pockets and businesses. That is a good real-world example of a scheme that was taken forward following a discussion at the British-Irish Council.

Mr Durkan: I thank the deputy First Minister for her statement. Minister, how do we compare with those other jurisdictions in our trajectory towards our renewable targets, and is there any learning that we can take from elsewhere — on planning, for example — to make our targets more realistic and realisable?

Mrs Little-Pengelly: I thank the Member for his question. The Member will be aware of the very challenging nature of the targets that we set. It was this place that decided to set those targets, including an interim target in 2030 of, I think, about 48% of our energy coming from renewables. They are challenging targets but something for us to drive towards. I am pleased to say that Northern Ireland is showing a strong trajectory towards that. The percentage of electricity that we get from renewables is one of the highest in the British Isles, which gives us a good foundation to build on.

There is no doubt that we have challenges. Our planning system, for example, is slow. People

apply for certain things that they feel are required to meet their targets, but those things may take years to get through the system, meaning that there is, understandably, a delay in their being able to achieve what they are trying to do.

Departments need to be honest about this. In the next short while, we will have to have the discussion whereby Departments ask honestly, "How achievable are the targets that are currently set out? What are the actions required to get us to that point?" Honest conversation is essential for everybody driving towards the shared objective of getting to those targets as quickly as we can.

Mr Speaker: That concludes questions to the Executive Office. Thank you, deputy First Minister.

North/South Ministerial Council: Transport

Mr Speaker: The Minister for Infrastructure has requested to make a statement.

Mr O'Dowd (The Minister for Infrastructure): In compliance with section 52 of the Northern Ireland Act 1998, I wish to make a statement on the meeting of the North/South Ministerial Council (NSMC) in the transport sectoral format, which was held on Thursday 27 June 2024. The meeting took place at the offices of the NSMC joint secretariat in Armagh and was chaired by me. I attended the meeting with Eamon Ryan TD, Minister for Transport, along with Mike Nesbitt, Minister of Health, who attended as the accompanying Minister.

The NSMC agreed that the A5 dualling and cross-border linked road projects, including the N2 Clontibret to Border road scheme and the Donegal Trans-European Transport Network (TEN-T) upgrades, were critical to the development of the region, improving road safety and stimulating economic growth.

Ministers welcomed the announcement in February 2024 of a €600 million contribution from the Government of Ireland towards the A5 project and their support in advancing the N2 from Clontibret to the border and the Donegal TEN-T upgrades. The Council noted that the A5, Donegal TEN-T and N2 road infrastructure projects continue to progress, with both Administrations working collaboratively, including on the mitigation of impacts on the River Foyle floodplain. Ministers noted the establishment of a cross-border working group that would reinforce that collaboration,

specifically in the continued development of the N2 from Clontibret to the border and phase 3 of the A5 from Ballygawley to the border, including the proposal for a seamless cross-border link road of approximately 3 kilometres in length, to ensure successful outcomes through the planning process.

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

The Council welcomed the progress on the implementation of commitments outlined in the 'New Decade, New Approach' agreement of January 2020, particularly in relation to infrastructural investment. Ministers welcomed the progress being made on various cross-border greenways, including the Sligo to Enniskillen greenway, the north-west greenway network, the Ulster canal greenway and the Carlingford lough greenway. They welcomed the announcement by the Government of Ireland in February 2024 of a €1.5 million contribution to enable the completion of an outstanding element of the cross-border Carlingford greenway — a 1.6 kilometre boardwalk structure outside Newry — as well as the funding provided by the Department for Infrastructure. Ministers noted that the Government of Ireland have commissioned an expert-led review on potential cross-border greenway opportunities, in line with the commitment to create an island-wide greenway network.

The Council welcomed the allocation of funding by the Government of Ireland of €12.5 million from the Shared Island Fund with match funding from the Department of Transport (DOT) to meet the total cost of introducing an hourly rail service between Belfast and Dublin over an initial three-year period. The NSMC noted the presentation provided on cross-border intercity rail services between Belfast and Dublin and the all-island strategic rail review, and it welcomed the progress on the review and the intention to present the final review to the NI Executive and the Government of Ireland in July 2024.

The Council noted the ongoing review of the potential for government support for renewed viable air routes from Cork to Belfast and from Dublin to the City of Derry Airport. The NSMC welcomed the continued cooperation between DFI and DOT on matters relating to EU funding and welcomed the decision in April 2024 to award €165 million from the PEACE PLUS programme to the Enterprise fleet replacement project.

The Council welcomed progress on the EU-funded Connecting Europe Facility and

INTERREG projects, including the A1 Belfast to Dublin road safety improvements; the removal of a major bottleneck on the North Sea/Mediterranean corridor at Newry/Warrenpoint; the planning and design phase of the TEN-T priority route improvement in the north-west; the north-west multimodal transport hub; cross-border greenways; and electric vehicle chargers. The Council noted the updates provided by the Department of Transport in respect of actions under the sustainable mobility policy and related actions under the climate action plans and by the Department for Infrastructure in respect of transport decarbonisation policy development, including increasing sustainable active travel. Ministers noted that officials from both Administrations will progress agreed cross-border sustainable travel and transport projects, continue to liaise on policy development and seek opportunities for further collaboration. Ministers agreed that a further update will be provided at a future NSMC meeting.

The Council noted current ambitions, mechanisms and governance arrangements in relation to biodiversity loss and climate action, mitigation and adaptation in the transport sector across the island of Ireland. The NSMC welcomed the operational practices across the transport sector in support of addressing the loss of biodiversity and noted the presentation provided on addressing loss of biodiversity in the sector. Ministers noted that officials will be engaging in a number of cross-border initiatives, including an environment-themed workshop, to showcase and share information on biodiversity best practice across the transport sector.

The Council agreed to hold its next transport meeting in autumn 2024. My officials and I look forward to working with the Minister for Transport and his officials on all areas of cooperation in the transport sector.

Mr Durkan: Gabhaim buíochas leis an Aire as a ráiteas. *[Translation: I thank the Minister for his statement.]*

A total of £88.5 million of the Irish Government's €600 million contribution to the A5 has been earmarked in this year's budget. Given the Minister's welcome indication yesterday of his intention to recommend approval, can he advise us if any money in DFI's capital budget has been earmarked for spend on the A5 in this financial year?

Mr O'Dowd: There will be a small contribution from my Department in this financial year. I

have mapped out in detail to my Executive colleagues how we propose to move forward with the A5 in the coming years. That also sets out the budgetary plans for my Department and how we propose to spend the welcome contribution from the Dublin Government.

Mrs Erskine: I thank the Minister for his statement. He referred briefly to the all-island strategic rail review. Can he provide more detail on the next steps with that review after it has been presented to the Executive and the Government of Ireland next month, particularly the discussions between the Governments in the context of the Union connectivity review? Obviously, my perspective is as an MLA for Fermanagh and South Tyrone. Can he share whether Fermanagh will be included? We need to ensure that we have a regionally balanced transport network, and it is the only county that is not included.

Mr O'Dowd: The next step with the review is that it will be presented to the Executive and the Irish Government later this month, I hope, for their noting. The review is comprehensive. I have asked for a review of the review in relation to Fermanagh. It would be inappropriate for me to make further comment on it before presenting it to my Executive colleagues, but I assure the Member that, regardless of the outcomes, the review is open to ongoing analysis and deliberations. The ambition of the review is to ensure that we connect all parts of this island, rural and urban, with proper rail networks.

Ms Ennis: Thank you for your statement, Minister. You mentioned that the Newry southern relief road is intended to provide a strategic link between the A1 Dublin to Belfast corridor and the A2 Warrenpoint Road. You will know how dangerous the A1 Dublin to Belfast road is. Can you provide an update on the A1 upgrade?

Mr O'Dowd: I thank the Member for her question. I can confirm that, following deliberations with my officials on the capital budget, I will proceed with the safety improvements to the A1. They will be done in one package rather than over a series of phases. Doing the work as one scheme is much more economically viable, but it will also ensure that safety on that busy road, where 40 lives have been lost over the past 20 years, is dramatically improved. There have been many campaigners for safety on the A1, but I particularly want to note Monica Heaney, who has campaigned for safety on the A1 following the tragic death of her son Karl. I commend her

and others who have campaigned for that work. I assure them that the work will now proceed as I have lifted the embargo on it.

Mr McMurray: I thank the Minister. Is he concerned that Irish Rail has stated that an hourly service may add 20 minutes to the total journey time for early morning commuters on the Belfast to Dublin service?

Mr O'Dowd: That matter has been brought to my attention. My Department has engaged with Irish Rail on it. I hope that Irish Rail will take on board our concerns about the potential for disruption and delays to the cross-border service. I hope for a positive outcome on that.

Mr Baker: I thank the Minister. Has the North/South Ministerial Council agreed to include road safety as a permanent feature of the transport sectoral meetings?

Mr O'Dowd: I thank the Member for his question. Road safety is a long-standing item on the transport sectoral work programme. There are common causes across the island of Ireland in relation to road safety and crashes. We can learn from each other's jurisdiction.

The sharing of experiences provides an important learning opportunity and enables both jurisdictions on the island to learn from each other, so it will be a standing item on our agenda.

11.00 am

Mr K Buchanan: I thank the Minister for the statement. My question relates to the presentation on biodiversity in the sector that was provided to the Minister. What are the objectives of the North/South Ministerial Council on that? Will he give more insight into that?

Mr O'Dowd: Again, it is about learning from each other's experiences on the matter. The Member will appreciate that, regardless of the different opinions on the border on the island of Ireland, biodiversity does not stop at either side of the border. We have common biodiversity across the island. It is about how we best manage that and learn from each other's experiences. A very interesting presentation was given by both Departments on how we manage road verges and the various pockets of land that each Department manages and how we best use them to promote biodiversity and protect the biodiversity on the island.

Mr Dickson: I thank the Minister. In the context of the all-island strategic rail review, the dualling of the Dargan Bridge from York Road to Lanyon is one of the most important pieces of infrastructure, yet it is not mentioned in the all-island strategic rail review. Does the Minister recognise that it would cause serious difficulties, particularly with rail traffic from the north-west, if that bridge were not dualled?

Mr O'Dowd: Apologies to the Member, but I have no details before me on that matter. I am more than happy to respond to him in writing.

Ms Kimmins: I thank the Minister for his statement. There is lots of positive progress, particularly affecting my constituency. One example of that progress is the introduction of the hourly Enterprise service between Belfast and Dublin, an important development for which we have lobbied heavily. Does the Minister agree that it will unlock huge potential for the economy in the North?

Mr O'Dowd: I thank the Member for her question. She raises a valid point. As I have said before in the House when we talk about the rail link between Belfast and Dublin and improving the rail link between Derry, Cork and Dublin, it is often seen as bringing trade and investment in the one direction. However, I see it in a totally different light. The hourly service has huge economic potential for the towns, villages and communities from Newry up to Belfast. When that service is put in place, we should encourage businesses to look at investment along the entirety of that rail line, because you will be able to bring commuters and businesses to you hourly. It has fantastic opportunities for all of our local businesses and communities.

Mr Harvey: When does the Minister intend to announce the commencement of the Ballynahinch bypass? It is not one that he mentioned today. It would certainly help us to get more quickly and safely to the routes that he has mentioned.

Mr O'Dowd: That is a good segue into the statement, Harry. I will make further announcements on my capital programme in the next number of weeks. I assure the Member that I will update him on the Ballynahinch bypass.

Mr O'Toole: The Minister discussed lots of important things at the NSMC. He acknowledges the connectivity of the island and the interrelationship between transport networks on both parts of the island. One of the

strange things that we do is subsidise long-haul air routes out of the North at a cost of £2.5 million to the public purse in order to, in some strange way, stymie Dublin Airport. It is not working; it is a waste of money. Could that money not be better directed towards our rail network, active travel or, indeed, anything else? Will he make representations to his colleagues — the Finance and Economy Ministers — to do away with that preposterous waste of money?

Mr O'Dowd: I am involved in many strange things as Minister, but, unfortunately, that is not one of them. I have heard the Member raise that issue on numerous occasions with the relevant Ministers, and I am sure that they are taking his concerns under consideration.

Mr McCrossan: The commissioners' report from the public inquiry on the A5 has been with the Department for 10 months; it has been on the Minister's desk for six months. Five people have died since February. The Minister has told me that he is being careful, yet, yesterday — three days before the election — he made an announcement to the House about his intention. Whilst I cautiously welcome it, I am sceptical. Minister, what is the small contribution from your Department, and what are you doing as Minister for Infrastructure to ensure that funding will be found to deliver fully the A5 road?

Mr O'Dowd: I suspect that you are sceptical about a lot of things, Mr McCrossan. I cannot help you with that, but I am sure that somebody can, if you look around.

The timing of my announcement has not been driven by the election. Rather, it has been driven by the requirement for me to follow a detailed and analytical examination of the PAC's report and by legal, scientific and other advice. The announcement would have been made at this time, election or no election. The communications with my Executive colleagues came about as a result of my completing that work, in line with advice from my officials. I have now communicated with my Executive colleagues, and the PAC report is on its way to them. I will present a final draft of the report and its recommendations to my Executive colleagues in August. The PAC report will be published at that time. I hope that my recommendation to the Executive will be adopted in order for the A5 project to move ahead.

Mr Deputy Speaker (Mr Blair): That concludes questions on the statement.

North/South Ministerial Council: Inland Waterways

Mr Deputy Speaker (Mr Blair): The Speaker has received notice from the Minister for Infrastructure that he wishes to make a further statement.

Mr O'Dowd (The Minister for Infrastructure): Apologies, Mr Deputy Speaker. I will be with you in one moment.

With your permission, Mr Deputy Speaker, I will make a statement, in compliance with section 52 of the NI Act 1998, on the North/South Ministerial Council (NSMC) meeting in inland waterways sectoral format, which was held in the Ulster Canal Stores in Clones, County Monaghan, on 19 June 2024. The Executive were represented by me, as the Minister for Infrastructure, and by junior Minister Pam Cameron. The Irish Government were represented by Darragh O'Brien TD, the Minister for Housing, Local Government and Heritage, and Malcolm Noonan TD, the Minister of State with responsibility for nature, heritage and electoral reform. The statement has been agreed with junior Minister Cameron, and I am making it on behalf of us both. I chaired the meeting, and the following is a note of what was discussed.

We welcomed the achievements of Waterways Ireland since the previous meeting and the valuable contribution that it makes through its various activities, including the launch of Waterways Ireland's 10-year plan; its digital transformation programme; its nomination for various awards, including in the green public-sector organisation of the year category at the Green Awards; the success of the Royal canal greenway and the ongoing work on the Grand canal greenway and the Ulster canal greenway; the progression of major projects, such as the Barrow navigation, Tullamore harbour and depot, Camden lock and Connaught harbour; the ongoing rehabilitation of Carnroe weir on the lower Bann; the delivery of phase 2 of the Ulster canal restoration project; Waterways Ireland's involvement in the development of the Shannon tourism master plan and the Erne visitor experience development programme; the development of its asset management programme; its business continuity framework; its emergency response plan; the implementation of its health and safety programme and pursuit of ISO 45001 accreditation; the introduction of a hybrid working policy; the launch of its people strategy; and the filling of key posts to enable the organisation to fulfil its statutory remit.

We welcomed Waterways Ireland's response to climate change, biodiversity and sustainability issues, how it has resourced itself and built capacity to enable success in addressing climate change and biodiversity loss, and how it seeks to drive cultural change by embedding sustainability in the organisation.

We approved Waterways Ireland's corporate plan for 2023-25 and the business plans, budgets and grants for 2022, 2023 and 2024. We noted that the Waterways Ireland annual reports and accounts for 2021 and 2022 have been laid before the Northern Ireland Assembly and both Houses of the Oireachtas and that the annual report and accounts for 2023 have been submitted to the Comptrollers and Auditors General in both jurisdictions and, following certification, will be laid before the Assembly and both Houses of the Oireachtas.

We noted the proposed updating by Waterways Ireland of the Shannon navigation by-laws and the canals by-laws, which involved extensive stakeholder engagement. We also noted that the body is in the process of reviewing submissions received as part of the consultation process.

We noted that the terms of reference for an independent organisational review of Waterways Ireland have been approved by the Finance Ministers and that an update on the position of the review will be provided at a future meeting.

We consented to a number of property disposals and acquisitions.

We noted the progress achieved on the restoration of the Ulster canal and the plans for phase 3 of its restoration from Castle Saunderson to Clonfad.

We welcomed additional funding of €80 million for phase 3 of the project from the Government of Ireland and noted an event to mark completion by Waterways Ireland of phase 2 of the Ulster canal restoration project, which took place later that day at Clones marina in County Monaghan.

We welcomed the commencement of construction of the Narrow Water bridge, which was marked at an event in June that I attended, as Minister for Infrastructure, with the Taoiseach, the Tánaiste and the Minister for Housing, Local Government and Heritage. We welcomed the fact that the Government of Ireland approved funding from the Shared Island Fund for the total cost of the project based on the successful tender price of €102

million plus VAT. The bridge is a major investment and a landmark piece of cross-border infrastructure. It will provide for cars, cycle and pedestrian traffic by connecting the A2 Newry to Warrenpoint dual carriageway in County Down with the R173 Omeath in County Louth. The NSMC also noted the significant benefits the bridge will bring by better connecting both jurisdictions and developing sustainable tourism in the east border region.

The Council agreed to hold its next inland waterways meeting in late 2024. That concludes my statement on the inland waterways sectoral meeting.

Mr Durkan: I thank the Minister for his statement. I welcome much of what was in it. There was a lot of positive news on the positive work being done.

On the matter of corporate governance, Waterways Ireland does not currently have a board in place. I believe that that issue was being considered by the NSMC. It had been raised at previous meetings in 2021. Did that issue feature at all at the most recent meeting?

Mr O'Dowd: It did not feature at the most recent meeting, but the Member is absolutely correct: it is under review, and it is being looked at by the secretariat. A report will be brought to a future NSMC meeting on that matter.

Mrs Erskine: I thank the Minister for his statement. He provided an update on the ongoing work to review and update the Shannon navigation and canal by-laws. In evidence to the Infrastructure Committee, Waterways Ireland officials advised that there is an aspiration that, at some point, once that work is completed, we will revisit the Erne by-laws to update them as well. The way in which we use our waterways and safety around them has changed significantly over the years — I see that issue as a local MLA — and updates to the by-laws need to reflect that. What discussions, if any, has the North/South Ministerial Council had on updating the Erne by-laws? If there have been no discussions, will you give the House a commitment that you will raise that issue?

Mr O'Dowd: I understand that, once work has been completed in relation to the by-laws in the South, Waterways Ireland will move towards a consultation on its by-laws in the North. A consultation will be produced, and Members and other interested parties will be able to respond to that before it goes further.

Mr Boylan: I welcome the Minister's statement. Minister, in your statement, you mentioned:

"the ongoing rehabilitation of Carnroe weir on the lower Bann".

Is that project nearing completion?

Mr O'Dowd: Yes. I recently visited the project. It is very impressive work, and a complicated piece of engineering has been going on there. It can only take place during certain parts of the year because of the water levels in the Bann. Good progress is being made. Phase 2 involves the remaining length of the weir to the eastern side of the river, adjacent to the lock chamber, and it is due for completion in autumn 2024.

Mr Baker: What plans are there, if any, to restore the Ulster canal from Clones to Lough Neagh?

Mr O'Dowd: The restoration of the Ulster canal includes a connection from Lough Neagh to Clones. It was a commitment in the Stormont House Agreement, the Fresh Start Agreement and New Decade, New Approach. Currently, no actual plans are in place to deliver those commitments, but I want to work with Waterways Ireland and the NSMC to ensure that we deliver them, because the tourism potential for us in completing that connection is huge. We have not fully harnessed the potential of our inland waterways in this jurisdiction for a variety of reasons, including a lengthy period of austerity. The commitments made in those agreements now have to be fulfilled, and I look forward to working with others on fulfilling them.

11.15 am

Mr K Buchanan: Minister, how can Waterways Ireland or your Department solve the safety issue on the River Blackwater, with access for boats into and out of Lough Neagh? Was that issue discussed, given the tourism potential if that access were opened up?

Mr O'Dowd: The River Blackwater, which I am very familiar with, does not fall under the remit of Waterways Ireland, but I come back to my answer to the previous question: we are not fulfilling the full potential of our inland waterways. When you look at the River Blackwater with its connections to Lough Neagh and the Ulster canal and other waterways, you see that we have to find a mechanism to deliver the potential that they have for tourism, leisure and even the fisheries industry in those areas. We are failing in that regard. There has to be a

review of how we manage those waterways to their full potential.

Mr McMurray: I thank the Minister for his statement, which addressed climate change, loss of biodiversity and sustainability. Will the Minister elaborate on how those issues might be tackled?

Mr O'Dowd: Waterways Ireland has increased focus on sustainable management of the natural environment of the waterways. Given its remit, it is connected to the protection of biodiversity and ecology. In 2022, Waterways Ireland adopted a 10-year climate action plan and will continue to deliver that. The environment, sustainability and that action plan are key priorities of its 2024 business plan, which includes implementation of a water management strategy and a heritage and biodiversity plan.

Mrs Dillon: I thank the Minister for his statement. As a representative of Mid Ulster who is from the Coalisland area, I have a specific interest in the Blackwater where it goes into Lough Neagh and in the extension of the Ulster canal. Coalisland has a rich history around that. Minister, on the back of your previous answers, can you tell us whether the Irish Government will work with you on access to Lough Neagh through the Blackwater and coming the other way? Lough Neagh Rescue has a real problem in accessing the River Blackwater in order to be part of rescue efforts when somebody gets into trouble.

Mr O'Dowd: I thank the Member for her question. Given the experience of Waterways Ireland in its role across a vast network of inland waterways across the island of Ireland, it is ideally placed to support and work with organisations on the River Blackwater and elsewhere. That does not fall under the NSMC's remit yet, but it would be useful to all if the remit of Waterways Ireland were broadened to allow it to support and work with communities. The River Blackwater is one example, and there are many others.

Mr Deputy Speaker (Mr Blair): That concludes questions on the statement. I ask Members to take their ease for a moment as we prepare for another statement.

North/South Ministerial Council: Tourism

Mr Deputy Speaker (Mr Blair): Members, the Speaker has received notice from the Minister

for the Economy that he wishes to make a statement.

Mr C Murphy (The Minister for the Economy): With your permission, a Leas-Cheann Comhairle [*Translation: Mr Deputy Speaker*], I wish to make a statement in compliance with section 52 of the Northern Ireland Act 1998 on a meeting of the North/South Ministerial Council (NSMC) in tourism sectoral format. The meeting was held in Armagh on 24 June 2024. Junior Minister Pam Cameron MLA accompanied me, representing the Northern Ireland Executive. The Irish Government were represented by Catherine Martin TD, the Minister for Tourism, Culture, Arts, Gaeltacht, Sport and Media. The statement has been agreed with junior Minister Cameron, and I make it on behalf of us both.

The NSMC welcomed a progress report from the chair of Tourism Ireland on the board's work since the previous NSMC tourism meeting in November 2020. The Council acknowledged Tourism Ireland's achievements and the valuable contribution that it has made to the sector, including its role to support the recovery of tourism following the COVID-19 pandemic. Ministers also noted Tourism Ireland's continued focus on embedding sustainability in its marketing activities.

The NSMC noted that officials from both Administrations have conducted a review of the work programme for the NSMC tourism sector. Ministers noted the outcome of the review and agreed the addendum to the work programme for the tourism sector.

The Council welcomed the joint ministerial statement supporting sustainable tourism and agreed the establishment of a joint strategic coordination group to identify and examine opportunities that will support the sustainable growth of the tourism sector across the island.

The Council approved Tourism Ireland's business plans, budgets and grants for 2022, 2023 and 2024 and Tourism Ireland's 2023-25 corporate plan, which were completed in accordance with agreed guidance issued by the Department of Finance, the Department of Public Expenditure and NDP Delivery and Reform and were agreed by sponsor Departments and Finance Ministers.

The NSMC noted Tourism Ireland's annual reports and accounts for 2019, 2020, 2021 and 2022, which have been certified by the Comptrollers and Auditors General and laid before the Northern Ireland Assembly and both Houses of the Oireachtas. Ministers agreed that

the terms of reference for an organisational capacity review of Tourism Ireland will be considered. The Council approved an additional eight posts to Tourism Ireland's staffing complement.

The NSMC acknowledged the challenges faced in the tourism sector in addressing climate change and loss of biodiversity and noted the policy development and implementation in addressing those issues in each jurisdiction. The Council welcomed collaborative actions by the tourism agencies and future ambition for the tourism sector on the island.

The NSMC received a presentation on the employer excellence programme by Fáilte Ireland and Tourism Northern Ireland on how the agencies are working together to make tourism an attractive career of choice while building a future pipeline of skilled employees.

The Council agreed to hold its next NSMC tourism meeting in late 2024. I commend the statement to the Assembly and welcome any questions.

Ms McLaughlin: Thank you, Minister, for your statement. We have spoken many times about the fact that one of the biggest threats to the all-island tourism economy is the electronic travel authorisation (ETA) scheme. Was that raised as part of the meeting, and will you undertake to put it at the top of the tourism agenda with the incoming British Government?

Mr C Murphy: Yes, that was part of the discussion at the sectoral meeting. Minister Martin and the Southern Administration understand clearly the concerns that we have, the challenges that the ETA would present to travel across the island and the impact that it would have on Tourism Ireland, for which we share responsibility. That is my position. I wrote to the outgoing Administration in London on the matter, and it is my intention that the Executive as a whole will take a position and present it to the incoming Government in London at the earliest opportunity to ensure that we offset the plans that have been put in place for the scheme.

Everyone in the Chamber and in the tourism sector agrees that that would have a detrimental impact on our ability to grow tourism and ensure that it is spread across the island. It is something that we are determined to challenge.

Mr Brett: I thank the Minister for his statement. It references terms of reference for the

organisational capacity review of Tourism Ireland. The Minister will be aware from feedback to the Department's tourism strategy that there is concern amongst tourism providers in Northern Ireland that Tourism Ireland does not adequately and equitably highlight Northern Ireland's unique offering on this island. Will the Minister indicate whether the review will ensure that Northern Ireland is, rightly, marketed by Tourism Ireland and that there is not just a focus on the market in the Republic of Ireland?

Mr C Murphy: The terms of reference have to be fully agreed by both Ministers. Where that perception exists, we need to make sure that it does not take hold and is addressed. We have set up the joint coordination group, which will involve the three agencies and both Departments working collectively. Tourism Ireland, in my experience, is very keen to promote all 32 counties of Ireland. I know that it makes great efforts to try to do that. However, if there is some sense on this side of the border that people are not getting the full promotion that they want, we can certainly make sure that that perception is corrected.

When the review's terms of reference are agreed, we will set up our own tourism reference group, which will investigate whether there is anything to back up that perception. If that is the case, I am certainly happy to make sure that Tourism Ireland steps up in that regard.

Mr McGuigan: I thank the Minister for the update on the meeting. Will he provide an update on the Shared Island Fund proposals for the Wild Atlantic Way and the Causeway coastal route?

Mr C Murphy: We had hoped that that announcement would be made around this time, but there are still some minor issues to be resolved with one of the agencies. There is a Shared Island contribution for promoting the Wild Atlantic Way right across the north coast, including Derry and Antrim. That will provide some support and build up the capacity of tourism in those areas to take advantage of that brand, which has been extraordinarily successful in the promotion of tourism in Ireland. The funding has been agreed; we just want to get it announced and out there very quickly, and ensure that people can access it.

Mr Delargy: I thank the Minister for his statement. You have already touched on one of the questions that I was going to ask. What engagements have you had with tourism organisations in border regions like Derry, such

as the Museum of Free Derry and Visit Derry, on the ETA scheme?

Mr C Murphy: There is a general sense across all the tourism organisations that it is not good news. That is why we have made representations already to the Government in London, although we did not receive much by way of response. There have been discussions in the Executive, and there is a recognition across the Executive that the scheme is not good for tourism. It is certainly not good for our economic growth, given the potential that we have for economic growth through tourism. There will be a renewed focus on that in the coming weeks from the Executive. I hope to propose a position that will get support so that, collectively, we can bring that to the incoming British Government, rather than a position that comes from just the Department for the Economy. We intend to pursue that.

Mr Chambers: What is the Minister's assessment of the challenges in attracting new staff into the hospitality industry in Northern Ireland, and, most importantly, retaining them? Is there more that we could do to encourage more people to take up what can be a very fulfilling career in that industry?

Mr C Murphy: The Member hits on a point that is widely recognised and was part of the conversation. We received a presentation at the tourism sectoral meeting about efforts to try to promote tourism and hospitality as a career choice, rather than just something that people get into through part-time work before moving on to other areas or continuing their studies. I met Hospitality Ulster, and we launched promotional material that tries to attract people on the other side of 50 to work in the tourism sector. That is, potentially, good news for him and me if this thing goes pear-shaped. There is an opportunity for people of all ages to come into the tourism sector.

11.30 am

As regards our economic ambition of trying to get people who are economically inactive back into the workforce, tourism and hospitality always represents a sector that is easily accessible to people. They can go in on their own terms, pick up skills and progress. There is an emphasis on trying to give people an understanding that the tourism and hospitality sector is a good area for a career, not just for part-time work. Of course, we are trying to invest, and, later today, I will announce further investment in and support for skills to get people into work. The tourism and hospitality

sector is an important element of that. We want to work closely with our colleges, universities and skills providers to make sure that people have the necessary support in trying to access work, particularly in tourism.

Mr O'Toole: Minister, I pulled my first pint in O'Toole's pub 24 years ago. I am a few years off 50 yet, but I might take you up on your suggestion. You and I could perhaps be pulling pints together, free from the stresses of Stormont.

We know that a great part of the offer on the island of Ireland is our hospitality, particularly rural pubs. However, in the North, we have lost a lot of rural pubs, in part because of our licensing system and other economic pressures. What conversations has the Minister had with the Communities Minister and others about ensuring that our licensing system and local producers of whiskey, beer and other craft products, particularly on this side of the border, are properly geared up to capitalise on that? When people come to Ireland, they really want to experience the rural pub and that local produce.

Mr C Murphy: I agree with the Member, being a rural dweller myself, although I do not frequent the rural pub as often as I would like.

The tourism task force, which we are putting together with representatives from across the industry along with officials, will take forward what was in the tourism strategy and turn it into an implementation plan. As with all these things, it will not be confined to one Department. In areas that overlap into other Departments and other areas, we will engage to try to ensure that the entire system of government is as supportive of economic development as it can be. Economic growth is an Executive strategy and an Executive priority, and tourism and hospitality fit very much into that. It is a significant employer with a significant regional balance, which is another of my priorities. I expect that that task force will start to make demands of other Departments and ask officials from other Departments to try to identify things that are seen as potential barriers to the growth of our tourism industry, particularly as we want to see it grow right across the region, including in rural areas.

Mr Deputy Speaker (Mr Blair): That concludes questions on the tourism statement.

Skills Agenda: Update

Mr Deputy Speaker (Mr Blair): Members, the Speaker has received notice from the Minister for the Economy that he wishes to make a further statement.

Mr C Murphy (The Minister for the Economy): In February, I set out my strategic objectives for the economy: good jobs, productivity, regional balance and net zero. All four of those objectives are underpinned by skills. The Department has therefore been recalibrating its skills agenda in line with those objectives. Before the Assembly goes into recess, I will update Members on some of this work.

Our skills ecosystem has many strengths: excellent universities and university colleges, as well as a modern college infrastructure; strong collaboration between industry and our further and higher education institutions; successful higher-level apprenticeships; and a pioneering Assured Skills model. However, in 2022, employers found 13,700 vacancies difficult to fill due to a lack of applicants with the required skills, qualifications and/or experience. That is more than double the 2019 figure. Between 2013-14 and 2022-23, enrolments in colleges fell from 180,000 to 117,000. The financial constraints imposed upon the Executive led to the creation of the maximum student number (MaSN) cap, which restricts the number of full-time undergraduates attending Queen's University and Ulster University, although it does not apply to students from abroad. Brexit has reduced our access to EU workers and deprived us of European social fund funding, which supported thousands of economically inactive people into work. The proportion of people aged 25 to 64 participating in education and training has fallen from 18% in 2016 to 16% in 2022, the lowest rate in these islands.

When the Department received its budget in April, I created a ring-fenced fund of up to £12 million for skills interventions. I wish to use that fund to support various initiatives. Members will be aware that, in March, the British Government ended their funding for SKILL UP, which was an excellent programme that offered a range of accredited qualifications from level 1 to level 7. Those courses were free and delivered primarily online. Over 300 subject areas were available, including green technologies, digital advanced manufacturing and engineering, and health and life sciences. To continue that good work, £6 million will be used to fund a new SKILL UP programme, and a further £1 million will fund Skills Focus and InnovateUs, both of

which are delivered by further education colleges. Skills Focus provides tailored training for businesses with fewer than 250 employees. InnovateUs helps businesses with fewer than 50 employees to acquire the necessary skills to engage in innovation.

I have allocated £800,000 to fund green skills development, which will include new training courses and apprenticeship content. An allocation of £740,000 will support pathways into the childcare sector, supporting the supply of workers into that critical sector. This year, I will use £500,000 of the fund to launch a new public-sector apprenticeship scheme. There is £479,000 to support industry upskilling in partnership with our trade unions. Funding is also available to support women into STEM roles, to support graduates with additional needs and to fund a productivity booster scheme. The Executive have only a one-year budget from London, but I intend to maintain a significant level of investment in skills funding over the next three years.

The skills barometer identifies technical and vocational qualifications as our primary area of shortage. That shortage contributes significantly to our stubbornly low productivity. It is vital that we grow college enrolments. As a first step, I have provided additional funding to colleges so that they can improve lecturers' pay. My Department will work with colleges and trade unions to provide parity with teachers. I will soon commission a review of colleges, which will help us to realise their huge economic potential.

Although our greatest shortage is in further education colleges, I am also concerned about the restrictions on the number of higher education students. I have therefore been working with my officials to identify additional resources to increase student numbers and MaSN. While studying elsewhere is a positive choice for some, I want to ensure that everyone who wants to study here is able to do so.

Regional balance is one of my four objectives, which is why I have put such a strong focus on delivering the Executive's commitment to expanding the number of places at Ulster University's (UU) Magee campus to 10,000 students. That is my top priority. Today, I am announcing that I am making funding available for an initial increase of around 500 undergraduate students at Magee. That funding will support students who have already been recruited over and above the MaSN cap by Ulster University, as well as students who will be starting in September. Following discussions with the Department of Health, 30 of those

additional places will be for allied health professionals, which will help to address the crisis facing our health service. That announcement is only the start. The independent Magee task force will produce an action plan to deliver 10,000 student places. Working together, we will deliver this commitment as quickly as possible in a way that maximises economic and social benefits for the north-west.

Another priority is ensuring that university education is more accessible for those from under-represented backgrounds. I want to support growth in that area across all our higher education institutions, and my Department is working with Queen's University, the Open University, St Mary's University College and Stranmillis University College to ensure there are more places for students from disadvantaged backgrounds. I am pleased to confirm that, as a first step, funding will be made available for an additional 50 places at Queen's for students from under-represented backgrounds from this September. After consultation with the Minister of Education, I am also reinstating the funding for Stranmillis and St Mary's University Colleges that was cut last year. That will allow them to continue to recruit students into their teacher education programmes and will ensure that we have teachers in the North who are trained in our curriculum and in our schools. My officials are also in discussion with the Department of Education on ways in which we can provide more flexibility in how we manage student numbers at those institutions, which will help to strengthen their financial sustainability.

Research in our higher education institutions contributes to the growth of our knowledge economy and helps us to attract talent. I therefore intend to provide, from September, additional funding for research, to include PhDs in economically relevant subjects. Queen's University Belfast will receive funding for 35 additional places, and Ulster University will receive funding for 16 additional PhDs at its Magee campus. That will cost approximately £1.3 million this year. It will build on the additional £3.3 million for research that I have already allocated to our universities this year; the doubling of the higher education innovation fund (HEIF), which supports the universities in translating research into real-world impact; and a 50% increase in the Connected programme, which sees FE colleges and universities working with small businesses to support innovation.

All those initiatives will increase the productivity of our economy.

There are now over 13,000 apprentices, and I want to encourage more uptake of apprenticeship programmes from known inclusion gaps, including women and disabled people. In the autumn, my Department will therefore launch an apprenticeship inclusion challenge fund. The fund will support innovative solutions to our known inclusion challenges through collaboration with the education, business and community sectors.

Although my Department has a range of provision and supports for young people with special educational needs that are delivered through further education colleges and universities and across our vocational training provision, there are significant gaps. I have therefore asked officials to review the current provision and provide me with recommendations for improving support for young people with special educational needs. I have also asked my officials to examine legislative protections and bring back advice as soon as possible. It is my hope that practical supports and legislative protections can be strengthened in this mandate. That will require collaboration across Departments.

Although I am keen to ensure that as many of our young people as possible who want to study in the North can do so, I also want to ensure that there are fewer barriers to the movement of students on the island. From next year, postgraduates from the North who are studying in the South will be able to access a tuition fee loan. I intend to ensure that part-time students can be supported as well. We are also ensuring that knowledge about the application process for universities in the South is strengthened in schools and through careers advice. The Irish Government have been proactive in providing funding for the expansion of Magee and have also improved cross-border mobility by reviewing A-level grade equivalencies. There is certainly more work to be done, but I am encouraged by the promising engagement to date, which I intend to build on in order to make further progress. I have recently reached out to my counterpart, Minister Patrick O'Donovan TD, with a view to continuing that dialogue to remove barriers to cross-border study.

I also want to see apprenticeship programmes across the island support the movement of apprentices across both jurisdictions. Further education colleges, given their geographical spread, actively build and maintain collaborative cross-border relationships at both sector and college level with their counterparts in the South. That has been key to accessing additional funding through initiatives such as

PEACE PLUS, to the benefit of all learners, and I will continue to build on the positive engagements that have taken place with ministerial colleagues in the South to develop a dual agenda for all-island provision.

At present, students whose household income is below £19,203 a year are entitled to receive the maximum maintenance grant of £3,475 a year. As a result of the financial pressures on the Executive, that threshold for maintenance support has been frozen at the same level for many years. The outworking of that is that the number of eligible households has declined year-on-year. Given the cost-of-living crisis facing students, I am determined to improve the situation. The earliest that changes can be made is from August 2025. At that point, I intend to raise the threshold for families that receive the maximum grant. The precise extent to which I can raise the threshold will be subject to the resources available in 2025-26.

The need for more skilled workers is the top priority for businesses. I will continue to work with Executive colleagues, Members and industry representatives to bring more people into the labour market and to equip them with the skills needed by industry.

Mr Deputy Speaker (Mr Blair): Minister, thank you for your statement.

Ms McLaughlin: Thank you, Minister, for your statement. Investment in skills is very much to be welcomed.

Minister, you mentioned an increase of 500 undergraduate student places at Magee. That is also to be welcomed, but there is a bit of a caveat to be applied. You indicated that students have already been recruited and are being funded. A total of 150 were recruited from Ulster University last year, so it is really only 350 extra students this year. If we keep recruiting at that rate, by the year 2030, we will have only 8,000 students at Magee. The announced increase is bringing us up to only 6,000. We really need to heighten our ambition and bring more students into Magee at speed in order to make it a viable university for a city the size of Derry. What disciplines are those students coming to study? You said that there will be 30 additional places for allied health professional courses. What courses will the other 320 be studying?

Mr C Murphy: As I said, we have been making significant progress on Magee. There is a tendency among some sectors in Derry to downplay that progress. I do not understand

that. Nonetheless, we have been making significant progress.

The 150 students who came in last year were funded at risk by Ulster University, and, to me, that demonstrates the university's commitment to growth and expansion at Magee.

That cost has now been covered by us, and it will allow for the recruitment of 500 students in total, including those who were taken in at risk. We have to be clear about that. The intention is to ramp that up. Where those students will go will depend on the clearing process over the summer. That will take place in the normal way when there is recruitment to universities.

11.45 am

It is our clear intention and the clear intention of the task force, which met yesterday and continues to meet regularly, to look at the entirety of the requirements to get us to the 10,000 number. We are not setting the level of recruitment at a pace year by year. That has not been the case, and it will not be the case. Our intention is to get as quickly as possible to that Executive commitment in 'New Decade, New Approach' (NDNA) of 10,000 students. The task force is working diligently to assist us in that. Ulster University is playing its part. As I said, it took students at risk. We are playing our part, in that we provided the financial cover for it to do that and to increase that again, and we will continue to do that in the time ahead. That is widely welcomed across most sections of society in the north-west, and I encourage everybody to get their shoulder behind that wheel and to drive the project forward.

Mr Brett: I thank the Minister for his substantial statement and for his pre-briefing to me on the contents of it. The Committee will welcome the allocation of £6 million to continue the SKILL UP programme. Will you indicate how many course places that provides?

I particularly welcome the focus and funding that you have placed on Queen's University for those from under-represented backgrounds. The Minister will be aware that, at Queen's University, the most under-represented are those from working-class Protestant communities, particularly from the constituency of North Belfast, which I represent. Will you give a breakdown of how those 50 places will be allocated to those from under-represented backgrounds?

Mr C Murphy: The Member is correct that SKILL UP has been popular and accessible,

and the feedback has supported that. It got the lion's share of the funding available to go into skills. We look forward to getting more detail on the number of people who will join that and the types of course. There is something like 300 courses that people can access. We are pleased to be able to continue that.

In relation to the 50 places, we have made funding available, but there is significant research that Queen's and other institutions have done on that accessibility issue. I will be happy to get feedback from the university and provide it to the Member on the numbers and the regions that it expects that intake to come from.

Mr McGuigan: I welcome the statement. As the Chair of the Committee said, it is a substantial statement with a lot of positive actions in it. The Minister touched on the work to improve all-Ireland study, including engagement with his counterpart in the South. What are the main barriers currently to cross-border mobility for higher education study?

Mr C Murphy: There are a number of issues where alignment and removal of barriers would be welcome. In years gone by, a significantly higher number of students were accessing universities North and South from either part of the island. Some work has been undertaken on the leaving cert and A-level equivalence that is required in respect of the award of points to secure entry, but there is more to do. There is sometimes a language requirement in relation to entry because of the nature of the leaving cert, where there is a broader range of subjects. Again, that acts as a barrier.

Information is key. We are not getting that distribution of information on both sides of the border in respect of access to university. There are obviously higher living costs in Dublin, which puts off some applicants. There is a higher rate of student support for people attending London, where living costs are high, and we want to see if something comparable could be put in place for students in Dublin.

There are a range of issues. Some work has already been undertaken. I have had dialogue with the previous Minister responsible, who is now the Taoiseach, but I have not had dialogue with the new Minister responsible, Patrick O'Donovan. We are very much intent on bringing forward that work to remove the barriers.

Mr Delargy: I thank the Minister for his statement. As my colleague Philip McGuigan

said, it is positive in a lot of areas. You mentioned that a huge amount of work is ongoing with the Department of Education on careers: can you outline some of that work? How do you intend that to progress in the coming years?

Mr C Murphy: Both Ministers have come together with our officials. We have agreed that, while the Careers Service is provided from the Department for the Economy and schools are the primary deliverer of that, we are concerned that there is inconsistency in its delivery. There is not, perhaps, consistency in making sure that young people, particularly in the 14- to 15-year-old bracket when they get careers advice, are fully aware of the range of pathways available to them in continuing their studies.

We want to make sure that that advice is consistent and is provided consistently and that the full range of information is there. As a first area of work, the Minister of Education and I have agreed that we will task officials with making sure that not only is that advice there but that, when you get into the education sector, that advice is provided consistently.

It is important, particularly at a time when a cost-of-living crisis means that students accessing a university have the potential of taking on debt, that people are aware that a much broader range of opportunities are available to them and that a lot of those can involve working and learning at the same time and not necessarily incurring that debt. We just want to make sure that people are aware of that.

The nature of employment is clearly changing very rapidly. Advice is being given to 14-year-olds now, but, in some cases, we do not know the types of jobs that will be available when they enter the labour market. We need to make sure that the advice is as up to date as possible and is consistent.

Mr Robinson: I thank the Minister for his update to the House. Will he also update the House on what additional funding he intends to allocate to the Coleraine campus?

Mr C Murphy: The funding for Coleraine will come in under the UU's allocation, and the UU is committed to all of its campuses to make sure that there is continued growth. There was a specific NDNA commitment in relation to the Magee campus; it is my responsibility to lead delivery on that, but it is an Executive-wide responsibility. We want to see availability on all campuses from UU, and it has stated many

times that it is committed to the continued development of the Coleraine campus.

Ms Ferguson: I very much welcome, as an MLA for Foyle, the initial increase of the 500 undergraduate students at Magee, which will support students already recruited over and above the MaSN as well as students in September. Likewise, the additional 30 places for allied health and the 16 PhD students is excellent news. Will the Minister provide some insight into the work of the independent Magee task force in the development of the ongoing action plan for the 10,000 students?

Mr C Murphy: The task force continues to meet regularly. I think that it met yesterday, and it will continue to meet over the summer. Some of the areas that it is looking at, I am told, include accommodation and the relationship between the university, which is expanding and will continue to expand, and the residents around it to make sure that Magee is a good neighbour. There are precedents in that regard in Belfast in how universities have interacted with local communities. There were community representatives at the last task force meeting having those discussions.

The task force is also looking at the issue of transportation for students. There has been dialogue between the task force and Translink to make sure that the issues of the increased numbers of students and transport requirements are identified early and action is taken to address those.

There is a range of work. The group has been meeting and been proactive. It has been involving the community in its discussions. It is off to an excellent start, and we look forward to continuing to support it to get that outcome of 10,000 students at Magee.

Mrs Dillon: I thank the Minister for his statement. There are many positive initiatives in it that will benefit the people of my constituency and the businesses of Mid Ulster.

I am particularly interested in the Minister's commitments to review provision for young people with special educational needs post 19. Minister, you said that you will need to work collaboratively with other Departments. What conversations have you had with colleagues, and are you getting positive feedback from them? On that note, I thank you for meeting Alma White, who is campaigning on the issue on behalf of her son, Caleb, and the many other young people who are in that situation.

Mr C Murphy: Like most elected representatives of any experience here, we will know of and will have met people in that situation in our constituencies. When they reach the age of 19, they are no longer the responsibility of the Department of Education or further or higher education and effectively fall off the edge of a cliff from the system, and there is little provision for them. We are committed to trying to address that. The treatment of those young people has been a problem and an inequality for far too long. If we can do anything in this institution, it should be to provide services for people who need them most. That should be our ambition.

I am committed to working to find a resolution. I had a discussion with Alma a week or two ago. I am sure that all of us are familiar with the issue. I do not doubt that we have all had it brought to our constituency offices at some stage or another. A resolution will require collaborative work. Some responsibilities will fall to the Department for Communities; some to the Department of Health. We cannot allow it to be a silo issue. That would prevent us from dealing with a critical equality issue for young people.

We are very committed, and I have asked officials to look at this to see whether there are measures that can be taken in the interim and, if it requires legislation, to consider how we can progress that legislation at the earliest possible opportunity. If legislation is required, the ambition is to have it done in this mandate.

Mr McNulty: Minister, in your statement, you tell us that the proportion of people aged between 25 and 64 participating in education and training has fallen from 18% in 2016 to 16% in 2022, the lowest rate on these islands. To what do you attribute the decline, and what are the downstream consequences for our economy and our competitiveness?

Mr C Murphy: I would attribute the decline to, first, financial issues. The fact is that support for universities has been reduced year-on-year, so it has been difficult to increase numbers. As I said, the level of support for students who come from households that have a low income has remained static because our budgets have been under pressure for so long. That makes university inaccessible for a lot of people, and that has a detrimental impact on our economy. It means that the number of people coming out with qualifications reduces. That is the consequence of 14 of years of austerity: rather than growing the economy, we end up shrinking the economy because we are not investing in the necessary skills and education for people.

We have limited finances, and, of course, the Executive have set themselves a priority, which is supported by the whole House, to engage on getting a proper financial arrangement with the British Government, one that recognises our level of need. Clearly, this is but one statistic that reflects a deterioration of investment in public services. It has consequences for individuals and for our economic growth.

Mr Durkan: Gabhaim buíochas leis an Aire as a ráiteas. [*Translation: I thank the Minister for his statement.*] It was a very positive statement. I seek a bit of clarification from the Minister: can he elaborate on the answer that he gave to my colleague on where or what the new students will study? I think that he said that that would be cleared up through clearing, but can he elaborate?

Mr C Murphy: As I said, some of the students were taken at risk in last year's intake. Ulster University covered those in the hope and anticipation that the Department would provide the finances for that eventually. As I said, that, to me, demonstrates its commitment to Magee. It also demonstrates our commitment, in that we found the finances to support that and found further finances for additional students. I cannot specify exactly where the students will go, but, over the summer, we will ask the university to give us some figures on where that intake is going. A clearing process goes on over the summer for applications to other institutions: who eventually ends up where and what courses they take. We are happy to provide that information to the Member over the summer as it becomes available from Ulster University.

Mr Deputy Speaker (Mr Blair): Members, that concludes questions on the statement. Please take your ease for a moment or two before we move on to a further statement.

12.00 noon

(Mr Speaker in the Chair)

Lough Neagh Report and Action Plan

Mr Speaker: The next item of business is a statement from the Minister of Agriculture, Environment and Rural Affairs.

Mr Muir (The Minister of Agriculture, Environment and Rural Affairs): Thank you, Mr Speaker, for the opportunity to make a statement to the Assembly on the Lough Neagh report and action plan.

I am very conscious of the level of interest from Members and the wider public in improving water quality across Northern Ireland and, particularly, in our efforts to address the very specific and concerning challenges that we see on and around Lough Neagh. Addressing and improving water quality in Lough Neagh was, therefore, rightly identified as a key priority for the Executive at our first meeting.

We are all, I think, clear in our recognition that the issues and challenges that are associated with Lough Neagh will not be resolved overnight, nor will they be resolved by my Department alone. They need a strategic, evidence-based and cross-government approach. That is a long-term project. There are no quick fixes, but it is vital that we make a start. For that reason, a few weeks ago, I brought a Lough Neagh report and action plan to the Executive. While it remains under consideration by the Executive, I will continue to work with my Executive colleagues to obtain their approval as soon as possible. I have a responsibility to ensure that the actions that my Department can take, and those that are not reliant upon Executive approval, are taken, and taken at pace. The time for action is now.

Before we embark on our summer recess, I want to update Members on the work that is under way in my Department and the work that we will take forward in the coming months. I want to express my thanks — my complete gratitude — to all the officials who have worked over many months on the report to bring it to the Chamber today. I am grateful to them for the work that they have done morning, noon and night on that, and for the work that they will do in the time ahead to implement the actions that we will talk about today.

Lough Neagh is of huge importance to people here. It is our most important natural resource and supplies 40% of our drinking water, and its significance to those who depend on the lough for business and recreational purposes cannot be overstated. The appearance in 2023, and recurrence this year, of algal blooms is well documented. We have seen how the impact of the blooms can be devastating and wide-ranging, especially as they spread to other waterways, including our world-renowned beaches and coastline. The state of the lough has attracted not only local but national and international attention, and it is not the sort of attention that Northern Ireland wants or needs.

We know that the policies and programmes that we have advanced in the past have contributed to creating the impacts that we are now

witnessing. We also know that excess nutrients in the environment cause pollution in our waterways, and that the main contributing sources are agriculture and, to a lesser but still significant extent, waste water from treatment works and septic tanks. A scientific report from October 2020, 'Phosphorus Stock and Flows in the Northern Ireland Food System', which is on the Agri-Food and Biosciences Institute (AFBI) website, attributes high nutrient — phosphorus — levels in Northern Ireland's waterbodies to three main sources: 62% from agriculture, 24% from waste water treatment works and 12% from septic tanks. Provisional Lough Neagh-specific source apportionment data produced by AFBI follow a similar pattern. Given that we can identify the problem, we know that that is where the majority of the solutions lie.

Before I turn to the specifics of Lough Neagh, I want to make it clear that, given the size of Lough Neagh's catchment, actions to address the issues at the lough need to be Northern Ireland-wide, strategic and cross-cutting. That is why my first priority was to bring to the Executive Northern Ireland's first environmental improvement plan (EIP), which includes a clear focus on water quality. I brought that to the Executive in March. The EIP is a wide-ranging plan for significantly improving the natural environment and is a statutory requirement under the Environment Act 2021. It was consulted on as a draft environment strategy and, once Executive approval has been obtained, it will be published as Northern Ireland's first environment strategy and laid in the Assembly. The statutory deadline to adopt the EIP passed in July 2023. The Lough Neagh report complements and supports the actions and targets in the EIP.

I turn now to the work that we have in hand. While it would be inappropriate to publish a report and action plan that are currently under Executive consideration, I can assure Members that it was developed through joint working by my Department and other Departments, particularly the Department for Infrastructure and the Department of Justice. I can also provide assurance that it contains evidence-based actions underpinned by science that will aim to tackle the immediate issue of the blue-green algae blooms in the lough and secure longer-term improvements in water quality across Northern Ireland. Ensuring that the actions are evidence-based was absolutely crucial. I can confirm that the action plan has been informed by the work of the science advisory group, the core membership of which comprises scientists and professional experts from universities and science organisations across the UK and Ireland. The report sets out

the various factors that came together to such devastating effect in 2023. Pollution, namely excess phosphorus and nitrogen entering our waterways; climate change resulting in record high water temperature; and the presence of zebra mussels — an invasive species known to disrupt ecosystems by impacting water clarity — all contributed to last year's crisis at Lough Neagh.

The report proposes that actions are grouped within four key pillars. The first is education: empowering knowledge and skills, and encouraging best practice. The second is incentivisation: investment and innovation aimed at motivating and funding actions that will drive the adoption of behavioural change. The third is regulation: our statutory obligation to protect the quality of our water. The last is, importantly, enforcement: taking strong and meaningful action when compliance with regulation fails. That sequencing reflects the principle of early intervention: take action first, to try to make sure that problems do not occur or get worse, and do that through education, incentivising the right behaviours and effective regulation. However, have no doubt: where enforcement is needed because people are not complying with the conditions of funding, or are breaking the law, my Department and the Northern Ireland Environment Agency (NIEA) will not hesitate to take enforcement action.

Going into more detail, the plan, as drafted, contains 37 actions, some of which require Executive approval because they are new or because they cut across the responsibilities of more than one Department. My focus, today, is on briefing Members on the 20 actions that are not in that category, and which DAERA is now delivering. We are advancing, at pace, a review of the nutrients action programme (NAP). My officials will continue to engage with stakeholders on proposals for the revised action programme as part of the review process. Revised NAP regulations could be available for introduction in early 2025.

My officials are ensuring that education and training programmes include water quality monitoring outreach programmes to deliver upon the detailed nutrient status of their soils provided by the innovative soil nutrient health scheme. My Department also plans to provide training in compliance and environmental performance to slurry-spreading contractors. We will deliver a Lough Neagh catchment-wide awareness campaign on education and enforcement practices through a departmental mailshot to raise awareness. We will scope the expansion of the sustainable catchment programme into the Lough Neagh catchment

areas. That already operates successfully in the Upper Bann catchment area, for example, which I visited on-site a few weeks ago. I was greatly encouraged to meet farmers, the Rivers Trust, AFBI and Ulster University staff. I was immediately convinced of the benefits and, hence, want to see a wider roll-out, funding permitting.

The third cycle of the river basin management plan and programme of measures will be reviewed as an overall water quality improvement strategy for DAERA. I will bring a revised river basin management plan to the Executive as soon as possible.

Officials have been commissioned to undertake an independent scientific review of the environmental impact of sand extraction on the Lough Neagh environment. That is part of a wider programme of work to better understand the pressures on Lough Neagh and how they interact, and to inform a conservation management plan with measures to restore ecological balance and resilience.

I intend to continue my engagement with colleagues in Ireland and to go to see their agricultural sustainability, support and advisory programme (ASSAP) in practice. That initiative targets areas with poor water quality in order to turn that around. There are real benefits to learning lessons from what is happening across the border and seeing how we can incorporate such one-to-one engagement with the agricultural community in areas of Northern Ireland.

My Department is also leading on a small business research initiative (SBRI) to explore potential feasible, innovative and affordable solutions to treat or reduce blue-green algae blooms. It should be recognised that there is scope for physical, chemical or biological solutions or a combination of those. Any solution, however, must not contribute to further environmental degradation and must comply with legislation and environmental designations. My intention is to launch the SBRI in the coming weeks. To date, 44 individuals and companies have come forward with different solutions to the blue-green algae in Lough Neagh.

A further small business research initiative project will be taken forward to improve the sustainable utilisation of livestock slurry and develop demonstrator sites to process livestock manure and slurry. The plan is to announce that project soon. It is one of a range of measures to reduce phosphorus inputs from agricultural sources.

Put simply, we have a problem with slurry and manure. There is too much of it, and it is part of the cause of the nutrient overload in Lough Neagh. My vision is to, instead, view slurry and manure as a resource that is processed sustainably, generating, for example, electricity plus by-products for export. We can do that because there are many examples of such practices already in action. We will also establish and deliver a livestock dietary emissions challenge through the DEFRA-led dairy demonstrator project, to formulate and test on-farm livestock diets that reduce ammonia emissions, phosphorus losses and greenhouse gases in dairy herds. It is anticipated that contracts will be awarded very soon.

My Department has already put in place an inter-agency monitoring protocol for blue-green algae in collaboration with AFBI, the Public Health Agency (PHA) and the Food Standards Authority (FSA). The protocol, which is available on the Department's website, sets out the roles and responsibilities of organisations and individuals, provides guidance on how water users should consider blue-green algae risk and details how my Department is monitoring bloom events this year. This is the first year of operation, and the approach will be reviewed at the end of the season.

I now turn to farm support. Whilst agriculture has contributed to the nutrient loading in Lough Neagh over the past century and more, we must recognise that our farmers will provide a significant part of the solution in delivering the mitigating actions. It is both unfair and wrong to castigate farmers as part of some sort of entirely unproductive and divisive blame game. Ultimately, government has to take responsibility and acknowledge that what was advocated for decades has clearly had consequences. We accept the problem and are determined to fix it together.

My Department's new farm support and development programme is designed to move us from where we are and where we have been to a much more sustainable farming sector. It will prioritise and drive approaches that benefit our environment, address ammonia- and phosphorus-related issues, reduce the risk of pollution and help deliver the reductions in greenhouse gas emissions that the law now requires, and it will do so while supporting our economically significant agri-food sector. It will also include a farming with nature package to support farmers in efforts to protect and enhance water quality and reduce the risk of pollution arising from farmed land.

In keeping with my focus on education, we will bring forward new knowledge transfer schemes to replace the business development groups and farm family key skills, which have recently come to an end, and a new innovative package of training and support for agri-professionals that will help them better assist their farming clients in those and other areas. That is in addition to the training that the College of Agriculture, Food and Rural Enterprise (CAFRE) will provide for farmers to enable them to address water quality and build their understanding of nutrient management to significantly reduce losses of nitrogen and phosphorus into our waterways.

Whilst previous direction on agricultural policy may have been known as favouring intensification, direction is now clearly about sustainable — I emphasise "sustainable" — productivity, embedding the fact that environmental and economic sustainability are intertwined. Environmental sustainability, with improved and, importantly, sustainable productivity, building resilience and ensuring effective, functioning supply chains are at the core of the new farm support and development programme that was built through a process of co-design with stakeholders, with new schemes and measures being introduced at pace.

12.15 pm

I will speak a little more about that issue, as I feel that it is important to dispel any myths or misunderstandings that may exist. The new way forward is key to giving farmers and our wider agri-food sector confidence that a strong, sustainable and successful future can be achieved. Change is essential to implementing that vision in the context of the biggest issue that is facing us all, namely climate change. How we deliver that change, which, I note, is already occurring at many farms across Northern Ireland, is of fundamental importance. A journey is already being travelled by many.

My Department and I, as Minister, are passionately determined to do that in partnership with farmers, processors, environmental NGOs and others. Strong relationships are key to doing that, and I will not be found wanting in prioritising dialogue and engagement, nor will I seek to dodge difficult issues and look to kick cans down the road. It is important to be straight and clear with farmers about the science and the evidence as it presents itself and about what is needed to fix the challenges that we face together. To do otherwise would be disingenuous. I owe it to each and every farmer in Northern Ireland, the banks that lend to them and our supply chains

to achieve a future in which the farming press oozes positivity every week and there is strong competition to get into farming as the career of choice for more and more people. I am also working with the Minister of Finance on the future agriculture budget from Westminster and with the Minister for the Economy on wider issues such as skills.

Restricting the use of chemical fertilisers containing phosphorous on grassland falls within the category of actions that require Executive approval. I am more than happy to take questions on that issue, because the realities of what is being proposed are way off that which has been misunderstood. Where chemical fertilisers containing phosphorous are not needed, we will seek to save the environment and the farmer, financially, by using science and evidence, including the soil nutrient health scheme, to achieve a reduction in usage, which I feel that there is scope to do. A fertiliser database is also proposed in order to record fertiliser movements, just like that which has been successfully introduced across the border. In all the areas that I am talking about today, science and research will have an important role to play, as will learning from good practice by looking North, South, east, west and beyond.

Tackling the problems at Lough Neagh will require significant investment. My Department, like all other Departments, is working to a very tight budget that is underpinned by significant resource pressures. Nevertheless, I am reprioritising to ensure that we make a start on turning the crisis around. I have already made £6 million available for Lough Neagh from my Department's budget. That is £2.8 million for resource and £3.2 million for capital investment. That includes £2 million of resource for the Northern Ireland Environment Agency, which will fund, among other things, the recruitment of additional staff, with a firm focus on enforcement and on other work on Lough Neagh. I also welcome the additional £1.5 million provided from the June monitoring round to support actions in the environmental improvement plan that relate to Lough Neagh.

I am also conscious of the ownership issue and its importance to many people. My preference is for community ownership. I am aware that the Lough Neagh Partnership (LNP) is undertaking research and an initiative on the future management and ownership of the lough. I intend to engage actively with that initiative, and I have sought a further meeting with the Earl of Shaftesbury, following his recent comments on the matter.

I will now turn to environmental governance. As I have said before, I believe in having an independent environmental protection agency. It was a commitment in the New Decade, New Approach agreement, and I am working with officials on the next steps, which I intend to announce over the summer, further to the environmental governance scoping review that I commissioned on taking up office.

A plan that talks a lot about education, investment and incentivisation but says nothing serious about regulation and enforcement will not cut the mustard. We need a balanced evidence- and science-based approach that is capable of turning the situation around, through our working together. Enforcement is important, but, as we all know, the need to resort to enforcement action is ultimately a sign of failure. It is much better to ensure that pollution and environmental harm does not occur in the first place, but having a robust, fair, proportionate and targeted enforcement regime is essential, as it will act as a deterrent and champion the "polluter pays principle".

That is why I have put more resources into the Northern Ireland Environment Agency. We are working to set up an enforcement task force for the Lough Neagh catchment area that is focused on addressing areas of highest risk, including the issue of cumulative breaches regardless of source, whether that be agriculture, waste water treatment works, domestic septic tanks, industry or otherwise. An independent review, including consultation, of the environmental crime sentencing framework for fines and penalties in conjunction with the Department of Justice is also key and something that I will continue to seek Executive agreement on.

There are many other items in the report and action plan, such as the environmental crime sentencing framework review, that I have not referenced today, as they await Executive approval alongside important Department for Infrastructure-related matters relating to waste water infrastructure. Whether it be establishing the Lough Neagh science platform, scoping what makes the most effective septic tanks and considering a grant scheme to encourage replacement of old ones, or different tree-planting interventions, there is lots that can be done to improve water quality in Lough Neagh.

Partnership working across government, stakeholders and beyond is critical, be that on implementing a conservation management plan for Lough Neagh, reinvigorating the catchment stakeholder group, a grant scheme to support organisations working to improve water quality

and conservation of Lough Neagh, or commissioning the Innovation Lab to generate solutions and a long-term vision to improve water quality using a Forever Mourne partnership model. Those are the items on which I await Executive approval.

As I have said many times, sadly, there is no quick fix for Lough Neagh. The issues surrounding the lough and the wider water environment are complex and challenging. Addressing those issues will require changes in our behaviours and practices, and I am determined to build and sustain a culture of environmental responsibility by fostering an attitude of zero tolerance to pollution. Successful delivery and oversight of the actions to address the problems at Lough Neagh and to more generally improve water quality across Northern Ireland will depend on engagement, consensus-building and the creation of strong partnerships across government, the public and private sectors, including local government, and the community. The elements of the Lough Neagh action plan that I am sharing with Members today are instrumental to delivering my vision for a healthy, resilient environment, with high water-quality status and environmental standards that support biodiversity and nature recovery in a living and productive landscape that is also crucial to enhancing the health and well-being of our citizens.

I look forward to updating the Assembly when the report and action plan in its entirety receives Executive approval. I will do all that I can as Minister, but I urgently need Executive approval for key actions to deliver a cross-cutting, combined approach and interventions that are already agreed between my Department and the Infrastructure and Justice Ministers but await Executive sign-off. We have run out of time: each day that passes without the plan's being agreed by the Executive is another day lost in fixing the problems that are being beamed onto TV screens across the world.

Although it is important that we learn lessons from the past, my Lough Neagh report and action plan focuses on the future. It will enable targeted, proportionate and sustainable actions through partnership working. I am determined that it will make a difference for the better.

Mr McGlone: I thank the Minister for his statement. It is rather unfortunate, however, Minister, that you are making a statement on Lough Neagh on your own, without Executive buy-in. You announced 37 actions, 20 of which are within your remit. I understand why you had to make the statement, but can you give us any

indication of why there is no buy-in and support for the remaining 17 actions that, as you outlined, require cross-cutting and other departmental input?

Mr Muir: I thank the Member for his question. I circulated the Lough Neagh report and action plan, I received comments, I updated the report to reflect those comments, and I have heard nothing since then. I continue to engage with Executive colleagues on the report and action plan. I hope that we can agree it, because it is important that, as an Executive, we work together and deliver those actions collaboratively. A key thing that stakeholders say to me is that they want a joined-up approach. That is what I want to achieve, and that we is what we need to be able to do as part of the report and action plan. We also need to deal with cross-cutting issues, so, on waste water infrastructure, I am working closely with John O'Dowd, and I will take every opportunity, including today, to call for more funding for John O'Dowd for Northern Ireland Water and waste water infrastructure. I also need to work with the Justice Minister on the review of the sentencing framework for fines and penalties.

I believe that we can get the report agreed. It was important that I came here today to set out what we are doing on the issue, because people are despairing. They want hope that there is a plan to turn the situation around. Hopefully, I have given people a good idea of the actions that my Department has taken and my commitment to the issue. I have put my shoulder to the wheel. I am passionately committed to the issue, and I will not rest until we get the report and action plan fully agreed by the Executive so that we can make progress in turning the situation around. We owe that to the people of Northern Ireland.

Mr McAleer: I thank the Minister for his statement. Minister, in paragraph 37, you refer to the sustainable utilisation of livestock slurry project. Do you have any indication of what the main benefit of that would be to the farming community and the improvement of water quality?

Mr Muir: I thank the Member for his question. I hope to make awards for that initiative very soon. There are key benefits associated with it, because, as I outlined in the statement, we have a problem with slurry. We have too much of it, so I want to move it towards being viewed as a resource. It is the second stage of that SBRI. I regularly speak to farmers about the issue, and there is a real desire to scale up the project, so we will move at pace on that.

Hopefully, we in Northern Ireland can be leaders in delivering solutions to problems. I am keen to scale up that project, and, hopefully, in the days ahead, we will be able to make more announcements about it.

Mrs Erskine: I thank the Minister for his statement. I understand that the Minister is keen to remove the statement of regulatory principles and intent (SORPI) arrangements, following the review that was instigated by previous Ministers, Minister Poots and Nichola Mallon. The Infrastructure Committee has raised questions on the pollution incidents that have occurred as a result of NI Water overflows. The Minister said that overflows in our waterways were to a lesser extent than those from agriculture, but, technically, that is not true. In truth, we do not fully know.

In response to the Committee, the Infrastructure Minister confirmed that there were 724 storm overflows. Only 60 of those are deemed satisfactory, and only 260 have been assessed. When will the rest be reviewed, and will the Minister commit to jointly funding the event duration monitors so that we can truly monitor the overflows, which will help to arrest the pollution incidences that result from our waste water treatment works?

Mr Muir: The RePhoKUs report that I mentioned in my statement details the background to the apportionment data that we have. The report is on the AFBI website, and I encourage Members to look at it to see where the figures came from. I am happy for Members to meet the Chief Scientific Adviser in my Department, who can outline the evidence base behind it, but I am confident of the figures that I provided to the House on the sources of pollution. The key issue is that we need to address pollution. That is about investment in Northern Ireland Water and about the interventions by my Department that I have talked about.

SORPI is under review. I have been engaging with officials on that, and we will work through it over the time ahead, because it is not fit for purpose. It is not my or DAERA's role to, essentially, fund DFI and, in turn, Northern Ireland Water for event duration monitors. That is for Northern Ireland Water to take forward with its Minister. The roll-out of event duration monitors would be beneficial, and I will follow up on that with John O'Dowd.

Mr Blair: I thank the Minister for taking action when others appear to be delaying things. Does the Minister agree with requests from angling

associations and others, following recent serious fish kills, to review fines and penalties for environmental crime? Does he also agree that Executive parties and all political parties need to step up and make their position clear on fines and penalties for environmental crime?

Mr Muir: One of the key actions in the report for which I seek Executive approval is an independent review, including consultation, on the sentencing framework for environmental crime and the fines and penalties associated with it. Why is that in the report? It is because I hear that concern day and daily. It is important that we look at it, have an independent review and do a consultation. One of the concerns that I hear regularly comes from angling groups. We have had far too many fish kills in Northern Ireland, not just in recent weeks but in recent months and years, so it is important that we look at the issue and take it forward. A report that does not deal with that issue does not have credibility with me or the public.

An independent review of the issues is a constructive way forward. That review will deal with the relationship between fines and penalties through the criminal justice system and with cross-compliance penalties. We will consider that. I understand the issue. We need to carry out an independent review of the issue. We need to consult on it and consider it. Many people, including me, are not content with the current situation, so let us try to address it.

12.30 pm

Mr Elliott: I thank the Minister for the statement and for briefing the Deputy Chair of the Committee and me this morning. The Minister mentioned the setting up of an enforcement task force. Given previous experience, that will be seen as a farmer-bashing mechanism. What assurance can he give us that that will not be the case?

Mr Muir: That is a false assertion, and I reject it. That is not what I am about; I am about working with farmers and everyone here to turn the situation around.

It is important that we have resources around enforcement. It is key that the Northern Ireland Environment Agency has the ability to investigate alleged breaches. We are also investing in education, incentivisation and regulation. The Finance Minister and I are doing significant work on the future agriculture budget. We need to assist farmers in the just transition that we are heading towards. That is what we are doing.

It is not fair to categorise the task force as the Member did. It does great injustice to the overwhelming majority of farmers, who do a good job, abide by the law and are good custodians of the countryside. It is important that I say that. It is important that people do not misrepresent all farmers with their comments.

Miss Brogan: Gabhaim buíochas leis an Aire fosta. [*Translation: I too thank the Minister.*] I thank the Minister for his statement. It is welcome to see the developments regarding Lough Neagh; we know how important it is for the people around the lough.

On 22 April this year, my colleague Declan Kearney wrote to the Minister to ask him to meet the eel fishermen who have been and continue to be devastated by the effects of algae bloom on Lough Neagh. Will the Minister indicate when that meeting will take place and whether his plan will include support schemes for fishermen directly impacted by the algae bloom?

Mr Muir: I thank the Member for her question. I will have to check my diary to see when that meeting is. If we need to move it forward, we will see whether we can do that. Hopefully, it will be in the near future, because I understand the importance of it.

We are limited in relation to grant support schemes within the current vires of my Department. I will continue to engage with people, because many people are affected. I am also limited by the budget that we have and the other challenges that we have around the issues. Let us have that meeting and engage on the issues to see whether we can find a way forward.

Ms Mulholland: Thank you, Minister, for your thorough statement. Will you outline further what your engagement with the Earl of Shaftesbury has been to date on the ownership of Lough Neagh? What exactly is holding up the long-awaited Lough Neagh action plan?

Mr Muir: I thank the Member for her question. I met the Earl of Shaftesbury, contrary to reports from others, on 21 February this year, and I will meet him later this month. I look forward to that engagement. It is important that we engage on the issue, particularly further to his comments.

Frankly, folks, I am in the dark about what is holding up the action plan. I received an email from a DUP Westminster election candidate that states:

"Good afternoon, Minister.

I am disappointed to learn that a 30-point plan for addressing the problem with pollution at Lough Neagh has not been progressed. I would be grateful if an update on what is happening with this situation could be provided, including the steps being taken forward to get this moving forward."

I recommend that he speak to his party leader.

Mrs Dillon: I thank the Minister for the statement. As a resident who lives close to the shores of Lough Neagh in the beautiful area of Washing Bay, this issue is really close to my heart. You rightly focused heavily on the issue of agricultural discharge. We also saw a shocking BBC exposé of the hundreds of environmental breaches by Moy Park. Does your plan include details of regulations and penalties for companies and corporations that contribute to the polluting of the lough?

Mr Muir: That issue is important. Those reports were concerning not just for me but for many people. We are looking at the issue of cumulative breaches. It was stated to me that that is among the issues that we should address. We are actively looking at that.

Mr Swann: I thank the Minister for his detailed statement. I know how passionate he is about the subject and how many times he has brought it to the Executive.

With regard to fines and penalties, the Supreme Court has just ruled that water companies can be sued for nuisance and trespass for dumping sewage, even if there has been no negligence or deliberate misconduct by the company. Will the Minister study that ruling by the Supreme Court and see how applicable it is to Northern Ireland, especially with regard to Northern Ireland Water and the Department of Infrastructure?

Mr Muir: I thank the Member for his question, and I will follow that up because it would be useful to know that. As I outlined to Deborah, we are actively looking at the governance of Northern Ireland Water and the SORPI. In the context of the report, it is important that I, as Minister, send out the message that we will focus on all sources of pollution. This is focused not just on agriculture but on waste water infrastructure, septic tanks and industry. Everything will be looked at, which is why we are working with the Northern Ireland Environment Agency on the SORPI and on how we regulate Northern Ireland Water. It is very

important that we do that, so I will follow up on your point and thank you for raising it.

Mr McMurray: Thank you to the Minister. How does the report deal with NI Water and waste water infrastructure?

Mr Muir: That is one of the cross-cutting actions that falls to the Department for Infrastructure. Hopefully, when we get the report agreed we can outline that in full. The key impediment is funding. The need to fund Northern Ireland Water was discussed yesterday at the Executive, and it is something on which I continue to engage with Minister O'Dowd.

Ms Á Murphy: I thank the Minister for his statement this afternoon. Given that blue-green algae is an all-island issue, what cooperation has he had with his colleagues in the South?

Mr Muir: Thank you very much. These issues have been discussed widely in the North/South Ministerial Council. There are great opportunities. As I have said, I will be going down South to see the ASSAP. I am really keen to step this up and get the report published, and then we can work with our colleagues in the South to see what more we can do.

To be fair, lots of reports have come out recently and there have been lots of initiatives in the South. They have made really good progress, so I want to garner that knowledge and see how we can use it. Good work is already being done on science and research, which is key. We need science and research to know where we are at the moment and to evaluate the progress that we need to achieve.

Mr Tennyson: I thank the Minister for his statement outlining the actions that his Department has taken, even in the absence of wider Executive agreement. Minister, you mentioned discussions that are happening with the Department of Finance and the UK Government on the future agriculture budget: will you provide an update on those discussions?

Mr Muir: I have had very productive discussions with the Finance Minister on that. We are on the same page and intend to make joint representations to the UK Government on that. There have been further developments in formulating our engagement. Obviously, there will be new Ministers on Friday, no matter what party is returned to government. It is important that we support our farmers and agriculture in Northern Ireland. A key element of that is

enabling them to achieve a just transition, and part of that is the funding that we provide to assist with that.

I am on the side of farmers, and the Finance Minister and I are working together to ensure that they can be properly funded and assisted in the work that they do. That shows the benefit of Ministers working together to deliver for everyone in Northern Ireland.

Mr Dickson: Thank you, Minister, for your statement. Last Friday, the editorial in the 'News Letter' said:

"Stormont was right to note the 'biodiversity and ecological breakdown' in Lough Neagh".

Yet it went on to say that the soil nutrient health scheme, which you referred to today, is being opposed by the DUP. Would you like to comment on that editorial?

Mr Muir: I read the editorial of the 'News Letter' on Friday. It ended by stating:

"There is no inconsistency in adopting those pro farming stances while also saying that any business of any description that has, even if just through negligence rather than with intent, played a major part in the pollution of Lough Neagh must know that it will face severe fines – and it must know that soon, so that this huge environmental problem can ... be alleviated."

That is what the editorial of the 'News Letter' said on Friday.

I value all opinions on the matter. It is clear that there is a strong public will to address the issues. That is what the 'News Letter' says about the enforcement piece, and that is an important contribution. However, my heart, soul and passion are about ensuring that such pollution incidents do not occur in the first place. How do we do that? We do it through education, engagement, incentivisation and regulation. Resorting to enforcement is a sign of failure. Let us get the report agreed and get a balanced approach. There is nothing to fear from the report and everything to gain.

Mr Irwin: I thank the Minister for his statement. I welcome that, in paragraph 42, he states:

"It is both unfair and wrong to castigate farmers as part of some sort of entirely unproductive and divisive blame game."

The vast majority of farmers want to play their part in reducing pollution in Lough Neagh and the benefits of that. As the Minister said, there are new technologies that can make a big difference to slurry and manures. Will the Minister give an undertaking that he will try to get funding through the Executive to ensure that those new technologies can be brought forward?

Mr Muir: Yes, 100%. I agree entirely with every word that the Member has said. We need to get funding to assist farmers to make changes. The overwhelming majority are doing a good job. We are talking about enforcement for those who contravene the law. We need to assist farmers in the journey ahead. I stand with them. That is why I am working with the Finance Minister on representations to the UK Government to get funding for technologies to achieve the transition. Earlier today, we talked to the Chair and Deputy Chair about the available technologies and the need to roll them out much faster because I have seen a real thirst for change.

A journey has already been undertaken in agriculture. I want to support people on that journey. We need to go fast, and we need to change. I understand that the pace and scale of change is significant for people. I understand the nervousness and concern around that. Part of today's statement is to address that, so that people understand that I am on their side.

We are focused on change. None of us wants to see the scenes that we have seen in Lough Neagh reoccurring. Let us get it fixed. Let us work together on the issues and get the report and action plan agreed. It could not be agreed yesterday, but let us get it agreed next week and let us move on to deliver for the people of Northern Ireland.

Mr Brett: I thank the Minister for his statement and for reading out representations from the Democratic Unionist Party. I hope that his party leader is as open about representations that she has received when she is dragged before the House this afternoon.

Turning to the issue at hand, does the Minister share my surprise about the opposition from some quarters of the Executive and from the official Opposition to the £1.6 million allocated from the Budget to cleaning up this important issue?

Mr Muir: I will not respond to the comment about my party leader, for whom I have the

greatest respect and who is acting entirely in line with her legal responsibilities on that issue.

It is important that we fund all interventions on Lough Neagh. It is disappointing that not everyone in the Executive was able to support the funding requirements for Lough Neagh as part of the Budget process. In this place, we are good at telling everyone what the problem is. We need to focus on coming together and turning the situation around. If people have found it difficult to support what is in the report, hopefully today will bring them a bit closer to being able to say that the report provides a balanced approach that works with people to turn the situation around. The ultimate measure of achievement will be us being able to say at the end of the mandate that we were able not only to turn the environmental situation round but to give hope and confidence to the agricultural community in Northern Ireland. I think that we can do that, because I see that in the farming community in Northern Ireland. Let us put aside our particular views, focus on solutions and resolve the situation.

Mr McGuigan: I welcome the statement and the Minister's commitment to solving the issue. In the section of his statement about the small business research initiative, the Minister indicated that, so far, 44 individuals or companies had come forward to offer solutions. I would be interested to hear from the Minister or the Department about how any of those solutions are being taken forward or whether any of them will make a significant impact on the problem.

12.45 pm

Mr Muir: A wide mix of suggestions has come through, and officials will work through those suggestions. It is important that we allow that process to be undertaken. The Committee will be aware of some that have come through. Some may have more merit than others, and it is important that we evaluate those. It is also important to put it on the record that there are no quick fixes. We need to go to the fundamental causes of this rather than the initiatives that are about dealing with the outcome of the problem.

Mr McNulty: Minister, one of my earliest formative memories is of sitting in a kitchen on the Crumlin Road in Glenavy, eating Lough Neagh eel freshly cooked off the frying pan. It is a special memory for me, doing that with my dear Auntie Rita — God rest her soul — and my Uncle Barney. To what extent, Minister, do you take responsibility for protecting the Lough

Neagh eel, which is a delicacy in France and elsewhere across Europe? Have you met the fishermen whose livelihoods depend on the Lough Neagh eel?

Mr Muir: I have engaged with a range of stakeholders and will engage with them going forward, and I am aware of the concerns that you have raised. I have also been invited to a Lough Neagh eel supper, and I look forward to taking up that invitation. I have been told that it is something to be enjoyed, and I look forward to attending that.

Mr Speaker: That concludes questions on the statement.

Mr Dickson: On a point of order, Mr Speaker. In the previous round of questions, a Member said that a Minister had been "dragged" into the House. Can you rule on whether, when the rules of the House provide for a Minister to be called to the House to answer questions on a topical subject, the word "dragged" is inappropriate and contrary to Standing Orders?

Mr Speaker: I am not aware that it is contrary to Standing Orders. Whether the Member should have used that terminology is a matter for the Member, but it is certainly not outwith what will be in Erskine May. We will move on to the next item of business.

Executive Committee Business

Insolvency (Monetary Limits) (Amendment) Order (Northern Ireland) 2024

**Mr C Murphy (The Minister for the
Economy):** I beg to move

*That the draft Insolvency (Monetary Limits)
(Amendment) Order (Northern Ireland) 2024 be
approved.*

Mr Speaker: The Business Committee has agreed that there should be no time limit on the debate. I call the Minister to open the debate on the motion.

Mr C Murphy: I seek the Assembly's approval for the draft Insolvency (Monetary Limits) (Amendment) Order (Northern Ireland) 2024. The order increases three of the monetary limits for access to my Department's debt relief scheme. The scheme was set up in 2011 and assists some of the most vulnerable people to obtain relief from problem debt. It is based on a similar scheme that operates in England and Wales, and it is administered by my Department's Insolvency Service in partnership with debt advice charities. It gives individuals who are burdened with relatively low levels of debt and have few assets the opportunity to obtain relief from those debts.

The scheme is not administered through the courts, as is the case for other insolvency procedures. Instead, application to the scheme is through an approved debt adviser working in the charitable sector. If all the eligibility conditions are met, the official receiver, who is an official in the Insolvency Service, makes a debt relief order. That order protects the individual from action by their creditors for a one-year period, at the end of which their liability to pay the debts listed in the order is fully extinguished.

The scheme is not intended for those who have accumulated substantial debt, nor is it for those who possess significant assets and could afford to make payments to the creditors. Therefore, it is important that it has clearly defined monetary limits for those who wish to access it. There are three such limits provided for in the order. They are that the total amount of an individual's debts, the total value of their assets and their surplus monthly income must not exceed specified amounts.

The order increases the limit on total debt from £20,000 to £50,000, the limit on total assets from £1,000 to £2,000 and the limit on surplus monthly income from £50 to £75. There is a fourth monetary limit that is not included in the order, and that limit relates to the value of a motor car owned by an individual who is seeking to access the scheme. A vehicle for domestic use is not counted as an asset if its value does not exceed a prescribed amount. As the legislation by which that amount is prescribed is enshrined in regulations that relate to court procedure, it can be amended only by the Department of Justice. Accordingly, my officials are liaising with their counterparts in that Department to make the necessary changes to the legislation.

One final amendment to the scheme relates to the application fee. Until recently, anyone applying for a debt relief order had to pay a £90 fee to the Department.

While, to many, the fee will appear modest, it has proved a significant impediment to many individuals on a low income in seeking debt relief. I have therefore also approved the removal of the application fee from the Department's scheme, and that came into effect from 17 June 2024. That means that applications to the scheme can now be made completely free of charge.

The increases brought about by the order and the removal of the application fee will have a significant impact on the ability of those in financial difficulties to free themselves from problem debt. The order will allow more people to access my Department's debt relief scheme, in particular those on a low income with no means of repaying their debts and who are most in need of assistance. It will allow them to make a fresh start, free from the consequences of living under a debt burden.

The order that Members are being asked to approve has been agreed with the Committee for the Economy. In conclusion, I believe that it should now be approved by the Assembly.

Mr Brett (The Chairperson of the Committee for the Economy): I thank the Minister again for his engagement up until now. It has been a busy day for him in the House. As I said to him earlier, it is almost as if he wants to keep me out of my constituency today.

I speak as Chairperson of the Committee for the Economy. As the Minister indicated, the House is aware that the Department's debt relief scheme is aimed at providing relief to individuals with relatively low levels of debt, few

assets and limited income. There are prescribed monetary limits that individuals must meet if they are to be eligible to apply to the scheme. The rule, coupled with the recent and timely decision of the Minister to remove the £90 application fee, will make the scheme much more accessible. Accordingly, it is understood that a further rule will be needed in order to increase the value of the car that a debtor can own to £4,000. All the measures are welcome and will bring us in line with other parts of the United Kingdom, namely England and Wales.

The Committee considered the rule on 12 June 2024 and noted later that the Examiner of Statutory Rules had no concerns about the regulations.

The Committee reviewed the consultation on related matters, noting that many users of the scheme are women with dependants. Members felt that the changes embodied in the order are welcome and will provide a more inclusive option for debt relief. The Committee therefore indicated that it was content for the order to be affirmed by the Assembly. As Chair of the Committee, I recommend that all Members support the Minister in his endeavours here this afternoon.

Mr McGuigan: As we have just heard, the purpose of the change is to increase the prescribed amounts of overall indebtedness to £50,000, the monthly surplus income to £75 and the total value of property that a debtor can own to £2,000. It is also the intention to remove the application fee, which is currently set at £90.

I thank the Minister and the Committee Chair for outlining the detail of the amendment order, along with the rationale for it. It is not my intention to elaborate, but I acknowledge the importance of providing support for people who experience problem debt. I recognise the contribution that the changes will make to people on low income with low levels of debt and limited assets by widening access to debt relief orders and ensuring that more people can make a fresh start, free from debt.

I also thank Advice NI for the briefing that it provided to the Committee on the issue and for the work that, with others, it does in offering advice and support to people navigating their way out of debt. It is a welcome change, and I am content to support it.

Mr C Murphy: I thank those who contributed to the debate. I particularly thank the Chair and members of the Committee for their scrutiny of the draft order and support for it. Philip

McGuigan makes important points about the support that we need to provide for people who find themselves in problem debt and about the work that charities and other organisations do in that regard. I am glad that the order is providing some level of assistance by moving us in the right direction after a gap of some time during which we should have been moving on such issues. I commend the motion to the House.

Question put and agreed to.

Resolved:

That the draft Insolvency (Monetary Limits) (Amendment) Order (Northern Ireland) 2024 be approved.

Defective Premises Bill: Final Stage

Mr Lyons (The Minister for Communities): I beg to move

That the Defective Premises Bill [NIA Bill 03/22-27] do now pass.

Mr Speaker: The Business Committee has agreed that there should be no time limit on the debate.

Mr Lyons: I begin by thanking the Executive, the Committee for Communities and Members for their cross-party support for this important Bill at all stages of its progress under the accelerated passage procedure. I welcome the final opportunity to explain why I am pleased to have progressed this vital legislation with urgency for the benefit of all Northern Ireland citizens. I should also like to address some of the concerns raised by local industry. The ultimate driver for the Bill is my firm belief in the principle that our citizens should have the same legal protections in respect of defective premises as their counterparts elsewhere in the United Kingdom.

The Bill will amend the Defective Premises (Northern Ireland) Order 1975 and the Limitation (Northern Ireland) Order 1989 and will extend the duty to cover works done in relation to an existing building. The Bill will amend the Limitation Order in respect of the time periods in which action may be taken in Northern Ireland when defects occur in dwellings or in buildings that contain dwellings. It will extend the limitation period in which legal action may be brought from the current six years to 15 years prospectively and to 30 years retrospectively.

The proposed legislation is intended to capture cases brought using the Defective Premises Order that are ongoing, including those that are under appeal. The Bill ensures that citizens in Northern Ireland are afforded the same opportunity as those in England and Wales to address defects that have caused their homes to be uninhabitable. The Executive recognised the urgent need to address the disparity that currently exists and close the gap between the privileges enjoyed in England and Wales and those afforded to our citizens. It was for that reason that I undertook to introduce the legislation at the earliest possible opportunity and requested accelerated passage.

I am aware, as are other Members, of the concerns raised by the local construction industry about the potential impact of the Bill. It is important to note that this legislation is only a small part of a much wider suite of legislation that my officials are working on that will further match the protection provided to citizens in England and Wales under the Building Safety Act 2022. That will reduce even further the disparity between here and other jurisdictions with regard to residential building safety and will ultimately further strengthen and support the protections available to Northern Ireland's citizens.

While the urgency demanded by the legislation did not permit extensive engagement across industry, I assure Members that my officials will engage comprehensively with all relevant stakeholders on the much larger body of work associated with residential building safety. In bringing the Bill forward, I have carefully considered the representations made by industry practitioners and weighed them against the potential human cost to owners of defective premises in terms of financial hardship, mental anguish and the potential to prevent loss of life.

The legislation is not being introduced with the intention of targeting an industry but with the ultimate aim of protecting homeowners in the rare instances where things go wrong. By way of example, the ongoing High Court case has highlighted the fact that the costs associated with defective premises can and, indeed, have run into the many millions of pounds. The overall cost, of course, does not take into account any detrimental impact on the owner's health and well-being. Additionally, we are all too aware, as a result of the Grenfell Tower tragedy, of the potential risk to human life when it goes disastrously wrong.

To put the potential impact of the Bill on the construction industry into perspective, it should be said that, on the whole, the Northern Ireland

construction industry is hallmarked by its resilience and the quality of the work that it delivers. As a consequence, situations as highlighted by the current High Court case are, thankfully, the exception. In fact, in Northern Ireland, there have been only three cases in the nearly 50 years of the legislation being in place that cite the 1975 Order. Simply put, claims arising as a result of homes becoming uninhabitable under defective premises legislation are rare indeed, not because the existing legislation is irrelevant or there is only a six-year liability period but rather, I would suggest, because of the quality of the local construction industry and that of our design professionals. That is evidenced by the fact that we simply do not frequently see homes being deemed uninhabitable in Northern Ireland.

1.00 pm

In lieu of extensive engagement at this stage, in order to determine how the Bill might impact on our local construction industry, my officials have looked to England and Wales, as the same provisions have been in effect there for two years. Indeed, many of our local industry's construction professionals have been operating for the past two years across jurisdictions under those provisions. Whilst I am aware that this legislation is likely to impact on the cost of insurance products, such as professional indemnity for designers, I also understand that the industry in England and Wales has been adapting to those challenges for the past two years. However, I stress that there has been no evidence in England and Wales of a significant increase in claims arising under the new legislation during that time.

Given that claims are so infrequent, my officials have been liaising with their counterparts in the UK and have begun work to prevent insurance companies unfairly profiteering from construction professionals as a result of the legislation, in much the same way as they have done to protect residents of high-rise buildings from extortionate insurance costs while their buildings are being remediated from unsafe cladding. My officials will continue to maintain close liaison with colleagues in other jurisdictions to monitor that position.

I suggest that any increase in costs or the challenge to our construction industry must be considered and measured in the context of costs and suffering that have already been borne by some of our citizens and the cost and pain and potential loss of life that the legislation will help to prevent. The Bill represents an important first stage of a wider substantive piece of work to create a new building safety

environment in Northern Ireland, and that will, of course, be subject to extensive and formal consultation. Subject to the Assembly passing the Bill today, it will come into effect on the day after Royal Assent. It will address the unfair disparity in legal protections that currently exists regarding defective premises in Northern Ireland. I hope that all parties can give the Bill their full support today, and I commend it to the Assembly.

Mr McCrossan: As I have stated at the Bill's various stages, accelerated passage is not the proper way to do business in the House. It has led to concerns being raised, concerns that I raised at the Committee for Communities. They were thrashed out between members and across the House in recent weeks. It would have added to the Bill and reassurance would certainly have been provided had we had a Committee Stage to ensure due scrutiny of the Bill. That said, the Minister and the Department were adamant about proceeding on the basis of accelerated passage to ensure alignment with the rest of the UK.

Concerns have been raised, and the Royal Society of Ulster Architects (RSUA), as one of the witnesses that attended the Committee, has been vocal about its concerns about the legislation. Just this week, it outlined four areas in correspondence to me and other Members across the House. Its concerns are:

- "1. Hundreds of NI homeowners seeking to claim under the Cladding Safety Scheme are likely to be disadvantaged if the Defective Premises Bill passes.*
- 2. Passing the Defective Premises Bill will not mean that the people of Northern Ireland will be afforded the same protections as those in England under the Building Safety Act 2022.*
- 3. The Department for Communities has been on the go-slow in answering questions relating to the Defective Premises Bill. As a result, MLAs are being asked to pass a law without robust information on its consequences.*
- 4. The Department for Communities has demonstrated a fundamental misunderstanding of the implications of retrospectively extending the liability period to 30 years for claims under the Defective Premises Order."*

It goes on. In correspondence to me and other MLAs, they say that they have written to the Department on a number of occasions and that the responses from the Department were slow or non-existent; in fact, its most recent concerns will not be addressed until the Bill passes.

Therefore, I am a bit concerned about whether the Minister has taken on board the concerns that are shared by various stakeholders.

The Minister has cited a number of bodies in the construction industry that the Department is engaging with, but the Royal Society of Ulster Architects has been very, very vocal in its concerns. I am keen to know from the Minister whether he will update the House on what engagement he has had with it, whether he has taken on board its concerns and why it is not going to receive a response to its legitimate concerns until after the Bill is voted on today. That is a concern for me and other Members.

Indeed, the Minister and the House will be conscious that I tried to table an amendment to provide further protection for people whose homes are affected by mica, pyrite, RAAC or any defective material that would render their homes unsafe and prevent their being able to live in them. It is a scourge that is causing huge stress across the island of Ireland, particularly in border counties around Donegal. A key question for the Minister, following what he said in the House during the debate on a previous stage of the Bill, is this: if someone whose home is 15 years old and crumbling with mica comes forward to the Department, are they protected under the legislation? What protections do they have under it? From what I gathered from the Minister previously, he and the Department feel that those who are affected are adequately protected. I would like strong reassurance from the Minister on that. With all due respect, I think that he understands that it is a serious issue and that anyone who is currently affected is in a very stressful situation.

I believe that we are about to see only the tip of the iceberg. Constituencies across Northern Ireland and areas across the border are badly affected. It makes no sense that homes across West Tyrone — in places like Castlederg, Killeter, Aghyaran and Strabane — to Derry and Fermanagh and South Tyrone would not be affected by those defective materials when the homes of many thousands of people have been destroyed by them just a few short miles over the border. The border is free-flowing. It does not really exist in practical terms for me and others who live in the areas along it. I am clear that we will see a significant number of homes in my and neighbouring constituencies affected or potentially affected when the effects of those defective materials become obvious in the not-too-distant future. I seek reassurance from the Minister on that as well.

It is important that the Minister outline the exact engagement that his Department has had with

stakeholders. Certainly, the main criticism that I am receiving in my inbox and to my office — as, I know, other MLAs are — is that there has been minimal engagement, concerns have not been listened to and little reassurance has been given about the potential impact of the legislation or its unintended consequences. I seek those reassurances and updates from the Minister.

Ms Ferguson: I welcome the opportunity to speak on the Final Stage of the Defective Premises Bill, which aims to reform the limitation period for claims relating to defective premises. First, I emphasise that our party's support for the case for reform is focused on addressing existing legislative disparities that face citizens here in order to support affected residents who seek legal redress. We acknowledge that the use of accelerated passage should be rare and that the development of legislation should be advanced using the full, formal scrutiny process.

All people have the right to feel safe in their home. We have a collective duty to ensure that absolutely no one is left behind in that respect. As an Assembly, we must make sustained improvements to building safety and standards. As with debates on the previous stages of the Bill over the past couple of weeks, we reiterate that we are working off assurances from the Minister and the Department that they have recognised the importance of proactive consultation with residents, industry experts, building managers and public-sector clients. Once again, we affirm the need for the development of much wider legislation on building safety in the North to deliver only the highest standards of residential safety, responsibility and accountability during the design, construction, completion and occupation of buildings.

Mr Kingston: As a member of the Communities Committee, along with my colleague Maurice Bradley, I welcome that we have reached the Final Stage of the Defective Premises Bill. We are all too aware of the desire to establish parity with the rest of the United Kingdom on the matter. I commend the Minister for Communities for taking responsibility for the matter and introducing this short Bill, and all parties for accepting and supporting the use of accelerated passage for the Bill. The Bill will change the period of liability for defective premises in Northern Ireland from just six years to 15 years prospectively and 30 years retrospectively. We have heard concerns from some relevant bodies that represent elements of the construction industry, but we are satisfied that the short Bill is appropriate

with regard to public needs and fairness. In due course, as the Minister has said, we will need a wider package of legislation in Northern Ireland, similar to the Building Safety Act 2022 in England and Wales, but, for now, it is right that the Minister has enabled us to address establishing parity on the period of liability through this short Bill.

Ms Mulholland: I thank the Minister. I welcome the opportunity to speak on the Defective Premises Bill during its Final Stage. The principle of parity is what has driven us from the get-go, so I welcome the opportunity for owners, tenants and residents of homes here in Northern Ireland to be afforded the same rights as tenants and owners in England and Wales. I echo the Minister's acknowledgement of the quality of our construction industry and design professionals. That has not been much of an issue until this point.

What I took most comfort from in your statement, Minister, was your acknowledgement of the need for a wider, substantive piece of work around our building and construction industry. Protections within the sector to ensure that safe and fit-for-purpose homes are built and lived in are essential. Myself and other members of the Committee have echoed the need for something more thorough and substantive that mirrors the Building Safety Act 2022 in England. I welcome the engagement of the Minister and his officials with me and other members regarding concerns that we have had, but I would like the Minister to outline the engagement that he has had with stakeholders. The Committee has been involved in a substantial amount of communication in that regard, so it would be good to get a wee bit of an outline on that. I welcome the fact that we are, once again, bringing our tenants and owners in line with those in England and Wales.

Mr Allen: I, too, thank the Minister and his officials for the manner in which they have engaged with all Members on this important piece of legislation. The Minister and other Members have outlined the importance of the legislation, so I do not intend to rehearse that. Clearly, as highlighted by the Member opposite, my Committee colleague Mr McCrossan, there are those who have significant concerns with the Bill. Those concerns have been highlighted by him, so I do not intend to restate them. However, I would like to hear from the Minister on the Department's position on that and on the engagement that it has had with those stakeholders to allay their concerns.

I would also like a commitment that the Department will continue to monitor and observe. It is not always the case that we want to take things forward by accelerated passage, but there can be exceptional circumstances at certain times, as there are now, when we need to avail ourselves of the mechanism. It was the will of the House to take this piece of legislation forward by that mechanism. However, it is important that the Department does not stop in its duty. I am not suggesting that that is the case, but it is important that it continues to monitor and evaluate any piece of legislation. I am interested to hear from the Minister on how he intends to ensure that his officials and Department monitor the legislation as it is implemented and make sure that there are no unforeseen, unintended consequences impacting on the wider sector.

Finally, I am keen to hear from the Minister on the time frame for what he will do, because it had been suggested that it might be the next mandate before we see the further piece of important work on building safety. What is he doing to ensure that that will come forward a bit quicker?

1.15 pm

Mr O'Toole: Notwithstanding the preference for full Committee scrutiny that my colleague Daniel McCrossan outlined and, indeed, acknowledging the wish for key stakeholders to have ongoing engagement with the Department on the implementation of the legislation and the broader building safety agenda, I welcome the fact that the Minister has moved with speed on the issue. I have an interest in the policy area. The case of Victoria Square, which is in my constituency, was brought to the attention of the House and, indeed, broader society in Northern Ireland. Of course, the legislation is designed to be much broader than that and will address the anomaly that arose in the Defective Premises Order for property owners in Northern Ireland.

I welcome the fact that the Minister took responsibility when we came back. There was some initial — it was not quite a dispute — discussion about where departmental responsibility lay. One of the complaints that we often make about the devolved Departments is their silo mentality: in this instance, there was a relatively constructive and productive move towards one Department taking responsibility and bringing forward the legislation, which I welcome. I echo what others said: I hope that this is the beginning rather than the end of a conversation and a programme of reform around building safety that includes other Departments, most notably the Department of

Finance, where part of the policy for building regulations sits, and the AERA Department.

In a post-Grenfell and, indeed, a post-mica and post-pyrite age — we are not actually post mica and post pyrite, as Daniel McCrossan rightly said; we are still uncovering the depth of that — homeowners and, indeed, people who rent will expect us to be as front-footed and ambitious as we can be in what we do to address the issue of defective premises.

Notwithstanding the fact that I want to see more post-legislative engagement, I welcome the fact that the legislation has been brought forward by the Minister. I missed the beginning of his remarks — business is moving quickly — but I hope that he is able to confirm that homeowners whose cases are under appeal will be able to benefit from the legislation. More broadly, I hope that this is a signal to people that the Assembly takes seriously the question of building safety. This has to be the beginning rather than the end of that process. As Daniel McCrossan said, there now has to be a process of detailed consultation with affected stakeholders on the broader building safety programme. With that, I conclude my remarks.

Mr Lyons: I thank everyone who has contributed to the important debates at each stage of the Bill's passage through the Assembly. I have listened carefully and will take the opportunity to respond to a number of the points that have been made.

First, I have to take issue with the first thing that Mr McCrossan said. He said:

"accelerated passage is not the proper way to do business".

It is certainly not improper for us to do this in this way. Standing Orders provide for legislation to be taken through in certain circumstances. As I have said in the Chamber before, I agree that it is not always the ideal way or the preferred way to do business, but I strongly argue against the Member's remark that it is not a proper way to do business.

I thank Mr McCrossan, however, for bringing to the attention of the House some of the comments that have been made by the RSUA, and it is important that we address those today. The first issue that the Member raised was the potential disadvantage to citizens in Northern Ireland when it comes to the cladding safety scheme. It is important to note that the cladding safety scheme is the same scheme as is offered in England. There is no evidence to suggest that applicants to the cladding safety

scheme in England have been disadvantaged by the introduction of the corresponding legislation in England. There is no evidence locally to suggest that residents of affected buildings will be disadvantaged in Northern Ireland, because the cladding safety scheme rightly requires applicants to demonstrate that they have exhausted potential avenues for redress, including through insurance companies, developers or builders, prior to being granted access to funding. The legislation helps to ensure that those avenues are appropriately explored and exhausted before grant funding is made available to applicants. That will make sure that public money is not used to remediate buildings in cases where a private organisation should be liable and accountable.

Secondly, the Member made the point that we will not be afforded the same protections as those in England under the Building Safety Act 2022. The Bill introduces the same liability period, prospectively and retrospectively, as currently exists in England and Wales. That will ensure that our citizens are afforded the same protections as their counterparts. It is important, however, that we note that the legislation is only a small part of a much wider suite of legislation on which my officials are currently working that will further match the protections provided to citizens in England and Wales under the Building Safety Act 2022. That will further reduce the disparity that exists.

Comments were made about how the Department has responded to those who are interested and the engagement process overall. We talked about that at previous stages, but I am happy to outline to Members the fact that the Department has engaged, albeit not always at ministerial level, with the following stakeholders: the Office for Product Safety and Standards; UK Finance; the RSUA; the Committee for Communities; the Attorney General for Northern Ireland; the Department for Levelling Up, Housing and Communities (DHLUC) and Departments in other jurisdictions; the Building Safety Regulator; residents and residents' groups; practitioners and industry professionals; the Office of the Legislative Counsel; the Departmental Solicitor's Office; and Ulster Garden Villages.

I am also aware that RSUA representatives appeared in front of the Committee, and, as I said, my officials met them about the concerns they raised. In February, prior to introducing the legislation, officials invited all interested stakeholders in the industry to an event where they stated that the future legislation would closely mirror the Building Safety Act 2022;

indeed, industry officials expressed a desire to see parity, because they work across different jurisdictions. That engagement has taken place, but, importantly, when further aspects of the Building Safety Act are brought in here through the further work my Department intends to do, there will be close engagement with the industry at official and ministerial level. I hope that that goes some way to addressing the concerns that Mr Allen also raised.

The other issue that the Member for West Tyrone raised was the idea that there is a fundamental misunderstanding among MLAs or those in my Department about what the legislation does. I hope that, through a number of debates, I have made it clear that we all have an understanding of exactly what it is for and what we are trying to do.

The Member raised another issue about defective materials. I stand by what I said at Consideration Stage. I do not intend to go over that all again, but I confirm to the Member that the legislation provides opportunities for homeowners to seek redress from any workperson who has taken on work for or in connection with the provision of a dwelling or the carrying-out of major work on a dwelling that is subsequently deemed to be uninhabitable due to poor workmanship or poor building materials. That does not change what is in the existing Order that I quoted in the previous debates.

Mr McCrossan: I thank the Minister for giving way and providing that clarification. Minister, in the hypothetical context in which Matthew O'Toole has a house in Tyrone — he does not, by the way — that has mica in it and, say, it is 15 years since it was constructed and the contractor has gone bust, what support or redress is there for the affected person in that situation? Ultimately, that is what we will face. A lot of contractors that build houses or estates will not be there. What support is there in the legislation for the likes of Matthew or others who are affected as a result of mica 15 years down the line? Will the legislation provide protection?

Mr Lyons: I am happy for the leader of the Opposition to make an intervention if he needs to declare an interest at this point.

I can confirm that the Bill does not amend the scope of the original duties set out in the 1975 Order. Nothing in the Bill would prevent a builder or designer from taking a separate action under contract law against a supplier or manufacturer that has provided defective products. I am not able to make a judgement on

individual cases that the Member brings up, even if they are hypothetical. I simply set out what the legislation will do, and I hope that that will bring the Member some comfort and that there is an understanding of why the amendment that he proposed was not made. We did not believe that it added anything to the Bill. The protection that he is looking for is already in there, because it is not just about poor workmanship, as poor building materials also fall under the legislation.

I think that I have addressed most of the other issues that were raised. I welcome the support of the Deputy Chair of the Committee and Mr Kingston for the Bill, and I agree with Ms Mulholland that there is a wider piece of work to be done. There will be continued engagement, and I fully agree with what she said about its importance.

On Mr O'Toole's remarks, he was not in the Chamber when I said it, but I am happy to repeat that the legislation is intended to capture ongoing cases brought using the Defective Premises Order, including cases that are under appeal.

Mr McNulty: Will the Minister give way?

Mr Lyons: Yes, I will give way to the Member.

Mr McNulty: Minister, how do you propose that professional firms — architects — deal with fighting legal cases potentially from 20-plus years ago, when records were not kept in the manner that they are now? What about the fearfulness of older architects especially — those who are close to retirement — about the potential implications for their businesses and families?

Mr Lyons: As we have already outlined, the Defective Premises Order sets a high bar for plaintiffs wishing to pursue an action. They must show not only that there is a defect but that the defect has rendered the dwelling uninhabitable. They must also demonstrate to the court that the architect in question has contributed to the property's being uninhabitable. A defendant may, of course, produce evidence to rebut any such claims.

My officials have been able to find only three cases in the past 48 years in Northern Ireland in which the plaintiff cited the 1975 Order, none of which involved an architect. Further afield, four cases in England and Wales were identified that cited the Defective Premises Act 1972. In one of those cases, an architect was found to be liable, owing to a failure to satisfy the

conditions of the contract on ensuring the quality of the builder's work. I hope that that addresses the Member's point.

As I said in my opening remarks, the Bill acts as an important first stage in a wider, substantive piece of work to create a new residential building safety environment in Northern Ireland. I look forward to bringing that important work to the House in due course. The Bill will address the unfair disparity in legal protections regarding defective premises in Northern Ireland.

Finally, I thank everyone involved for their time and effort in progressing the Bill. Mr O'Toole said that we in this place are sometimes accused of having a silo mentality: over the past months, through this work, that silo mentality has not been on display. The existing disparity was brought to our attention, and that could have been argued back and forth. At the start of the process, my Department had zero responsibility for the issue, but we worked with the Minister of Finance and the Minister of Agriculture, Environment and Rural Affairs. We came to an agreement about how we could take it forward, we got agreement at the Executive, and we worked together well in the House. That does not always happen. I sincerely thank the parties across the Chamber that have worked constructively on the issue. I hope that that will continue, because these are important issues for the people of Northern Ireland. We have not fought too much, Mr McCrossan. We have not squabbled too much. We have had —.

Mr McNulty: Will the Minister give way?

Mr Lyons: It was all going so well.

1.30 pm

Mr McNulty: Minister, to what extent are you concerned about the representations from the Royal Society of Ulster Architects that experienced professionals believe that this legislation could result in a situation in which innocent parties are held liable for the fault of others? Should that not be enough for serious consideration? That does not seem to have been the case in this instance. Instead, from the society's perspective, it appears that a hands-over-the-ears strategy has been adopted.

Mr Lyons: Absolutely not. We considered all those issues. We engaged and listened to the concerns that were expressed. Ultimately, it is not for me but for the courts to decide whether somebody is liable. We are allowing that

process to take place in line with what happens in England and Wales.

As I was saying, we are approaching the legislation in the right way. I sincerely thank Assembly colleagues for the constructive way in which they have approached it. It is good for the people of Northern Ireland, but it is only the start of the work that we need to do on building safety. I look forward to continuing that work, and I hope that we can continue in the vein in which we have been working over the past few months. I commend the Bill to the House.

Question put and agreed to.

Resolved:

That the Defective Premises Bill [NIA Bill 03/22-27] do now pass.

Mr Speaker: The next item in the Order Paper is the Second Stage of the Budget (No. 2) Bill. I suggest that Members take their ease for a moment or two while we wait for the Minister to be here, because we are a little ahead of schedule.

Budget (No. 2) Bill: Second Stage

Dr Archibald (The Minister of Finance): I beg to move

That the Second Stage of the Budget (No. 2) Bill be agreed.

Mr Speaker: In accordance with convention, the Business Committee has not allocated a time limit to this debate.

Dr Archibald: This Second Stage debate follows the Assembly's approval yesterday of the Supply resolution for the expenditure plans of Departments and other public bodies, as detailed in the Main Estimates 2024-25, and its approval of the Supply resolution for the Statement of Excesses for years between 2016 and 2023 to regularise prior expenditure. Accelerated passage of the Budget (No. 2) Bill is necessary to ensure that Royal Assent is obtained before any Departments reach the cash limits for 2023-24 set in the Vote on Account, which the Assembly agreed earlier in the year. I am grateful to the Finance Committee for confirming that, in line with Standing Order 42, the Bill can proceed under accelerated passage, and I thank the Committee for its support. The Assembly's agreement of the Executive's final Budget for 2024-25 on 28 May 2024 allows me to bring the

Budget (No. 2) Bill to the Assembly to seek legislative authority for the expenditure of the Departments and other bodies for the remainder of the financial year.

Standing Order 32 directs that the Second Stage debate should be confined to the general principles of the Bill, and I shall endeavour to keep to that direction. The Bill will give effect to the Main Estimates for 2024-25 and authorise the cash and use of resources on services to allow Departments and other public bodies to operate for the remainder of the financial year. The Bill will also regularise expenditure identified by the Public Accounts Committee and will authorise cash and use of resources over the years identified in its published report. Copies of the Bill and the explanatory and financial memorandum have been made available to Members today, and the Main Estimates 2024-25 and Statement of Excesses for years between 2016 and 2023 were laid in the Assembly on 19 June.

The Bill will authorise the issue of £25,255,627,000 from the Consolidated Fund and the use of further resources totalling £28,772,794,000 by the Departments and certain other bodies listed in schedule 1 to the Bill in the year ending 31 March 2025 — this financial year. The cash and resources are to be spent and used on the services that are listed in column 1 of each schedule.

The Budget (No. 2) Bill will authorise temporary borrowing by the Department of Finance for 2024-25 of up to £12,627,814,000 to be repaid no later than 31 March 2025. That is a normal safeguard to allow the efficient management of the Consolidated Fund and does not authorise any additional expenditure. The Bill will also authorise Excesses for prior years for the purposes that are specified in schedules 2 and 3.

I draw the House's attention to the fact that, although the vast majority of expenditure by all Departments is done on the authority of statutory powers that are provided through legislation by the Assembly, there are some usually small functions that may, from time to time, be done on the sole authority of the Budget Act. Table 5 of the Main Estimates 2024-25 document sets out a summary of expenditure that rests on the sole authority of the Budget Act. For some of those items' expenditure, the amount involved is greater than what the Assembly would normally be asked to approve or is over a longer period. That is mainly due to the absence of an Assembly, which prevented the legislation being taken forward in the normal way. I expect

that to begin to be addressed in the coming months.

The numbers contained in the Budget Bill are significant. I am sure that Members will agree that it is not an easy task to translate those figures into the delivery of public services on the ground. The reality is that this crucial piece of legislation is required to ensure that all the day-to-day public services that we all rely on continue to be delivered to our citizens for the remainder of this financial year. On that note, I will conclude. I am happy to deal with any points of principle or detail of the Budget (No. 2) Bill that Members may wish to raise.

Mr O'Toole (The Chairperson of the Committee for Finance): I thank the Deputy Chair of the Finance Committee, Diane Forsythe, for speaking on behalf of the Committee on yesterday's Supply resolution motions on the Main Estimates and Statement of Excesses. As Members are aware, a quirk of Standing Orders means that time is not afforded to me separately for my roles as leader of the Opposition and Chair of the Finance Committee. That has meant that, in timed debates, I have asked the Deputy Chair to speak on the Committee's behalf to ensure that the Committee's views are given the appropriate prominence, and she has graciously agreed to do so. I ask again that Standing Orders be reviewed to consider that ongoing anomaly. It may affect someone other than me at some point in the future. Indeed, it could affect one of my party colleagues or someone from any other party that is in opposition at some point.

The Minister wrote to the Committee on 30 May, requesting that members grant this Budget Bill accelerated passage, the rationale being that the Vote on Account of 65% will run out in the autumn, making it necessary for the Bill to have finished its stages by that point. After considerable discussion and briefing from the Department, the Committee agreed to grant the Minister's request at its meeting on 26 June. Therefore, the Committee for Finance has granted accelerated passage to the Bill. If it passes this stage today, it will proceed to Consideration Stage in September, following the recess.

The Committee, as might be expected, has regular briefings from departmental officials regarding the Budget and a range of related issues. Most recently, the Committee was briefed last Wednesday on the Bill, as well as on the June monitoring round and the Statement of Excesses. It often seems that those briefing sessions are weekly. Indeed, the

Committee will receive further briefing tomorrow on the June monitoring round and the provisional out-turn for 2023-24. I thank the officials on the Committee's behalf, particularly for their candour and willingness to engage in discussion and, on occasion, debate.

As we heard from a number of contributors to yesterday's Supply resolution debate, there has not really been sufficient time for Statutory Committees to fully engage with the Budget. Additionally, it has become clear that a number of Departments have been less than forthcoming in providing appropriate information to those Committees to allow them to perform their statutory scrutiny role. That cannot continue. I will add that Mr Frew was correct to raise the question yesterday about adherence to a provision in the Functioning of Government (Miscellaneous Provisions) Act. The provision, which came, I believe, from an amendment to the Bill that he tabled back in 2021, requires that Departments give their Committee due notice of bids to monitoring rounds. It does not appear that that has been happening, certainly not with any degree of consistency. Given that the Assembly agreed to that provision when it passed the Bill in 2021, it is important to put on the record that Departments' adherence to it in respect of their Statutory Committee is important. In fact, it is critical, and Departments need to understand that the word "Statutory" in Statutory Committees exists for a reason.

The Finance Committee has an overarching responsibility to support other Statutory Committees in their scrutiny of the Budget cycle. Indeed, the Committee has already agreed that this is a strategic priority for members, and we intend, in the autumn, to discuss further ways in which that support can become more practical. The Committee will confront the Executive with their statutory responsibilities to all Committees, and all options are on the table.

The Committee's engagement on the content of the Budget has not been limited to discussing it with Department of Finance officials and seeking the views of other Statutory Committees. The Committee undertook an engagement exercise, and the Deputy Chair reflected on that when she spoke on the Committee's behalf in the debate on the Budget at the end of May. As this debate does not have time limits for speeches, I can expand on the report that the Committee published following its engagement.

The Committee agreed, in the absence of sufficient time to undertake a call for evidence on this Budget — meaning the 2024-25 Budget

statement — to undertake a short inquiry, to publish a report and to organise a take-note debate, which we would have liked to have had at some point in the past month or two, that members would instead undertake a targeted engagement. To that end, the Committee organised a short round of evidence sessions with the Fiscal Council, the Ulster University economic policy centre (UUEPC), the Nevin Economic Research Institute, the Pivotal think tank and NICVA. Additionally, the Committee wrote to a limited number of stakeholders who would be in a position to give an overarching view on the Budget, focusing on its content and how that might reflect a strategic approach, or otherwise, and what might help to make the Budget more accessible to stakeholders and the wider public and identifying any gaps.

The Committee also sought the views of the other Statutory Committees. Again, I offer my thanks and those of the Committee to all who participated. The exercise, though short and specific, proved to be very fruitful, and the Committee has been able to identify a number of distinct themes around the 2024-25 draft Executive Budget. Those themes include: the challenging nature of the Budget, the problems associated with another single-year Budget, the need for a Programme for Government (PFG), the lack of scrutiny applied, the need for strategic budgeting to support economic growth, the importance of childcare reform and sustainability, fiscal issues and revenue raising.

I know that this has been said repeatedly, but I will say it again: this is a challenging Budget. The limitations of this Budget envelope, following years of underfunding, meant that a significant number of bids put forward by Departments could not be met, with the same occurring yesterday with respect to what was a sizeable June monitoring round pot. The Executive restoration package settlement (ERPS) from the UK Government went some way to meeting pay pressures at that time. However, Members must be mindful that there are outstanding pay claims and that any claims already met create an annual charge on the Budget. Further pay claims will come annually as public servants seek pay recovery following years of pay freezes.

The Fiscal Council noted as a red flag a real-terms fall in resource and capital in this Budget compared with the 2023-24 Budget. Sir Robert Chote and his Fiscal Council colleagues see a further red flag in every Department having budgeted for a 3% wage growth, meaning that they have started the fiscal year with an inbuilt wage cost pressure. While the Budget is 7% higher than the Secretary of State's Budget for

2023-24, it is 2% less than the final plan that Departments were working to by the end of 2023-24.

Employers for Childcare, in its response to the Committee, acknowledged the "unprecedented burdens" on the 2024-25 Budget, highlighting challenges such as:

"rising childcare costs, continuing high levels of economic inactivity, deprivation, public sector pay, regional imbalances, skill shortages, hard to fill vacancies across many sectors, relatively low productivity and competitiveness and long health waiting lists."

The timing of the Budget also adds to the challenges associated with it, and the Fiscal Council believes that ensuring that future Budgets are set in advance, as part of a normal Budget cycle, will help to manage ongoing budget pressures.

1.45 pm

Rightly, much has been made of this being our tenth single-year Budget in a row. Respondents to the Committee stated that multi-year Budgets offer significantly greater stability, certainty and sustainability for Departments and for the economy more widely. The Committee understands that the Executive's ability to set multi-year Budgets is constrained by what the UK Government do. However, single-year Budgets see rash decisions being made in the deployment of funds, if those funds need to be used before the cliff edge of the end of the financial year. That is made worse by the Budget exchange scheme being too limited in scope and size.

As has been said by many, it is vital that a Programme for Government is in place to facilitate good budgeting. Social Enterprise NI (SENI) told the Committee that each Department should have a series of policy interventions sitting under Programme for Government objectives. NICVA strongly supported that stance, highlighting the need for an accompanying investment strategy. PFG objectives should be linked clearly and effectively across Departments, with the Budget clearly following those priorities. A PFG would make budgeting easier.

Both the Nevin Economic Research Institute and Pivotal highlighted to Committee members that there is a distinct lack of strategic goal-setting underpinning the Budget. The Fiscal Council also noted that a PFG would help to

ameliorate budget pressures over the next few years and included the lack of an agreed Programme for Government as a red flag in its Budget assessment. The Chartered Institute of Public Finance and Accountancy's (CIPFA) Northern committee advocated budget stability and sustainability through a five- to 10-year PFG, with strategic objectives to which all departmental and arm's-length body (ALB) business plans align.

Numerous Members have expressed concern about the lack of scrutiny that the Budget has received. As I mentioned, Statutory Committees have received little opportunity for scrutiny. Their scrutiny is based on statute and should not in any way be seen as being at the discretion of their corresponding Departments. Mr Speaker, I am sure that you and other Members would agree that it is important to constantly underline the word "statutory" in relation to the Committees of the Northern Ireland Assembly, as I did earlier in my speech. They are not, as some Committees in other jurisdictions on these islands are, simply there for scrutiny purposes, as and when it suits them; they have a statutory role that must be respected by Departments. In the absence of a public consultation, scrutiny by those Committees becomes even more important.

It is stifling and worrying. The considerable talk from Ministers and officials about this being an exceptional Budget must be borne out by better practice and significantly greater transparency. Lack of consultation and scrutiny means that the usual process of challenge and sense-testing is absent from the Budget. The UU economic policy centre highlighted to Committee members the need for there to be strategic budgeting to support economic growth. It suggested that Departments put much greater emphasis on the aspects of their remit that drive economic growth through their budgeting. Indeed, that should have formed a key strand of the PFG. We need greater focus on in-work training and strategic investment in capital and skills. The UUEPC said that plans should be developed to give working adults greater access to careers advice, particularly those in vulnerable industries and sectors.

The Committee heard a number of times about how skills deficits act as a constraint on the growth of our economy. Levels of qualification and educational attainment here, as well as our levels of economic inactivity, are some of the worst in these islands. Issues with our skills shortage were referenced by a number of key stakeholders, including the CBI and CIPFA. Social Enterprise NI further suggested that

social value must be at the core of government spending.

The Construction Employers Federation advocated that an infrastructure commission be prioritised in future Budgets. It is vital that the Executive maximise their use of the reinvestment and reform initiative (RRI) to ensure that the £220 million available, as highlighted in the ERPS — there are lots of acronyms today — is used in the current financial year. The Minister might be able to provide an update on that in her remarks.

Many who provided a response to the Committee on the Budget stated that high-quality childcare is a key element in creating a solid foundation for addressing our skills deficits and growing our economy, as well as a vital part of any forthcoming PFG. The lack of affordable, readily available childcare creates a poverty trap, with some people unable to go out to work and unable to access opportunities to acquire skills. Packages of skills support need to be linked to the provision of childcare, and free childcare should be provided at further and higher education campuses to enable parents to access the learning and skills development opportunities that those packages provide.

Employers For Childcare welcomed the resources that the Executive have made available for childcare even though the amount of resources is too small. That body is concerned that Education will be the predictable locus of spending. Its view is that the funding must be accompanied by detailed proposals for delivery across Departments and that it needs to be more cross-cutting. The CBI supports the reduction in the service cost of childcare for working parents, and NICVA strongly advocated the reform of childcare.

Reform and sustainability were highlighted by a number of contributors to the Committee's work. The Committee heard that the issue for Health is not necessarily only about resource but is about reform. The strong message is that reform is now essential against a backdrop of a challenging Budget and the sustainability required by the Executive restoration package settlement. Stakeholders insist that the Executive must improve their communication with the public about what reform and transformation mean. It is almost always associated with closures in Health and Education rather than increased opportunities and services. We were told that local provision does not always equate to the best provision.

Fiscal issues and revenue raising have been brought into focus by the Executive restoration

package settlement. The Fiscal Council has highlighted that the settlement is providing 5% of this Budget. The council believes that the level of in-year transfers to Departments in 2023-24 highlights the underfunding that NI faces. That is an issue that the Committee's Deputy Chair highlighted in the Supply resolution debate yesterday. We are pleased that the interim fiscal framework confirms the fiscal floor at 24% going forward. We must all strive to provide appropriate proof that that is still not efficient, and we would welcome its being higher. That was in evidence presented to the Committee. The Committee would happily — I say this in my role of leader of the Opposition too — support the Minister and her officials in that endeavour.

The Nevin Economic Research Institute suggests that revenue raising is not the answer to our budgetary challenges but, rather, that the devolved Administrations need to be properly empowered by the British Government to work. The Fiscal Council states that an increase in the regional rate would need to be significant to make an impact on the Budget, while the Ulster University economic policy centre suggested that new ideas around rates might be worthwhile considering for revenue raising. There was a very useful evidence session with the different economic policy groups and think tanks that covered a whole range of questions relating to revenue raising and Executive financing more generally. I am sure that the Minister's officials will have watched that evidence session and taken those points into account.

Sadly, my contribution has been an all-too-brief account of the themes arising from the Committee's engagement on this Budget. However, the full report can be found on the Committee's web pages. On behalf of the Committee for Finance, I confirm that the Committee supports the Bill and, as I said earlier, endorses its accelerated passage.

I will now make some remarks in my capacity as leader of the Opposition, having said quite a lot as Chair of the Finance Committee. This is the last opportunity, before we break for the summer recess, to have a robust conversation about where we are as a devolved Administration; what plans we are setting for the people who sent us here; what aspirations we have for them and the public services that they require but that are in a desperate state; where we want to go; and the vision that we want to provide for them.

Yesterday, we saw a June monitoring round that allocated money that is, in and of itself,

welcome, despite the fact that it happened in clear breach, in my view, of basic Civil Service rules three days out from an election in what was a fairly shabby display of party politicking. However, did it represent a strategic plan for the people of the North? Did it represent a strategic plan for how we rescue public services, how we grow our economy, how we ease economic inactivity, how we reduce waiting lists and how we rescue Lough Neagh and tackle our biodiversity and ecological crisis? It did not do any of those things. It did not set a strategic plan by which the people of Northern Ireland can judge the Executive. We welcome the fact that allocations were made. We welcome the fact that there is increased funding for certain areas, but, until there is a Programme for Government with meaningful targets and multi-year budgets attached to them, it will be hard for the people of this region to properly conclude that the Executive are serious about change.

We do not even know that the First Minister and deputy First Minister are committed to staying in their jobs, because neither of them will commit to not resigning from their roles and collapsing the Executive, let alone engage in a serious discussion about reform of these institutions.

To cover some of the detail that we are debating, yesterday's Main Estimates included a very large set of what is sometimes called "black-box spending". It is more technically called "spending under the sole authority of the Budget Act"; that is, spending that is happening because there is no specific legislative authorisation for that spending. It is too large. Much of that funding is essential, including on welfare mitigations, but it would be helpful if it could be regularised. The Minister has, in fairness, acknowledged that she will seek to regularise much of that spending.

The argument for accelerated passage of the Budget Bill, which the Finance Committee has agreed to, is, habitually and perennially, that if we do not do it, the money will run out. We need to get slightly real about claiming all the time that money is about to run out. It is particularly the case when, effectively, that argument was made yesterday for rushing through a monitoring round three days ahead of an election. We are slightly taking people for fools to believe that key public services are going to fall over if spending allocations are made on a Friday as opposed to a Monday.

We need to get real about strategic policymaking and strategic policy setting. When we return to the Chamber in September, we will, hopefully, have a Programme for

Government in the not-too-distant future. We will have a new UK Government, which, hopefully, will be about to deliver or, perhaps, will even have already delivered a comprehensive spending review. At that point, there will be no more excuses for the Executive not to give us a comprehensive multi-year plan. There will be no more excuses for simply divvying out money and party-political stunts a few days out from an election. The public of the North will expect to see a proper, costed, thought-through plan to rescue public services.

We welcome the fact that new allocations have been made to the health service, schools and roads, but, for it to mean something in the long term and for it properly to build and rebuild our public services, it has to come alongside a strategic, multi-year Programme for Government with costs, targets and timelines.

That is what the official Opposition have called for over the past five months, and it is what we will continue to call for in our work following recess.

Mr Speaker: As Question Time begins at 2.00 pm, I suggest that the Assembly takes its ease until then. The debate will continue after the question for urgent oral answer, when the next Member to speak will be Nicola Brogan.

The debate stood suspended.

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

2.00 pm

Oral Answers to Questions

Finance

Mr Deputy Speaker (Mr Blair): Questions 2 and 3 have been withdrawn.

Public Service Transformation Board: Update

1. **Ms Egan** asked the Minister of Finance for an update on the interim public service transformation board. (AQO 708/22-27)

Dr Archibald (The Minister of Finance): Public services across many sectors are in critical need of investment to ensure the quality and efficiency of service that citizens quite rightly expect. Transformation is also essential if the Executive are to put their finances on a more sustainable footing.

The financial package for the restored Executive includes £235 million of ring-fenced funding for public-sector transformation. That will provide £47 million each year over a five-year period. On 9 May, the Executive agreed my proposed approach for making quick progress on the use of that important funding.

I have now established and appointed members to an interim public-sector transformation board chaired by the head of the Civil Service, Jayne Brady. The interim board has been working at pace and, supported by my officials, issued a call for transformation proposals on 31 May. Those have now been received, and I am pleased to report that all Departments have submitted proposals.

The interim board is currently assessing proposals to determine which are genuinely transformative and how projects could be prioritised to make the most effective use of the funding available. It will then make its recommendations to me on that basis. Work is ongoing separately to develop the terms of reference for the board.

Once all of that is completed, I will bring recommendations to the Executive for agreement. While the funding will in no way tackle the magnitude of issues in hand, I am committed to using it as effectively as possible to develop and implement a model of delivery

that will stimulate the wider transformation of public services.

Ms Egan: I thank the Minister for her answer. It is good to hear about the work that the interim board has done so far. What is the timetable for establishing the board on a permanent basis?

Dr Archibald: The board has been established on an interim basis to allow us to make progress with the funding for this financial year. We did not want to be in a position in which we were not able to receive proposals and thus not spend the £47 million, which would potentially have put us in the position of losing some of the money or having to ask for it to be re-profiled. We will seek to put the board on a firm and permanent footing. I anticipate that, once the board has completed its work on developing them, the terms of reference will come to the Executive. I imagine that that will happen over the summer months. Come the autumn, we will look at the membership more widely and the terms of reference. We have established the board with three permanent members, but we may look at the mechanism for bringing in independent experts who are able to provide specific advice on particular projects.

Mr McGuigan: What criteria will Departments need to meet? How will the proposals be assessed?

Dr Archibald: The letter from the interim transformation board to Departments requested that proposals aim to meet some or all of the following objectives: to increase financial sustainability of public services; to transform the model of delivery of public services to improve effectiveness and efficiency, to meet increased demands and improve outcomes for citizens; and to ensure prevention or cost savings through early intervention. Further guidance was provided through the pro forma that Departments were asked to complete. Large-scale proposals of £10 million or more that pass an initial sift will undergo an additional process for application and assessment, given the higher levels of transformation investment sought. The interim board may also take advice from subject matter experts to inform its decisions and/or ask to meet Departments to discuss and understand their proposals better.

Rates Review

4. **Ms Forsythe** asked the Minister of Finance, further to commissioning the Ulster University economic policy centre to conduct research on uniform business rates, when the review of the

rates system in Northern Ireland will be completed. (AQO 711/22-27)

Dr Archibald: The Ulster University economic policy centre work is under way. Initial desk research has been conducted, and the lead researcher is currently conducting interviews with relevant stakeholders. This is a specific piece of research to assess the economic impact of the differential poundages across our 11 councils, in line with the centre's research priorities and considering the merits or otherwise of a uniform business rate in this context. The report is due to complete in the autumn. In tandem with this, the Member will be aware of my desire to strategically align our rating system with the Executive's priorities for government. Rates are our only devolved tax currently, contributing £1.5 billion to public services, so it makes sense for it to align with the Executive's strategy.

Ms Forsythe: Thanks to the Minister for her response. The recent consultation that was released by the Department looked at reliefs already in place and begged the question from many sectors that were not afforded discounts of whether they would see those. With this full review, looking at our local businesses and our town centres, which are decimated, what can we tell our local businesses about when we will see a date for an action point for help on their business rates?

Dr Archibald: The consultation that was undertaken earlier this year in relation to the rating measures was focused on revenue raising, so the focus of it was quite specific in the questions that it was asking about particular reliefs. My officials have briefed the Finance Committee on the responses received. I plan to publish that report in due course after the election, and I plan to make a statement to the Assembly to outline my approach to taking forward any recommendations on the rating system in the short and medium term as I continue to assess how we can best make that system work to meet our local needs.

Mr Delargy: Minister, can you please outline some of the specific ways in which you currently support businesses?

Dr Archibald: Since taking up post in February, I have already secured holding the regional rate increase to the inflationary rate as opposed to the 15% increase that was being pushed by the Secretary of State. I have reinstated the back in business scheme to incentivise the use of empty units in our towns and cities, and I have restored the rural ATM scheme. My Department

has also renewed the small business rate relief scheme for 2024-25 and has delivered on its commitment to more frequent and regular revaluations by setting the valuation date in legislation for Reval2026. That was just the work of our first 100 days as an Executive.

Around 75% of non-domestic ratepayers occupying property here get some form of rate support. That includes 57% of pubs getting some form of rate support, with 65% of the hospitality sector as a whole in receipt of support via the small business rate relief scheme. Over 63% of retailers get some form of support, with 80% of that support provided to small retail properties with a net annual value (NAV) of £15,000 or less. Almost 30,000 businesses from our tax base of just under 75,000 businesses get small business rate relief, and 4,474 manufacturers pay the lowest business rates in these islands, getting 70% off their rates by virtue of industrial derating tax relief, which is unique to this jurisdiction.

Mr O'Toole: Minister, in the centre of Belfast at what is now, somewhat ridiculously, known as the Tribeca project, there are perhaps hundreds of thousands of pounds or even more in forgone rates, either through reliefs or through properties progressively being allowed to get into dereliction. That project has still not been developed, getting on for 20 years afterwards. Will you, with Land and Property Services (LPS), officials in other Departments and Belfast City Council, look at how the rating system can properly target getting that area of Belfast back off its knees to be the destination that it needs to be?

Dr Archibald: Some of the rate reliefs that the Member referred to have been considered as part of the rating consultation, so we will consider those in the next steps from the report, which I know the Member, as Chair of the Finance Committee, will have had sight of. It is important that we look at how we can best align what we are trying to achieve through our rating system with the economic vision that the Executive have set. I will work with my counterparts the Economy Minister and Communities Minister, because there are cross-departmental interests there. My officials will engage with Department for the Economy officials on how we can best ensure that what we are trying to achieve aligns.

June Monitoring Round

5. **Ms Flynn** asked the Minister of Finance when the June monitoring round will take place. (AQO 712/22-27)

Dr Archibald: At the time that the question was submitted, there was no clarity on the timescale for the June monitoring round. I am pleased to say that the Executive have now agreed my recommendations on the June monitoring round, allocating £213.1 million of resource and £57.5 million of capital to Departments. That included £122 million to the Department of Health, £35 million for the Department of Justice and £29.5 million for the Department of Education. It also provided £20 million of capital DEL to the Department for Communities for social housing. In addition to that, £43.7 million was provided to the Department of Education for the Education Authority (EA) pay and grading review, allowing staff — classroom assistants, school bus drivers and school cooks — some of whom are amongst the lowest paid in the sector but play a vital role in supporting children and young people, to move on to the new pay scales from the start of this financial year.

I considered carefully whether the June monitoring round should proceed during the pre-election period. My view is that the process represents the normal and routine business of the Executive. There was also an urgent need to provide funding certainty to Departments and to those who deliver services, public-sector workers, those who rely on public services, including people who are on waiting lists, and all those education workers about whom I have just spoken. Even a short delay would have presented risks. Knowing that funding was available, I could not stand by while Departments took potentially damaging decisions that might be avoided once additional allocations were confirmed. Proceeding as we have has also allowed for proper Assembly engagement without the House needing to be recalled during recess.

Ms Flynn: I thank the Minister for that answer. Did any of the funding that was announced yesterday include additional funding that was secured as a result of the fiscal framework agreement?

Dr Archibald: Following agreement on the interim fiscal framework on 22 May, the needs-based factor of 24% will apply from 2024-25 to all new Barnett consequentials arising since the Executive were restored in February. It will apply when the Executive's funding relative to British government spending in England falls below its relative need of 124%. The funding provided by the financial package that accompanied the restoration will be exempt from that calculation, meaning that it will apply in both 2024-25 and 2025-26. In the funding allocations that were made yesterday, there

was an additional £23.9 million as a direct result of the signing of the interim fiscal framework to the spring statement announcement from the Treasury back in March, and additional funding applied to other Barnett consequentials that we anticipate from Westminster Main Estimates.

Banks: Ministerial Meeting

6. **Mrs Erskine** asked the Minister of Finance to outline the outcome of her meeting with local banks in May 2024. (AQO 713/22-27)

Dr Archibald: I have been deeply concerned about the impact of branch closures for some time, which is why I called senior representatives from the local banks to attend a round-table meeting with me last month. I used that meeting to urge them to protect our local branch network and maintain access to cash and banking services, particularly for those in rural communities and vulnerable customers, such as those on low incomes and the elderly, who still rely heavily on physical banks rather than digital banking. I stressed to them that they have a responsibility to all their customers in impacted areas and emphasised the importance of quickly rolling out further banking hubs. I intend to hold a further round-table discussion in the autumn to follow up on those matters.

Mrs Erskine: I thank the Minister for her answer. I welcome the fact that there will be a follow-up in autumn and look forward to hearing the outcomes of that.

Those services are vital for rural areas. Banks make corporate decisions without thought or regard for the people of rural areas.

Are there any measures that the Minister can take to make sure that the decisions are rural-proofed? This is corporate decision-making, and, ultimately, we are only asking and urging. What can the Minister do about that?

2.15 pm

Dr Archibald: As the Member will know, neither my Department nor the Assembly has any legislative authority in banking and finance, so the role that my Department can play in directly influencing the decisions of local banks, which, as she rightly said, are largely commercial, is somewhat limited.

I am deeply concerned about the impact that bank branch closures, which have been

considerable over the past couple of years, have on our towns, villages and rural communities. I am therefore keen to use whatever influence I can, as Finance Minister, with the banks and the powers in London to press them to protect branches and services here. I am still concerned about the closure of branches, given the wider societal impact that the closures have on local communities, particularly for small businesses in rural areas that very much rely on their local branch.

Some work has been done by the Financial Conduct Authority on reviewing access to cash. It is due to publish recommendations in the autumn. From conversations that I have had with Cash Access UK and Link, I know that that guidance, when it comes, may help to improve some of the decisions around access to cash in rural areas and on banking hubs and where they are located.

Mr McHugh: I am from a rural community and have seen the closure of all the banks in Castlederg and many of the banks even in the larger town of Strabane. What can the Minister do to support those who are less digitally literate to access online banking facilities?

Dr Archibald: It is vital that banks work proactively with customers to encourage digital and financial literacy. I pressed them on that when we met on 1 May. In addition, my Department has a small digital inclusion team to promote online services and to give people the skills, confidence, motivation and trust to navigate the online world. The Go ON NI programme provides free digital training sessions in libraries, community centres and hubs throughout the North. Those digital skills sessions introduce digital technology to people who are not familiar with going online and support people who want to improve their skills online. There is a particular focus on older people at times throughout the year, with specific events taking place on Safer Internet Day and during Positive Ageing Month and Get Online Week. In the 2023-24 financial year, the programme helped almost 7,000 people with digital training, with 92 sessions taking place in libraries and community hubs in the Fermanagh and Omagh District Council area, for example. People can contact their local library to enrol on those courses.

Ms Hunter: The Minister will be aware of the bank closures in Kilrea, Garvagh and Dungiven, amongst other places, in our constituency of East Derry. Undoubtedly, those closures have been detrimental for our constituents. I am aware that financial services are a reserved

matter, but, in her role as Finance Minister, what can she do to ensure that our rural constituents are not left behind when it comes to banking services?

Dr Archibald: The Member is right. One of the reasons why I am so concerned about the closure of the branch network is the impact on my constituency and constituents, particularly in rural areas. As I outlined in my response to Deborah, we have a limited ability to directly influence the decisions that banks take in their own commercial interest.

As I have said, it is my plan to reconvene the banking round table with key stakeholders in the autumn, bringing together the likes of the Financial Services Union, business bodies, consumer and community organisations, the Post Office, credit unions, Link, Cash Access UK and UK Finance, which is the banking industry representative body. My officials will set up that meeting in due course.

Northern Ireland Investment Fund

7. Ms Ferguson asked the Minister of Finance for an update on the Northern Ireland Investment Fund. (AQO 714/22-27)

Dr Archibald: The overarching objectives of the Investment Fund are to address market failures; to accelerate and increase investment in private-sector-led development, infrastructure and low-carbon projects; to secure private-sector and/or public-sector leverage to achieve sustainable financial returns; to maximise the impact of public-sector intervention; and to deliver economic growth.

To date, the fund has provided just under £170 million of loans in support of 14 projects, which support over 5,100 jobs. Of those loans, £47 million has been repaid. Loans have been given to a range of sectors, including office developments, hotels, student accommodation and mixed-use developments. I recently visited the site of the new Dunluce Lodge hotel near Portrush. That is an excellent example of an investment supported by the fund that will help to create high-quality jobs and encourage economic development on a more regionally balanced basis.

The fund's record to date has been very positive, given the level of funds invested, the jobs supported and the total value of developments supported. The investment fund remains open for applications, and I welcome further interest from those who seek to take forward suitable projects.

Ms Ferguson: Thank you, Minister, for that very detailed explanation of its work so far, particularly the success of supporting those 5,100 jobs. Will the Minister elaborate on how the fund supports low-carbon projects?

Dr Archibald: Of the 14 projects supported to date, 13 are expected to achieve an energy performance certificate with an A or B rating. The fund also invested £50 million to support three energy-efficient office development projects during that time, which are estimated to have resulted in an annual CO2 saving of 771 tons. The Oakland aparthotel in Belfast has achieved WELL platinum building status, as it uses 100% renewable energy, is partly powered by on-roof solar panels and is heated with air-source heat pumps. It also sends zero waste to landfill.

I recently met the fund managers and was pleased to hear of their ongoing aim to seek opportunities to diversify the projects supported by looking at their geographical locations and the sectors involved. We also discussed the need to continue to pursue opportunities to invest in low-carbon schemes.

Mr Tennyson: Minister, you outlined that the Northern Ireland Investment Fund is a debt-based scheme. Do you see any scope for the creation of a new equity-based scheme that is specifically targeted at the transition to net zero and investment in those areas of the energy market where there is market failure?

Dr Archibald: I thank the Member for that question. He will be aware that I recently established a new budget sustainability team in my Department that will look at opportunities to identify the ways in which we can make the best use of our funds. We will be open to looking at all options in how we can leverage funding to support public investment.

Fiscal Council: Update

8. **Miss Brogan** asked the Minister of Finance for an update on the Fiscal Council. (AQO 715/22-27)

Dr Archibald: The Fiscal Council has made a significant impact in improving the transparency, scrutiny and understanding of our public finances since it was established in March 2021, publishing 18 reports to date. In particular, it was instrumental in providing the independent evidence base that enabled me to successfully negotiate and agree the 124% needs-based factor in our interim fiscal framework.

As the council was first established as a non-statutory body, I am taking forward legislation that will underpin its work on a statutory basis. I secured Executive agreement last month to the policy for a Fiscal Council Bill, which will safeguard its independence and ensure its continued access to information. Significant preparatory work had already been undertaken in developing the Bill, and the Executive also agreed that the Office of the Legislative Counsel will complete the drafting. It is therefore welcome that the Bill has been included in the Executive's legislative programme for this year.

Miss Brogan: Gabhaim buíochas leis an Aire. [*Translation: I thank the Minister.*] Will the Minister offer an assessment of the Fiscal Council's impact to date, please?

Dr Archibald: The Fiscal Council has had a significant impact during its short time. Its assessments are insightful and highly valued. It makes a difference by improving the transparency, scrutiny and understanding of the Budget and the monitoring process. It has produced a range of impactful reports, including assessments on our Budgets, sustainability reports, technical reports and a comprehensive guide to public finances here. Its independent evidence helped to support our case to the British Government about our level of relative need. It also signalled the cliff edge that would have materialised for public finances in the very near term as a result of the Executive restoration package settlement. That independent scrutiny was valuable for elements included in the recent signing of the interim fiscal framework. Its work with various stakeholders, including its evidence to the Finance Committee, also assisted in increasing the understanding of public finances, and it provided a valuable opportunity for discussions on need, sustainability and future planning.

Ms Bradshaw: I will pick up on the point about evidence. Will you please outline your opinion on the extent to which that evidence will inform negotiations with the Treasury on a permanent fiscal framework for Northern Ireland?

Dr Archibald: The work of the Fiscal Council so far has been really helpful and useful in providing evidence. Recently, I established a new team in my Department to take forward the work to develop and agree the final fiscal framework. That team is already considering what further evidence on our level of need can be provided, whether further analysis is needed and who might be best placed to undertake that. It has engaged, and will continue to

engage, with the Fiscal Council, given the significant evidence base that it has already provided, and with counterparts in other Departments and other experts in the field to understand whether there is additional evidence that we can use to make the case for being funded to a higher level of need. We will continue to consider how we can build on the robust independent evidence that we already have from the Fiscal Council regarding our relative need.

Marriage and Civil Partnership Bill: Update

9. **Miss Hargey** asked the Minister of Finance for an update on the marriage and civil partnership Bill. (AQO 716/22-27)

Dr Archibald: I previously indicated to Members my intention to introduce in 2025 a Bill to amend the current law on marriage and civil partnership. I propose to put non-religious belief marriage — for example, humanist marriage ceremonies — on an equal footing with religious marriage and to raise the minimum age for marriage and civil partnership from 16 to 18. There was almost unanimous support for increasing the minimum age to 18 in the consultation responses. I have requested the support of Executive colleagues for those important proposals. Work is at an advanced stage, and, once Executive approval is secured, my officials are ready to engage with the Office of the Legislative Counsel to draft the relevant amendments. I hope that agreement to proceed with the drafting of the Bill will be secured at the earliest opportunity.

Miss Hargey: You nearly answered my supplementary question about the timescale for progressing that work. It is good that there have been additions and that the consultation responses support that. Can you give a more definitive timeline at this point?

Dr Archibald: Work is at an advanced stage. My officials briefed the Finance Committee on the marriage and civil partnership Bill a number of weeks ago. Finance Committee members were supportive of the changes. I circulated a paper to Executive colleagues on 21 May and asked for it to be tabled at our Executive meeting on 13 June. Once Executive approval has been secured, my officials are ready to engage with the Office of the Legislative Counsel. I would have liked to have been in the position of having secured that approval before the summer recess, but I am hopeful that the legislation can be introduced next year and the

law can be amended before the end of the current mandate.

Mr Deputy Speaker (Mr Blair): I call Brian Kingston for a quick supplementary question. We are down to one minute.

Mr Kingston: I will go straight to the supplementary question that I have for listed question 10. How will the Minister ensure that the new Government at Westminster support the need for a final fiscal framework?

Dr Archibald: As the Member will be aware, I signed the interim fiscal framework on behalf of the Executive on 21 May. That agreement marks substantial progress compared with the position in the financial package. Importantly, it includes a firm commitment to review the Executive's funding before we reach the cliff edge in 2026-27. It also provides us with a platform to build upon the establishment of the Joint Exchequer Committee, which formalises arrangements for the negotiation of a more comprehensive fiscal framework. I have repeatedly made the case for further investment in public services, and I am committed to continuing to do so at every opportunity. As well as raising it with the Chief Secretary to the Treasury, I raised it with the shadow Secretary of State —.

Mr Deputy Speaker (Mr Blair): Minister, I will stop you. The Member indicated for a supplementary question and that was what he was called to ask. If you are content with winding up briefly, we will move on. Thank you, Minister, for your cooperation.

That ends the period for listed questions. We now have 15 minutes of topical questions. Question 7 has been withdrawn.

2.30 pm

Pre-election Executive Business

T1. **Mr O'Toole** asked the Minister of Finance why, according to her response to a question for written answer on 25 June, the report on the response to the consultation on rating and revenue-raising measures, which she referred to in the Chamber and which was simply a factual summary of consultation responses that did not set out her policy or the Executive's intentions, could not be published in the pre-election period, while, importantly, a £300 million monitoring round could be published in the same period. (AQT 471/22-27)

Dr Archibald: I have been clear that I considered the pre-election guidance in making the decision to proceed with the June monitoring round. I did so on the basis that June monitoring is normal and routine Executive business and that it is therefore appropriate to proceed with it during the pre-election period.

Given the financial pressures across our Departments, it was vital that they had confirmation of the additional funding allocations as soon as possible in order to have certainty in making decisions. It was important to give certainty to all who rely on the services involved, whether they are healthcare workers, those on waiting lists, classroom assistants, school bus drivers or all those parents who may be able to benefit from the childcare provision.

Any delays in June monitoring could risk overspends or lead to greater adverse impacts than would have been the case had decisions been taken earlier.

Mr O'Toole: Your position is that four days' difference would have jeopardised public services. You also say that a routine report, setting out consultation responses without any policy intent, could not be published because of the pre-election period but that it was totally normal and routine business to have an exceptional Monday-morning Executive meeting, for three podiums to be set out in the Great Hall for you, the First Minister and deputy First Minister to have a press conference —.

Mr Deputy Speaker (Mr Blair): Ask a question, Mr O'Toole, please.

Mr O'Toole: That, apparently, was routine business. Minister, with respect, you are taking us for fools, and you and your Department have jeopardised Civil Service integrity and impartiality —

Mr Deputy Speaker (Mr Blair): Is that a question, Mr O'Toole?

Mr O'Toole: — by pushing yesterday's monitoring round.

Dr Archibald: I have set out my position on June monitoring and pre-election guidance to Mr O'Toole on, I think, four occasions. I considered the pre-election guidance, and I consider June monitoring to be normal and routine business for the Executive. The pre-election guidance is clear that each case should be considered on its merits.

Mr Deputy Speaker (Mr Blair): Perhaps it is an opportune time to remind Members that questions should be concise and introductions short.

Rates: 100% Payment

T2. **Mr K Buchanan** asked the Minister of Finance, following her remark that business and domestic rates raise income of approximately £1.5 billion a year, how buoyant that figure is year-on-year and, given that it is short of unpaid rates, what it could be if all rates were paid. (AQT 472/22-27)

Dr Archibald: I will see whether I can find the figures for this year. Last year, £1.5 billion was raised. That is a really important contribution to the delivery of our public services. Rating debt varies year-on-year. At 31 March 2024, the value of outstanding rating debt was £180.5 million. That has been reduced somewhat in the interim. Land and Property Services (LPS) continues to collect all outstanding rating debt, and arrangements are in place for those who face rating debt and those who are struggling to make their rate payments. I encourage anybody who is in that position to contact LPS.

Mr K Buchanan: Thank you for that information, Minister. Given that approximately £180 million is outstanding, at what point does your Department write off debt? Is there a period — four or five years, for example — after which you look back and say that it is written off? Have you any figures on that?

Dr Archibald: I do not have those figures in front of me, but it is not written off after a period. There are very limited circumstances in which rating debt is written off: if somebody dies, for example, or a company goes bankrupt.

I will be happy to write to the Member to share the detail of that, which I have already shared in response to questions for written answer on how much of the debt refers to a particular year.

Mr Deputy Speaker (Mr Blair): Gary Middleton is not in his place.

Policing: DOJ Monitoring Round Bids

T4. **Mr Clarke** asked the Minister of Finance what specific bids for additional finance for policing numbers the Minister of Justice has submitted. (AQT 474/22-27)

Dr Archibald: There was a resource bid from the Department of Justice totalling £274.7 million for the PSNI, as well as an additional capital bid of £16.4 million, which was sought for the maintenance and enhancement of the PSNI estate, plus a bid of a further £18.7 million for ring-fenced resource DEL. As the Member will be aware, however, resource and capital bids in the June monitoring round far outweighed the level of resources available. The Executive have agreed to provide an additional £35 million of resource DEL to the Department of Justice.

Mr Clarke: I thank the Minister for her answer and the Minister of Justice for making the bids for additional finances. Given that all the Executive parties made a commitment in 2020, when they signed up to the New Decade, New Approach agreement, to resource the police to an adequate level, at what stage are you, Minister, going to get serious about funding the PSNI sufficiently in order to allow the Justice Minister to bring policing numbers back up to where they should be?

Dr Archibald: I put on record my thanks to the Justice Minister for her constructive engagement on setting the Budget and on June monitoring. She was very clear about the pressures facing the PSNI and pressures right across the justice system, and I have taken on board what she said. I will not put words in her mouth, but I think that she will recognise that I have tried to make additional allocations to support the Department of Justice, through an additional £95 million in its budget for 2024-25, which was announced on 25 April, and then through additional funding in the June monitoring round.

We all recognise the challenges that we face with our public finances. I am committed to continuing to make the case to the incoming British Government later this week that we need to see proper investment in our public services, including in the Department of Justice.

Police Pensions: Overpayment

T5. **Ms Bunting** asked the Minister of Finance whether she is aware that numerous retired police officers are being contacted to inform them that their pensions have been overpaid, some for as long as 16 years. (AQT 475/22-27)

Dr Archibald: I am not sure that that is something that has been brought to me for my immediate attention. I will, however, be happy to respond to the Member in writing. Go ahead with your supplementary question.

Ms Bunting: Thank you, Minister. This follows a similar debacle involving prison officers' pensions, which is rumbling on. Clearly, something is going badly awry if those pensions are being miscalculated to that extent and errors have not been noticed for as long as 16 years. I am aware that there is also DOJ involvement. Will the Minister undertake a review to establish what is going on, which has led to such grave errors with public funds and to considerable distress for all involved?

Dr Archibald: I encourage the Member to write to me with some of the details. I will be happy to take the matter on board and give it consideration.

Mr Deputy Speaker (Mr Blair): Alex Easton is not in his place, and question 7 has been withdrawn.

VAT Consultation

T8. **Mrs Erskine** asked the Minister of Finance to give her assessment of the VAT consultation by the Treasury, which, she may be aware, is under way. (AQT 478/22-27)

Dr Archibald: Obviously, VAT is a reserved matter. My officials engage regularly with their counterparts in Treasury. We have made the case on many occasions, and will continue to make the case, that, for example, we should have the ability to reduce VAT for hospitality and tourism. We are in the particular circumstance of having competition from the South, where businesses are at an advantage.

Mrs Erskine: I thank the Minister for her answer. I am pleased to hear that there is ongoing engagement. I have a particular concern about the taxi industry. In 2014, there were 16,000 taxi licences in operation, but that number was down to 7,500 at the beginning of this year. The taxi industry is worried about VAT changes and what those will mean for the industry, because they could result in operators going out of business or drivers not entering the industry.

Mr Deputy Speaker (Mr Blair): Is there a question?

Mrs Erskine: Yes. Will the Minister commit to listening to the industry and having input into the Treasury's VAT consultation on that issue?

Dr Archibald: I encourage the Member to write to me on that issue. I will then share that with officials so that we can take a look at it and

include it in the ongoing consultation that they have with their counterparts.

Schools Estate: June Monitoring Round

T9. **Mr Boylan** asked the Minister of Finance how the June monitoring round is supporting investment in the schools estate. (AQT 479/22-27)

Dr Archibald: As part of the June monitoring allocations, £15 million of capital will be made available to the Department of Education for special educational needs minor works and other statutory minor works. The Department of Education requested that funding to meet additional pressures that had been identified for specialist provision in mainstream school placements and for other urgent works across the schools estate. I am sure that we are all contacted regularly by schools in our constituencies that are affected by that issue. The funding will provide for urgent health and safety works and statutory works in order to keep schools open and children safe. The Department of Education was allocated £29.5 million to address a range of issues, and that was in addition to the funding for the Education Authority (EA) pay and grading review.

Mr Boylan: I thank the Minister for her answer. Will she outline how she has provided support for the EA pay and grading review?

Dr Archibald: I wrote to the Chief Secretary to the Treasury back in April to ask for £180 million to be reprofiled in 2024-25 from the repurposed funds in the financial package to support Education Authority pay and grading review workers. With a significant and detrimental industrial action imminent, the Education Minister had written to me to seek my support for a proposal that would allow him to make an offer to the trade unions. The Education Minister requested that the Executive allocate £43.7 million in the June monitoring round towards the assimilation of those important workers onto the new pay scales with effect from 1 April. I have been working collegiately with the Education Minister to find a way forward for the workers, and I am pleased to advise that that allocation has been provided for in June monitoring. The Executive also committed to provide funding for a non-consolidated recognition payment in lieu of back pay to eligible staff in 2025-26. That will come from the repurposed funds in the financial package. However, utilisation of that funding will occur only if the Treasury does not agree to my request.

Mr Deputy Speaker (Mr Blair): I call Pádraig Delargy. We are down to two minutes. You may not have time for a supplementary question.

Social Housing: Investment

T10. **Mr Delargy** asked the Minister of Finance whether she supports further investment in social housing and whether she has discussed social housing issues with the Minister for Communities. (AQT 480/22-27)

Dr Archibald: I was glad that the Executive were able to agree £20 million for new social housing in the June monitoring round. There was a limited pot of capital available to us to allocate and a huge volume of bids. That was also the case when we were setting the Budget, so I was pleased that we were able to allocate a significant portion of the money available in June monitoring to social housing. I understand that that will enable around an extra 200 new social homes to be delivered.

We are all aware of the constraints on our capital budget. I am committed to working with the Communities Minister to identify how we can take forward further investment in our housing. We are all aware of the demand for new homes. I met the Communities Minister on 24 June to discuss the housing supply strategy and encouraged him to look at opportunities to utilise other sources of funding to increase the supply of new social and affordable housing. I continue to work collegiately with the Communities Minister and other Executive colleagues on that important issue.

Mr Deputy Speaker (Mr Blair): I call Pádraig Delargy for a 30-second supplementary question.

Mr Delargy: Thank you. It was answered.

2.45 pm

Mr Deputy Speaker (Mr Blair): Time is up. I ask Members to take their ease for a change at the top Table before we move on to the next item in the Order Paper.

(Mr Speaker in the Chair)

Question for Urgent Oral Answer

Justice (Sexual Offences and Trafficking Victims) Act (Northern Ireland) 2022: Appeal

Mr Speaker: Matthew O'Toole has given notice of a question for urgent oral answer to the Minister of Justice. I remind Members that, if they wish to ask a supplementary question, they should rise continually in their place. The Member who tabled the question will be called automatically to ask a supplementary.

Mr O'Toole asked the Minister of Justice to update the Assembly on her Department's position on appealing the High Court ruling on the Justice (Sexual Offences and Trafficking Victims) Act (Northern Ireland) 2022, pursuant to the publication of a story regarding such an appeal in the 'Belfast Telegraph'.

Mrs Long (The Minister of Justice): The report in the 'Belfast Telegraph' that I am appealing the judgement is factually incorrect. I have made no decision as yet on appeal. In my consideration of the way forward and informed by legal opinion, I wrote to Executive colleagues on 28 June to make them aware of the consequential impacts of what is a profound constitutional ruling by the court that will have repercussive impacts across every Stormont Department and the legislative process and to seek their views on that point. The legal advice available to me makes it clear that there are potentially far-reaching ramifications for the Assembly and all Departments. This is the first time that the High Court has used the power in section 6 of the Northern Ireland Act 1998 to declare provisions to be outside the legislative competence of the Assembly and not law. It would be hugely remiss of me not to make my Executive colleagues aware of the extent of the judgement in that respect.

The court judgement declared that sections 12 to 14 of the Justice (Sexual Offences and Trafficking Victims) Act (Northern Ireland) 2022 are not law, as they are outside the legislative competence of the Assembly, since they are incompatible with the applicant's article 10 rights. That incompatibility finding is a very narrow one that could be addressed in a number of ways, including by legislative amendment. Those sections are not the reason for any potential appeal. I intend to give further

consideration to a Justice-specific response to that aspect of the judgement, irrespective of any decision about whether to take forward an appeal.

The judgement imposes a high standard of rationality on the reasoning in the Assembly and Committee debates during the passage of legislation. That is likely to generate future challenges to legislative competence based on a forensic dissection of the quality and rationality of Assembly and Committee debates. That is a finding that imposes a threshold standard on the legislative process that will be difficult to meet in practice. The approach taken by the court risks undermining the effectiveness of the Assembly. The assumption that a matter not debated has not been adequately considered is not in line with the reality of the operation of the political scrutiny process, which cannot be fully considered by simply reading Hansard or Committee minutes. It is on those constitutional matters and their potential impacts alone that I sought the views of Executive colleagues. While any decision on an appeal is for me to take, it is important, given the wider ramifications identified, that I consider their responses before making any decisions as to the way forward. The deadline for responses is 5.00 pm today. When I have reached a decision, I will ensure, as I previously promised, that I notify MLAs as a matter of urgency.

Mr O'Toole: I thank the Minister for her answer. Minister, you said that a decision has not been made, but the reporting is clearly that you are minded to appeal and that that was the argument that you made to Executive colleagues. It is important to acknowledge that, given the timelines that you have outlined, you are seeking to leave office in 48 hours' time, so you may not be there to make the decision. People expect honesty and humility from their public representatives. I acknowledge the constitutional context in which you made your argument, but, given the representations from advocates of a free press and victims of sexual crime, do you continue to support post-death anonymity for sex offenders?

Mrs Long: Perhaps, if the Member read the judgement rather than the 'Belfast Telegraph', he would have a better grasp of what the issues are. The judge did not find that post-death anonymity was inappropriate or that the matter was outwith the legislative competence of the Assembly. The judge found that there was inadequate opportunity to challenge, during the lifetime of a suspect, the ability to publish their details. As I have already said clearly, there are legislative fixes for both, either or none of those

issues. That is not the issue on which I was consulting Executive colleagues.

Miss Hargey: I thank the Minister for coming along and giving a bit of clarity. We are here in the context of the High Court having spoken and struck down the defective sections in the Act because they are incompatible with article 10 European Convention rights on press rights and freedom of expression. Sinn Féin is opposed to any appeal of the judgement. Will the Minister outline what steps she will take and in what timeline, if she has it, to address the defective sections and ensure that the Act meets the needs of victims, is in the public interest and, importantly, restores the balance of convention rights?

Mrs Long: That is a matter for another day. The pressure currently before the Department is to decide whether the overall judgement should be appealed on the basis of the constitutional issues that arise and flow from it. However, as I have said, there are opportunities, including during this term, to redress the imbalance that the court decided on. Alternatively, the sections being struck down means that they are no longer in operation. Therefore, we could simply allow the Act to continue as is: with no control whatsoever over the publication of the names of people who have been accused of but not charged with or convicted of an offence.

Ms Bunting (The Chairperson of the Committee for Justice): I am grateful to the Minister for clarifying her position. Before there is any doubling down and spending of public money that could be put towards essential front-line services, will the Minister outline what she will consider when weighing up her decision? Will she consider whether the principle is worth it, the likelihood of her being successful and whether any such challenge is of greater merit than the need that exists in her Department?

Mrs Long: I am glad that the Chair of the Committee has asked an insightful question on cost, because it is important. The costs to the Department of the judicial review up to this point have not been significant. The cost to the Department of any appeal would be similar. Consideration of costs will, of course, form part of my consideration on the way forward. However, the substantive consequential impacts of the judgement will be the primary factor in my decision. The cost to the public purse and to the Assembly and Committees of having to spend time taking evidence on and debating and minuting exchanges on sections

that are non-controversial and widely agreed would, in all likelihood, be way more significant than the cost of any appeal. I have to weigh up all those factors and the degree to which there is consensus around the Executive table on whether this is a matter of importance. Ultimately, that is the consideration that I will get after the deadline of 5.00 pm this evening.

Mr Butler: The Minister is aware that we first met on 19 February to discuss section 12, which is part of the repeal by Justice Humphreys. In that regard, given the public interest and the further outreach by victims of historical sexual abuse and crimes, has the Minister had meetings with any of those bodies in the intervening time and taken into consideration the impact of the law on how they feel?

Mrs Long: I have, indeed, had representations from and a direct meeting with a number of bodies that represent people who are in that space. There was no intention by me as Minister, my officials, Sir John Gillen, who asked that there be anonymity up to the point of charge, or any Member of the House who passed that legislation to cause any harm or distress to any victim; quite the contrary. The Justice (Sexual Offences and Trafficking Victims) Bill was brought forward with a view to enhancing the protections for victims in court and in wider society. It is important that we reflect on that. I am absolutely clear that there was no intention on anyone's part to cause harm, nor would I ever wish to do so.

Mr Brett: I thank the Minister for providing an update to the House and the leader of the Opposition for tabling the question. During a previous item of business, the Member for East Antrim placed much importance on an editorial in the 'News Letter' supporting a stance that he has taken. That paper has described any attempt to appeal the judgement as "wrong-headed". Does the Minister agree with that editorial that any appeal would be wrong-headed? Can she confirm that any appeal would require the approval of the Executive as a whole and that it would not be possible for the Minister to act alone?

Mrs Long: The Member has raised two issues. First, should I take my legal advice from the KC and senior counsel who are intimately engaged with the case or from an editorial of a newspaper? The answer to that should be clear even to the person who asked the question. I will base my decision on legal advice and not on opinion or editorialisation of the matter. There have been unhelpful mistruths and

miscommunications on what has been asked. It would be helpful if people returned to the original judgement when looking at the matter.

In respect of my ability to take forward an appeal as Justice Minister, it is clear that I do not need Executive approval. At this stage, the decision is mine to make, because the primary finding was for DOJ and was therefore not a cross-cutting issue. However, I have recognised that the matter is of significant importance and have made Executive colleagues aware of the wider constitutional matters raised in the judgement and sought their point of view. I will take those views into account when considering the correct way forward.

Mr Speaker: That concludes the question for urgent oral answer to the Minister of Justice.

Executive Committee Business

Budget (No. 2) Bill: Second Stage

Debate resumed on motion:

That the Second Stage of the Budget (No. 2) Bill be agreed. — [Dr Archibald (The Minister of Finance).]

Miss Brogan: I thank the Finance Minister for bringing forward the Budget (No. 2) Bill, particularly given the challenging time pressures that her and her officials were under. Bringing forward a balanced and fair Budget is challenging at the best of times, but doing so after 14 years of British Government austerity, when the bids for funding far outweigh the funding that is available, required exceptional skill.

In addition to dealing with the chronic underfunding that the North has been subjected to by successive British Governments, it must be noted that the Minister had to develop a single-year Budget. That is far from ideal, but unfortunately, as we are in the last year of the current spending review, a multi-year Budget simply was not possible. However, I am hopeful that, as we move into the new spending review period, a multi-year Budget will be developed to give Departments the certainty that they need to plan ahead.

The Budget has been a challenging one for all Departments. Only £1 billion of resource DEL was available for allocation, set against bids totalling £3 billion, and it was a similar picture for capital DEL. In the allocations, Health was prioritised, as it received over 50% of the available funding. Indeed, Health received an additional £1.6 billion, as well as more than half of the funding made available in June monitoring. That underlines the point that Health is a priority for Sinn Féin, even when there are limited resources.

The Budget aligns with the key priorities set out by Executive parties, which are expected to be included in the Programme for Government. They include the £25 million set aside for childcare and the £47 million set aside for transformation.

As a member of the AERA Committee and my party's spokesperson on the environment, I want to specifically mention the £1.5 million that is being made available for Lough Neagh. Earlier today, the AERA Minister updated us on

his Lough Neagh report and action plan. I hope that that helps to reassure those who live near the lough that Departments are working together to protect and restore it.

Of course, many worthy and important projects will not receive the vital funding that they need. Unfortunately, the British Government's previous Budget delivered cuts amounting to £1 billion, decimating our public services and having a disproportionate impact on those who were already struggling most with the cost-of-living crisis. The Finance Minister has been relentless in her battles with the Treasury to secure the funding that the North deserves.

The interim fiscal framework that the Finance Minister has secured will go some way to addressing our chronic underfunding by the British Government. The agreement sets the fiscal floor at 124%, meaning that, for the first time in a generation, the North will, in future years, be funded at or above its relative need. That is a radical change to how the North is funded and will help us to mitigate British Government underfunding in the future. The new interim framework also alleviates concerns that we face a cliff edge in 2026, as the fiscal floor will be baselined at the relevant spending review period.

3.00 pm

The Minister has done excellent work within the extremely limited powers available to her to mitigate, as much as possible, the effects of Tory austerity. However, in order to provide the Budget stability and security that we require, we must see greater devolution of fiscal powers to the Assembly. The current system gives the Treasury, which is not accountable to the people here, far too much of a say over our finances. Undoing the damage caused by years of British Government austerity and underfunding will require greater flexibility around Budgets, greater borrowing powers and more fiscal devolution.

Ms Forsythe: I rise as DUP finance spokesperson. I will be brief, as much of what we might cover today about our finances was discussed in this place yesterday.

The DUP, led by Gavin Robinson MP, has long championed a new needs-based funding model for Northern Ireland, and, without our work, it would not have been possible to be moving forward on an improved funding basis today. However, we have been consistent in our stance that the current financial position is not sufficient and that Northern Ireland needs a

long-term plan for our finances to enable us to move forward on a sustainable basis.

We are in an extremely challenging Budget cycle. It is not ideal that we move once again to a single-year Budget position, but we understand that multi-year Budgets are a shared goal of all in the Executive when we move to align with the new comprehensive spending review. It is not ideal that we are progressing a Budget without a Programme for Government, and the need for its urgent agreement and publication is immense. It is also not ideal that, once again, we are progressing the Budget by accelerated passage. However, in our Finance Committee research, we noted that every Budget Bill that has ever been moved here was taken through by accelerated passage. It is an attractive goal to hope that this Executive and Assembly could set a new first by bringing the first ever Budget Bill forward through a full scrutiny process. Let us hope for that in the future. However, today, we are where we are.

Our public services face incredible challenges. Every Department has been awarded significantly less than it bid for, yet compromise has been found. With Departments under pressure and the potential to run out of funding in-year for outside factors like demand on statutory services under the existing 65% Vote on Account, it is necessary that we progress this Budget through accelerated passage to keep our services running.

Satisfactory scrutiny of the Budget has been noted, but a number of Departments, led by their Ministers, need to be clear, open, transparent and honest with their Statutory Committees on their plans for how they will live within their Budget allocations. Each Committee will speak to its own specific issues, and I am grateful that many of them have shared those issues with the Finance Committee.

Difficult decisions need to be taken. As a country, we cannot afford for any Minister or Department to blanket overspend due to dissatisfaction with their Budget allocation and then expect the Assembly to approve additional resources to continuously plug the gap without plans to transform services. Transformation and the delivery of improved value for money need to be a key priority of the Executive in exercising their functions. We need to see improved cross-departmental working, the removal of siloed working and the removal of duplication of tasks.

The Budget needs to be approved to keep Northern Ireland public services running, but it

also needs to be used as a baseline and with a commitment to transform our public services, because the 2026-27 financial cliff edge at the end of the financial settlement period will be upon us soon. We cannot continue to roll forward continuously. We need transformation now. We need a Programme for Government and a plan, and we need to see delivery. Our DUP team is committed to that delivery and to continuing to fight for improved finances and a better future for Northern Ireland. We support the Bill.

Mr Tennyson: Further to Assembly approval of the Supply resolutions yesterday, I rise on behalf of the Alliance Party to support the Budget Bill at Second Stage. I also support the Bill proceeding by accelerated passage in order to ensure that Departments have the statutory authority needed to draw down cash and avoid the risk of reaching the spending limits set in the previous Vote on Account.

The Executive's agreement on the final Budget for 2024-25 has enabled us to get to this point, and, as has been rehearsed on multiple occasions, it has occurred in turbulent and challenging circumstances. The restoration of the Executive on 3 February left an incredibly short time for the Budget to be developed and meant that we are now proceeding in the absence of proper consultation and in the absence of a Programme for Government.

We also come to this debate off the back of a period of sustained underfunding by Westminster, loss of EU funds due to Brexit and a cycle of stop-start government at the Assembly that has left our public services creaking under enormous pressure. That damage will not be undone in a matter of weeks or months or even over the course of this year; rather, it will require sustained effort over many years, underpinned by stable, functioning and effective institutions. The Assembly is as stable today as it was the day before it last collapsed. I may sound like a broken record, but, if we are to create the political certainty and stability that is required to support transformation of our finances and public services, we must reform the institutions and ensure that no single party can ever again hold them to ransom.

We must also build on the progress of the interim fiscal framework, hopefully, in partnership with a new UK Government. That must include a fiscal floor that is appropriately baselined and set at the correct level, recognising our unique policing and justice need and incorporating issues such as taxable capacity and benefit rate sensitivity. Convincing Treasury of those arguments will require strong

independent evidence, and time is of the essence ahead of the potential spending review later this year. Aside from the establishment of a Budget sustainability team in the Department of Finance, we are not clear on the timetable of when that evidence will be provided or how the independence of that evidence will be safeguarded. It remains my view that an independent commission should be established at the earliest opportunity to provide evidence on our funding formula.

The devolution of additional fiscal powers should also be on the table, though we are still largely in the dark around the Department's priorities in that regard. A phased and pragmatic approach should be adopted, recognising the risks associated with devolution of additional powers and the capacity of the Executive to take on significant new powers. However, there are obvious contenders, such as landfill tax and stamp duty, that could be levied in a manner consistent with the Executive's priorities and agenda. There are also areas where there is significant consensus, for example, the expansion of reinvest and reform initiative (RRI) borrowing powers, increased Budget flexibility and the ability of the Executive to carry a reserve.

There is also a need for significant public sector transformation, and I welcome the progress that has been made under the Minister in setting up the interim public sector transformation board.

The Executive must finally break free of the inertia that stymied their predecessors, particularly in the two largest-spending Departments. That includes finally setting out a pathway to reconfigure and transform our health service, as envisaged by Bengoa, and taking steps to assess and reduce the costs of division in our education system and in our wider society.

We are aware that, even if all those elements were in place, the state of our finances would still largely be dependent on decisions taken at Westminster. No amount of local revenue raising could mitigate the cuts that have been implemented at Westminster over the past 14 years, nor, I would argue, is it fair that people in Northern Ireland should be asked to pay more and receive less. That is why our engagement with whomever is in government after Thursday's election matters. I hope that there will be a strong team of MPs from Northern Ireland there not just to advocate fair funding but to scrutinise our fiscal rules and to champion a fair and progressive system of taxation that properly invests in our public services.

It is important to say that, despite all the constraints and challenges, progress is being made in many important areas. A £25 million investment in childcare sends an important signal about the Executive's direction and priorities and will provide essential relief for working families. The £40 million announced for the pay and grading review for education workers represents significant progress for often undervalued workers.

There are, however, also areas where more work is required. While the additional funding for Lough Neagh announced yesterday is welcome, it does not match the scale of the problem, the ambition of the Minister of Agriculture, Environment and Rural Affairs or, I am sure, the Finance Minister or the expectations of the public. Indeed, I remain concerned more broadly that climate change is not being adequately considered by the Department of Finance when assessing bids and that a fundamental reappraisal of the draft investment strategy does not appear to have happened either following the publication of the climate change legislation or the Economy Minister's economic vision. Again, I understand the time constraints in this mandate. I know that we are just back, but I hope that, when we are talking about future Budget Bills, we will have made significant progress in those areas.

I want to reiterate that, when we debated the Budget in May, we were told by some that we should oppose it. That would have been an enormous act of self-harm, upending our negotiations with Treasury, putting at risk the progress made to date and plunging our public services into even further disarray. The folly of that strategy has been laid bare. If we want to be taken seriously as a negotiating partner and secure the additional funding in our public services that, we all agree, is needed, we must govern responsibly. The passage of today's Budget Bill is an important step in that direction.

Mr Elliott (The Chairperson of the Committee for Agriculture, Environment and Rural Affairs): I welcome the opportunity to speak on the Budget (No. 2) Bill. The Committee is focused on working with the AERA Minister and his Department to achieve the best outcomes within the Department's budget allocation.

It is worth highlighting how the lack of a Programme for Government makes it more difficult to scrutinise and support the Minister's spending decisions. Scrutiny has also been hampered by having had no sight yet of the Department's business plan for 2024-25. I imagine that that business plan may now need

a substantial revision after the meagre June monitoring round allocation of £5.5 million, given that the Department's bid was for £28.8 million, including £11 million for bovine TB programme delivery; £7.8 million for farm support and development programme delivery; £3.9 million for an environmental improvement plan, which included the Lough Neagh delivery scheme; and £3.8 million for green growth and to tackle climate change.

It was of concern at the time to hear that the Minister was relying on June monitoring and subsequent monitoring rounds to meet statutory and contractual elements. We were right to be worried. The £5.5 million that has been allocated would cover only half of the £11 million for bovine TB compensation. That is only half of one bid.

Actions to tackle climate change actions and to support agriculture have not been viewed as areas of focus in the June monitoring round, or, indeed, in the main Budget, by the Department of Finance. The Committee will need to see where that leaves the Department, particularly in meeting the statutory obligations that are not covered and the unfunded contractual pressures. There is also still no funding to reverse the decisions that were taken in 2023-24 to help DAERA live within last year's budget.

I will now move on to the Department's budget itself. I will quickly remind Members of the allocations for DAERA and then move on to some specifics that the Committee discussed with officials at its meeting on 6 June.

The total net resource budget of around £624 million for 2024-25 is significantly lower than the total provision for 2023-24, which was around £764 million. The total net capital budget of £95 million for 2024-25 compares with £97.5 million for 2023-24. Those allocations do not, however, come close to what was bid for by DAERA, so, although any additional resource is welcome, it is very hard to be hugely positive about the £5.5 million that was announced for DAERA in the June monitoring round, as it will not even touch the sides of what is needed. The bids for capital funding, including the earmarked bids, were for £155 million, of which only 61.2% were marked as being inescapable and pre-committed. The total allocation is well below the £95 million required.

At its meeting on 6 June, the Committee heard from officials that there are huge challenges for DAERA. The Department bid for £95.8 million of resource DEL, which was against the opening 2023-24 position, and for £155.2 million of capital DEL from a zero base. It

received only an additional £15.2 million of resource DEL and £95 million of capital DEL, however. There is also the £332.5 million of Treasury earmarked resource, which is almost 58% of the total resource DEL allocation. That means that only 42% of the Department's resource allocation is funded by the Executive.

The Committee heard that a number of resource DEL issues had an impact this year. For example, the significant in-year funding in 2023-24 for the public sector did not roll forward into this year. We heard about contractual pressures, such as pay and pensions, and unfunded statutory obligations in the Department, such as bovine TB compensation and the Office for Environmental Protection.

On a somewhat positive note — I looked for one — officials advised us that, although less than 16% of its resource DEL bids were funded by the Executive, the allocation of almost £244 million would still allow the Department to take forward a significant amount of business-as-usual work.

However, difficult decisions have been made by the Minister around staffing and operating efficiently to target funding towards its top two priorities of tackling climate change and protecting our natural environment.

3.15 pm

Members considered a range of areas in the Budget allocation, and I will mention a few of those now. TB compensation is a statutory obligation, yet DAERA is relying on in-year funding. When it pressed on this matter, the Committee was advised that if the £11 million bid were not met in June, there would be another two bites of the cherry in October and January. The officials highlighted that if bids continued not to be met, TB is a volatile disease and the rates can fluctuate. This does not appear to be good planning to meet a statutory obligation.

The Committee raised concerns about the lack of indication of the costs for potential remediation options for Mobuoy. Officials advised that the business case has not yet been finalised and signed off by economists and that consultation on proposed options has yet to be done. We believed that the financial aspect should also be factored into that business case, which does not seem to have been done.

Members questioned officials on the £5.7 million for tackling rural poverty and social

isolation and the rural business community investment programme. We were looking for indication of the likely projects and anticipated outcomes. We also queried the budget for actions around Lough Neagh, including the Northern Ireland Environment Agency additional enforcement team to focus on hotspots in the Lough Neagh catchment, increasing inspections under the nutrients action programme and delivering enhanced water framework directive monitoring. We heard of an additional 14 posts in the environment, marine and fisheries group, partly to undertake strategic policy development in support of longer-term recommendations to tackle blue-green algae. Members also queried the review by the estate transformation division, looking at the 860 buildings owned by DAERA across 240 sites with a view to any potential savings that could be made.

The Committee looks forward to engaging with the Department on addressing its priorities throughout the year. As a general point, although many climate change actions are being led by DAERA, there is a need for all Members to be mindful of the relevant cross-cutting expenditure and its effectiveness in delivering the outcomes needed for a just transition for the whole of Northern Ireland.

Mr Brett (The Chairperson of the Committee for the Economy): I can advise the House that officials from the Department for the Economy, alongside the Minister, have provided written and oral evidence to the Committee on the 2024-25 Budget. Officials have also provided us with follow-up answers, allowing the Committee to track the changes in spending from 2023-24 to the present financial year, and we are grateful to the officials and the Minister for their willingness to engage on that.

The Committee was relieved to note that the opening positions in the Budget for the arm's-length bodies are similar to those of the previous year. Members of the Committee were also pleased to note that funding for apprenticeships and skills has been maintained by the Department. There was £11.8 million of unallocated funds in the Economy budget, but the Minister has today provided an outline of how he intends to allocate that funding in this financial year. Again, I particularly welcome the restoration of the SKILL UP initiative, which my colleagues previously introduced. I also welcome, as I did earlier, the 50 additional places that the Minister said that he will fund at Queen's University for under-represented communities. Report after report has shown that, at Queen's University, those most under-represented are those from working-class

Protestant communities, particularly North Belfast, the constituency that I represent. I look forward to working with Queen's to ensure that those who get those places are deserving of them.

The Committee has also taken evidence on the need for long-term clarity on the Shared Prosperity Fund, which is being used to support labour market partnership interventions, which continue to successfully challenge the unusually high level of economic inactivity across parts of our economy. The Committee hopes that funding clarification from His Majesty's Government following the general election will ensure that those interventions will continue in the next financial year.

The House has seen some very welcome public-sector pay settlements, not least for further education lecturers. Although those were long overdue and well deserved, public-sector salary pressures may well present a significant challenge to the Department for the Economy. Perhaps the Minister, in her remarks at the end of the debate, will outline how she believes that those pressures will be met as we move forward.

On improved public-sector efficiency, the Committee looks forward to the new model for the delivery of further education contributing successfully to the 10X Economy and 10X skills strategy. Recently, the Committee was informed of the Economy Department's submissions regarding public-sector transformation. We welcome them, particularly those that relate to public-sector apprenticeships. The Department was unable to submit one proposal this time round but hopes that it will be able to make its way to the Department of Finance and the public-sector transformation board at the next stage. The Committee felt that those measures would help to tackle economic inactivity and provide other stimuli for the economy.

The Committee has continued to seek clarity on AME, the revised RHI tariffs and, indeed, the future of the RHI scheme. The Executive's recent statement on their legislative priorities referred to an RHI Bill in the current year. In my capacity as a member of the Finance Committee, it seems to me that continued correspondence between the Department for the Economy and the Department of Finance on the business case is increasing at pace. Perhaps the Minister, when summing up, can say whether the Department of Finance is now satisfied that the Department for the Economy has provided all the information that is required.

That brings to an end my remarks on behalf of the Committee. My party will support the Bill.

Ms Bradshaw (The Chairperson of the Committee for The Executive Office): The Executive Office is an unusual Department in that it has a relatively small budget but a diverse portfolio of expenditure. That ranges from highly sensitive areas, such as victims and survivors of the conflict, of historical institutional child abuse and of mother-and-baby institutions, to items such as strategic investment and maintenance of the Executive's three overseas offices. The diversity of the Department's responsibilities requires enhanced scrutiny to keep track of the different strands of the work that is undertaken by the Executive Office and to ensure that public money is spent wisely and well. That requires detailed advance planning on the part of the Department and time for the Committee to receive the necessary financial information, subject that information to scrutiny and discuss departmental expenditure in an open and public way.

Public consultation on and parliamentary scrutiny of budgets are essential components of a democratic society. Victims and survivors of mother-and-baby institutions need to know that the resources are there to consult on and initiate legislation to establish a public inquiry into what happened to them and to provide them with the personalised support and redress that they deserve. People who are working towards peace and reconciliation in communities need to know when and how they will be paid to undertake the challenging work that they are engaged in. While we welcome the June monitoring round's allocation of £0.5 million for central good relations, I have already been contacted by groups asking when they will receive firm letters of offer.

People who live in the north-west or south-east need to know that the investment in strategic sites is sufficiently and appropriately spent. How can the public be sure that the money is being spent wisely if the Committee does not have the information in detail and in a timely manner? How can the Committee receive the information in detail and in a timely manner if the Department is uncertain as to how much it has to spend? How can the Department know the extent of its finances for the coming year in the absence of certainty in Budgets and monitoring rounds?

Next year, the Committee looks forward to a Budget's being decided well in advance, fully consulted on, with the necessary equality impact assessment. The Committee looks

forward to receiving detailed spending plans well in advance to be able to fully scrutinise the Department's expenditure. Finally, the Committee looks forward to having the time and space to assist and advise the Department on the challenges of allocating money to its diverse but important areas of work, as it is required to do.

Mrs Erskine (The Chairperson of the Committee for Infrastructure): I welcome the opportunity to contribute to today's debate on behalf of the Committee for Infrastructure. As we all know, the financial landscape in Northern Ireland has presented significant challenges to Departments to manage their day-to-day services. That is likely to continue to be the case. As Members are acutely aware, the restricted Budget settlement means that all Departments are operating within significant constraints, which means that tough decisions will be required to prioritise services and what can realistically be delivered.

Since resuming business, the Committee for Infrastructure has received oral evidence on a number of occasions to try to understand the Department's financial position and the associated challenges that it will face over this financial year. The Department for Infrastructure's overall resource allocation for 2024-25 is £559.5 million against forecast requirements of £676.6 million. The Department submitted bids totalling £1.2 billion for its capital budget and received an overall capital allocation of £820 million. The Committee is fully aware that the Department and its arm's-length bodies (ALBs) face significant challenges across many business areas, which will affect all of our day-to-day lives. Those business areas include the maintenance of our road network and water infrastructure and the delivery of public transport services across Northern Ireland. It is generally acknowledged that some of those key areas have already suffered from years of underfunding. That makes the current Budget position all the more concerning. Our water infrastructure, particularly our waste-water infrastructure, is in desperate need of a significant capital injection.

Through the price control 2021 (PC21) process, the Utility Regulator issued his determination of the financial resources that would be required to allow Northern Ireland Water to fulfil its responsibilities. During oral evidence to the Committee, the Utility Regulator noted that we are in a difficult situation with the lack of funding to achieve the PC21 goals. The Committee was also advised that the Utility Regulator had undertaken a midterm review to evaluate whether the initial determination remained

realistic. We look forward to the outcome of that review. However, we must be mindful of the role that inflation will have had since that initial PC21 determination.

Our water system is at capacity in many areas, and, in others, it is in desperate need of being updated. That has social and economic impacts: it prevents the building of social housing, for example, and limits industrial and economic development. Investment is, therefore, essential, not only to support our existing economy but to grow capacity to help our economy to grow. Regrettably, however, the indicative allocation for this year falls short of the requirements identified by Northern Ireland Water.

Translink will also face significant challenges to ensure that it can support the transition towards a decarbonised public transport fleet and reduce the amount of harmful greenhouse gases that it produces. Both objectives require significant capital investment in our infrastructure, so it is essential that we move to a multi-year Budget. That would give more certainty to the Departments that typically incur higher capital spend. Capital projects are complex and expensive, so Departments need to know that funding will be available in future years to ensure that key capital projects can be delivered. Undoubtedly, the lack of a multi-year Budget constrains our ambitions to develop capital projects. It means that there is a lack of clarity on whether there will be sufficient capital funding in subsequent years as projects progress.

The Committee received oral evidence on the 2024-25 Budget allocations at its meeting on 29 May. The Committee was informed that ALBs and various parts of DFI had been asked to respond to their indicative allocations within four weeks, after which a consultation on the equality screening of the indicative allocations would be undertaken. Given that the Budget allocation falls short of the requirements identified by DFI, officials were asked for information on the options or measures that might need to be considered in order to live within budget.

In response, the Committee was advised that no detailed information on the options was available at that time and that that would be developed after responses on the indicative allocations were received from the respective parts of the Department and its ALBs.

3.30 pm

The equality impact assessment (EQIA) consultation was subsequently launched on 11 June. It is disappointing that the Committee received no advance copy of the consultation document and was advised of its launch only on the day after publication. Notwithstanding the severely constrained time frames associated with the Budget, the Committee for Infrastructure has a statutory function to advise and assist the Minister. Without sight of the consultation document, the Committee was not aware of some of the measures being considered by the Department to reduce spending, such as the introduction of a concessionary fares application fee, before the document was made publicly available, despite specifically requesting the details of such measures during the oral evidence session. I conveyed my dissatisfaction with the situation when officials attended the Committee last week to give evidence on the June monitoring round.

The timescale for interaction between Committees and Departments details the process for engagement between Committees and their respective Departments in respect of consultations. The Committee expects that to be adhered to as far as possible, regardless of the circumstances. It therefore expects the Department to provide a copy of the report on the consultation, including details of any proposed changes to the indicative allocations, in advance of any final decisions by the Minister. I have previously stated that the Committee is keen to work collaboratively and constructively with the Minister and the Department. However, for that to occur, the Committee has to be extended the opportunity to contribute in a timely manner. The scarcity of resource makes the need for Committees to actively participate to ensure that public money is maximised all the more important.

The Committee will monitor the Department's performance through the in-year monitoring round process and the progress against its business plan objectives and its end-year out-turn. Furthermore, the Committee will wish to engage with the Department on its resource requirements for the next financial year at the earliest opportunity to enable it to engage more widely with stakeholders. It would be helpful, therefore, if the Minister could set out when she expects to be in a position to bring forward the next Budget and whether that is expected to be a single- or multi-year Budget.

I will now briefly speak in my capacity as an MLA for Fermanagh and South Tyrone. As I have said in the Chamber many times, infrastructure is the bedrock of our society.

Providing better road networks, building better capacity in our waste water treatment and aiding better transport networks are key to unlocking more and better jobs, helping our economy, drawing down investment and securing even the most basic right in life: a roof over your head. Therefore, it must be taken seriously. A lack of investment in that area has a knock-on impact on other Ministries. Schools and new homes cannot be built, and, without updated planning policy or capacity in our Northern Ireland water systems, we run the risk of investors pulling out of Northern Ireland.

Delivering high-quality infrastructure will be the foundation of future growth across the United Kingdom of which we are a part. I want to see development of infrastructure projects and the ideas that are contained in the Union connectivity review. I know that my DUP colleagues have been working at Westminster to ensure that Northern Ireland has its fair share of funding to see those projects become a reality. There are clear synergies between the Northern Ireland connectivity review and the all-island rail review. The latter recommended that the Government provide funding and major project expertise for the purposes of delivering specific recommendations for cross-border rail. In particular, I want the Infrastructure Minister to ensure that Fermanagh is included in future rail development plans.

Furthermore, our planning system needs fundamental change. I know of investors who are hesitant about injecting cash into Northern Ireland for major developments or projects simply because of the time that it takes to get applications through the system. In the past few weeks, the Committee heard from the renewables sector, and it was clear that the planning system is hampering applications for wind farms, which could have an impact on our ability to reach our climate change targets. The Planning Appeals Commission, which is sponsored by the DOJ, is in a logjam, and there is an onus on the Justice Minister to look seriously at that. It must all be properly and adequately funded, and there must be a cross-departmental, non-siloed approach to ensure that our government policies and legislation strategies are funded and matched up so that we have delivery on the ground in every constituency across Northern Ireland.

I pay tribute to my DUP colleagues, mainly my party leader, Gavin Robinson, who, for some time, has been raising the need for Northern Ireland to be adequately funded and to see an uplift. DUP MPs were doing that long before others. They often did so as lone voices. My

party will continue that work, and, today, I support the Budget (No. 2) Bill.

Mr Chambers: I welcome the chance to make some remarks on the Budget (No. 2) Bill. The Bill provides formal legal authority for Departments to incur expenditure as set out in the Main Estimates that we discussed yesterday. The substance of my remarks will focus on what the Estimates mean for the health service in Northern Ireland and for all the staff working across it. Yesterday, some MLAs tried to skirt over the impact of their decision to support this year's Budget, but the reality is that the stark warnings that were raised in April and May are still valid today.

No one in the Assembly ever tried to suggest that it would be an easy Budget, but many people took some comfort from the fact that, when the institutions were re-established in early February, there appeared to be a genuine cross-party assurance that the health of our people would be put first. Parties collectively committed to prioritising our health service and all those who rely on it by putting our shoulder to the wheel to tackle its many challenges, not least the appalling waiting times. Promises were made, but, unfortunately, through the Budget, those promises are being broken.

This spending plan completely fails to recognise the sheer magnitude of the challenges facing the health service in Northern Ireland. No matter how you assess it, there has been an abject failure to be honest with the public about the real-life impacts that the Budget will have. There has been zero measure of its impacts and zero recognition that a funding shortfall in the health service has significantly greater consequences than a shortfall in many other public services.

I could list countless examples of how the Budget will make things worse rather than better. For example, providing not a penny for pay awards is likely to lead to growing demands for further industrial action in the autumn and all the huge disruption that that would bring. In addition, even after all the public statements about how parties are committed to doing all that they can to tackle waiting times, the 2024-25 Budget did not include a penny extra for cutting waiting times other than the £34 million that had already been announced long ago by the UK Government.

From presentations that the Health Committee received, it is obvious that the Department of Health was asked what additional efforts to reduce waiting times were deliverable this year. Within only a couple of weeks, a costed plan

amounting to £135 million was produced. In addition to maintaining time-critical work, the Executive and the Assembly had the opportunity to support almost 70,000 extra patients by delivering greater levels of outpatient activity as well as focusing on those waiting the longest. The Executive and the Assembly also had the opportunity to reinstate a reimbursement scheme, like the previous cross-border scheme, but, again, it did nothing. However, I still hear MLAs brazenly call for the introduction of the very initiatives that they are preventing through their support for the Budget. It is also worth noting, when some try to proclaim that this was the best that could be done with the money available, that the Education, Agriculture and Environment, Justice and Infrastructure Departments all receive proportionately greater increases to their general allocations than the Department of Health.

The fact of the matter is that, before yesterday's belated intervention with the agreement on the monitoring round, the Department of Health's budget had been cut by over 2% compared with where it was just a few months ago. Whilst some still try to refute that, I remind them that that fact was recognised in the most recent report published by the Fiscal Council. That is the exact opposite of prioritising healthcare; indeed, even after yesterday's allocation, the Health budget is still less than what was spent last year. At a time of increasing demand, with annual health inflation rising to 6% and, apparently, a policy, on paper at least, of retaining pay parity, it is clear that something is going to break. Unfortunately, it seems as though it will be patients and staff who will be left at that breaking point.

Having seen how the vote on the 2024-25 Budget went in the Executive at the end of April and in the Assembly at the end of May, I suspect that the outcome of today's debate is a foregone conclusion, but I will still use this chance to urge MLAs who are genuinely worried about our health service, as we should all be, not to support the allocations to be confirmed today. Whilst I absolutely accept that there should be an onus on the Department of Health to make the best use of every penny that it receives, ultimately, MLAs must recognise that, by tying one arm behind its back, the Assembly will make the Department's problems worse rather than better. That, unfortunately, is what the Budget does.

Speaking as a father and a grandfather who cares about the health of the people of Northern Ireland, my conscience will not allow me to

support the Budget today. I confirm that that is the position of my party.

Ms Bunting (The Chairperson of the Committee for Justice): I welcome the opportunity to speak as Chairperson of the Committee for Justice, and I declare that a member of my immediate family works in the legal profession.

The permanent secretary of the Department of Justice, Criminal Justice Inspection Northern Ireland, the Commissioner Designate for Victims of Crime, the Law Society, the Bar of Northern Ireland, the Lady Chief Justice, the Probation Board, the Chief Constable of the PSNI, the Courts and Tribunals Service and the Public Prosecution Service are just some of the people and organisations from whom the Committee for Justice has heard since the return of the Assembly. One common theme was apparent throughout the evidence sessions: budgetary constraints are having a massive impact on the ability of justice sector organisations to deliver vital, essential services.

On 13 June, the Committee received an oral briefing from departmental officials on budget 2024-25. During that briefing, the Committee was informed that the Executive had around £1 billion to put towards pressures of £3 billion. We were told that the Department of Justice had been allocated 9.9% of the available amount, despite its pressures representing 14% of the pressures across the block. That is of concern, especially because, as I said in previous financial debates and as is evident from the Bill, the vast majority of the Department's budget is demand-led. It is taken up by the PSNI, the Prison Service, the Courts and Tribunals Service and through legal aid spend. As a result, there is little, if any, scope to reduce spend without impacting severely on the delivery of vital services.

That message was reinforced to us by the permanent secretary during the briefing on 13 June. He stated:

"Without additional funding ... there is real potential for lasting damage to the justice system".

3.45 pm

At the same briefing, a senior departmental official informed the Committee that, under the current Budget settlement, the Department will be facing pressures of £349 million, which, we were told:

"broadly equates to the combined spend across prisons, the Courts and Tribunals Service, legal aid and the core Department".

Such sentiments echo what the Committee has been told in various evidence sessions with justice-sector stakeholders. We have heard many times, for example, that front-line police officers spend a great deal of time, sometimes entire shifts, dealing with people who have mental health issues. There is no doubt that such people would be much better served by mental health professionals. For various reasons, however, it is often the police who are called.

Indeed, we were advised by the Chief Constable that the PSNI is undertaking 500 ambulance calls a month. This is at a time when police officer numbers are at an all-time low of under 6,400, when the recommended number in the New Decade, New Approach agreement is 7,500. The current numbers are clearly unsustainable.

During an evidence session with Criminal Justice Inspection Northern Ireland (CJINI), the Committee was told that the CJINI budget has decreased by almost 10% in 10 years and:

"if the budget remains similar to what it is at the moment, we will not be able to do a prison inspection in 2025."

That is most concerning, especially given the fact that the prison population continues to increase at the same time, as there are ongoing issues with prison officer numbers. As I have said in previous financial debates, the current staffing levels are for a prison population of 1,450 prisoners, yet there are more than 1,900 people in custody at present, and that number continues to increase.

It is a similar story for victims of crime. During an evidence session with the Commissioner Designate for Victims of Crime, the Committee was told:

"Despite our numerous strategies and fine words, the sad reality is that, when the system is stretched and staff and budgets are under pressure, it is victim care that suffers."

Again, it is deeply concerning that victims of crime are suffering because of the financial situation.

Likewise, during an evidence session with the Law Society and the Bar of Northern Ireland, the Committee was told that slowing down the

payment of legal aid fees as a budget management tool has forced professionals to leave the Bar or firms to shift from doing legal aid work. Indeed, it may result in the closure of firms. In no other area of work would a 12- to 16-week payment delay be acceptable for work that is sometimes carried out up to a year previously. We were informed that that disproportionately affects younger professionals and women and that it could threaten access to justice for many across Northern Ireland.

When briefing the Committee, the Lady Chief Justice, Dame Siobhan Keegan, in reference to the Department's budget, stated:

"there is now a significant risk to the ability to deliver services to support the administration of justice, which will have ramifications ... for the provision of fair and expeditious justice for citizens."

In an evidence session with the Probation Board for Northern Ireland (PBNI), it was highlighted to us how important a partner for the board the community and voluntary sector is. It was stated, however, that, owing to the lack of a multi-year budget, organisations in that sector reach what was described as a "cliff edge" every six months.

The lack of multi-year budgets was another key theme during various evidence sessions. We recently heard from the Public Prosecution Service (PPS) that its budget has not been increased in line with the increased demand for its services. For example, we were told that the impact of new legislation to tackle coercive and controlling behaviour, stalking and non-fatal strangulation has, without an increase in funding, led to more delays in the system. That is unfair on already traumatised complainants, and we were advised that workloads for PPS staff have become intolerable.

As I said at the beginning, it is clear that financial constraints are having a massive effect on justice-sector organisations. Department of Justice officials painted a pretty bleak picture, based on the budget allocations.

The Committee does not, however, see its role as simply being to hold evidence sessions and then come to the Chamber to cheerlead on behalf of the Department. We are determined to consider ways in which the system and service delivery can be improved. That is why, for example, the Committee has commissioned the Assembly's Research and Information Service (RaISe) to conduct a piece of research into the interaction between mental health services and the justice sector. That may well highlight areas

in which greater collaboration may be necessary or, indeed, identify areas of duplication in services. Furthermore, the Committee hopes to hold a concurrent meeting with the Committee for Health in the next parliamentary session after recess in an effort to consider areas of collaborative working. Hopefully, we will be in a position to update the Assembly on that work in due course.

The £35 million in additional funds that was announced yesterday is undoubtedly welcome, but, as a result of timing, the Committee has yet to learn where and how it will be allocated and prioritised.

From the DUP's perspective, the worries and pressures raised by stakeholders in the sector with regard to the impact on essential services are shared by the Democratic Unionist Party. We are strong believers in law and order and a justice system that is blind and fair for all who find themselves dealing with it. We have lobbied to ensure better and more efficient services for those who come into contact with it in any way. DUP members on the Committee are exceedingly and increasingly concerned about the extent to which Justice stakeholders are alleviating the pressures that should, in reality, properly be borne by Health. That is not sustainable and is far from ideal given the nature of some of the issues at hand. We are far removed from the right person, right care scenario, and the fact that justice is becoming a first resort rather than the last should be of concern to all. The repercussions are not to be taken lightly. It does not merely impact on the person in crisis; there is a consequence for those who witness and have to address grave and difficult situations for which they are neither trained nor equipped. Thus far, we have been unable to fully grasp the extent to which people are put through the justice system when it is neither the right nor the best place for them. I am therefore glad that the Committee agreed to my request to inquire into the matter, and I look forward to exploring and understanding the issues more fully.

Whilst it is right that there should be cooperation and collaboration, it must be strategic and not reactionary. To do otherwise is not always in the best interests of the individual or the person providing the service. On learning from the tackling paramilitarism programme that no single Department even holds a list of all the strategies in Northern Ireland, many of which duplicate each other on cross-cutting subjects, I have repeatedly sought to establish the extent of strategic cooperation and even discussion at ministerial level between the Departments of Health and Justice

and at the highest levels in each of those Departments, thus far without success. We have certainly been furnished with lists of ongoing collaborative work, some of which has been under way for a number of years, which is valuable and helpful. However, given the current budgetary status, surely now is the time to refresh the thinking and see what more those Departments can do collaboratively, as they are increasingly interdependent.

We touched on the issue earlier, but I would be remiss were I not to mention press speculation that the Minister is "minded to appeal" Mr Justice Humphreys's recent ruling. On Thursday, the Committee was advised that a decision had not yet been taken, and the Minister confirmed that today in the House. As the matter has been sub judice, we have not discussed it in full. Many current members did not sit as part of the predecessor Committee and are not fully au fait with all the considerations. Speaking on the subject the last time that there was a question for urgent oral answer, I expressed my view that this was a matter of reputational damage for the Minister, her Department and the House. It is now becoming something of a festering wound as we await the decision.

In the aftermath, the Committee will undoubtedly seek to establish what went wrong and how for the Department, the Committee and the House, because there are lessons to learn for all. For now, I will say: when you are in a hole, stop digging. The law has been struck down, and we must weigh up the issues and whether a challenge involving significant amounts of public money is of merit and likely to succeed at a time of essential services being cut to the bone. We are in politics, and none of us likes to be wrong or face criticism, but wisdom and good stewardship are essential. Before there is any doubling down and spending of money that could be used for front-line essential services, the question must be asked, as I asked: is the principle worth it? Is it of greater merit than simply spending money on existing need?

Finally, I will move away from the subject of justice and on to an issue of significance in my constituency: the proposed closure of Belfast Met's Castlereagh campus, or Castlereagh college, as it is known locally. I will not rehearse the arguments that I cited in the Adjournment debate that I secured a few weeks ago, except to reiterate the utter folly and lack of vision of such a proposal. I suggest again that it sends a poor message to inward investors. It begs the question of whether Northern Ireland is really open for business. It flies in the face of the 10X

strategy and ill serves those whose skills should be developed and valued just as much as an academic route for education. Moreover, I submit that it is an appalling measure to suggest in that particular area, given the glut of reports that promise to tackle the educational underachievement of working-class Protestant boys and the provision of opportunities for them.

I have heard Minister Murphy say that it is a matter for the Met. In the short term, it may well be, but, in the bigger, long-term picture, to even consider shutting down the college at a time such as this means that it is an issue for Northern Ireland plc and the rebalancing of jobs and the economy. Again, for the good of Northern Ireland, East Belfast and my constituents, I implore the Department for the Economy to step up and step in to prevent such a short-sighted, discriminatory and ill-conceived scheme, and to bid for the money necessary to secure the campus's future.

That having been said, we support the Bill.

Mr Durkan: During the previous Budget debate, I criticised what I described as a lackadaisical approach to governance. Presenting a Budget without adequate time for scrutiny undermined the democratic process and our ability, as MLAs, to reflect and represent the needs of our constituents. The publication of the June monitoring round yesterday, just three days before an election, does nothing to alleviate my significant concerns about the transparency and accountability promised by, and pontificated about by, leadership parties. Ironically, however, the less transparency, the more people will see through what is going on.

It is worth noting that grabbing pre-election headlines around funding announcements was deemed more important than doing what is right. Funnily, yesterday, a Minister accused me of electioneering for quoting facts that were provided to me by his Department in response to an Assembly question. The Finance Minister has acknowledged that allocations have been made at risk. Essentially, shoe-horning a monitoring round in before today's debate not only just about sums this place up but potentially places the impartiality of the Civil Service at risk. It really goes to show that the current leadership will always put political gain before people's best interests.

However, I digress. I will get down to the truth of the matter. The Budget falls dangerously short on the most critical issues facing the North, namely child poverty and homelessness.

The Budget document lacks sufficient detail. There are no timelines or anything of the like. I suppose that we are waiting for a Programme for Government. Greater transparency and detailed planning are essential for public trust and the effectiveness of proposed spending. That point was made by my Committee Chair, Deborah Erskine. Speaking, as she did, to the Budget's Infrastructure allocations, I welcome the inclusion of large-scale infrastructure and long-awaited projects, such as the Irish Government's contribution to the A5, although questions still remain — the Infrastructure Minister was unable to answer them this morning — about the small funding contribution from the Executive in this financial year for not only that project but the A6. Is it ever going to be finished?

Once again, the DFI budget does little to alleviate pressures. It threatens the delivery of basic front-line services and safety on our fast-eroding — crumbling — road network. For example, without even dwelling on the Swiss cheese road network around Creggan in my constituency, it is difficult to spot a street in that area that has a road marking intact. We are talking about a very busy community with thousands of homes and with businesses and schools, but the basic ask of line repainting cannot be accommodated.

That top-down approach may lead to a misallocation of resources and fail to address the pressing needs at the grassroots level or, literally, on the streets.

4.00 pm

Northern Ireland Water needs £1.9 billion to upgrade its infrastructure. The Committee was told in no uncertain terms that, without adequate investment, the development of 19,000 new homes was at risk. We could see widespread flooding, significant pollution in coastal waters and watercourses, a risk to public health and the likelihood that hospitals, schools and businesses could, if their waste water cannot be treated, have to close. Our rivers are being filled with raw sewage. In the face of such a bleak picture and a bad smell, it is difficult to comprehend a £137 million allocation for this year.

The reform and sustainability of our public transport network are merely a pipe dream. The public has been forced to foot the Bill through mounting fare increases due to the Executive's persistent failure to invest in that key area. Both Translink and Northern Ireland Water have had to plunder their legally required reserves, now

dangerously depleted, to keep the show on the road: paying salaries and providing services. In the latest monitoring round, bids from both organisations to plug those gaps were, sadly, unsuccessful.

I turn briefly to housing. It is of deep concern that B&B and hotel non-standard accommodation, once deemed a last resort, has become the norm. I have spoken in the Chamber of the huge cost financially, yes, but, even more significantly, socially of that practice. We welcome yesterday's allocation of £20 million for the building of new social housing. The dire lack of investment from the Budget in that area was notable and is still extremely concerning. I place on record our gratitude for the campaigning efforts of housing organisations. They provided the detail on what that investment neglect would mean for this year's social housing development programme. The Executive owe it to every individual waiting in desperation for a place to call home to detail how many new social homes will be built this year and whether targets can be met.

It is of deep concern that social welfare seems to have been overlooked. The Budget does not adequately address the needs of the most vulnerable populations in the North. With rising living costs and increasing inequality, I hoped to see investment in more comprehensive and targeted interventions to support low-income families, the elderly and those with disabilities. What is notable — I come back to the 'L' word — is the apparently lackadaisical approach to child poverty and the absence of the promised secondary welfare mitigations package to tackle the five-week wait for universal credit, the benefit cap and the draconian two-child policy.

Ms Bunting spoke of the PSNI's bleak budgetary situation, which could see police numbers here shrink to the lowest levels in the service's history. Those cuts would not be acceptable or tolerated anywhere else. Given the sensitive historical and current political and policing situation here, it is even more important to have a sufficient police workforce. That is yet another glaring example of where the Budget falls short, the latest in a long line of Budgets to do so.

Mr Tennyson: I thank the Member for giving way. He has articulated well the challenges and shortcomings. When will he get to the proposed solutions?

Mr Durkan: I thank the Member for his intervention. I listened avidly to his contribution, which was not exactly replete with solutions. I

have also read his party manifesto, which is also quite lacking in such solutions.

The failure to protect the rates support grant has led to a 75% reduction in that budget since 2008. That disproportionately affects less affluent council areas, including my home council area and the council areas of many Members, particularly in the west, which consistently rank highest in the number of households experiencing rates arrears. Once again, I am disappointed but not surprised to see no mention of a rates support grant in the Budget, but I implore the Minister to work with the Communities Minister to seek protections in statute for that lifeline for less well-off councils. The derating grant has received immunity to departmental budget cuts, and the same protections should be afforded to the rates support grant.

The mental health crisis in Northern Ireland is not adequately addressed in the Budget. Despite increased awareness — thanks, in large part, to the stellar efforts of the fantastic community and voluntary sector — and increased demand for mental health services, the allocated funds are insufficient to expand and improve those critical services. The promises of parity of esteem have not been actioned or are not evident in the Budget unless the plan is to underfund Health in its totality so that all services become as bad as the worst.

Mr Elliott: I thank the Member for giving way. I wonder why he thinks that there would be a policy to undercut Health to such an extent. The concept that he has come up with is an interesting one, and I am trying to think of the theory behind it. If that were the case, it would be detrimental to the whole of community and society here.

Mr Durkan: I thank the Member for his intervention. I do not believe that one Department has been singled out in the Budget for swingeing cuts, and I am sorry if it came across that way. That has not always been the case. In the past, Departments, including Health when the Minister was from the Member's party, were deliberately targeted by other parties. That was not because of the Department but because of who was at the head of it. We have seen that happen again and again with Departments that are headed up by Ministers from smaller parties in the Executive. We should all be vigilant about that in the months and, hopefully, years ahead.

The Budget does not tackle the core issues that I have given a flavour of. Let us not be fooled by empty promises and half measures. If the

proof is in the pudding, the Budget will leave us with a bad taste in our mouths. Much worse than that, it will, sadly, result in many going hungry.

Mr Kingston: I welcome the Budget (No. 2) Bill's progression to Second Stage. We should acknowledge the £25 billion that the Treasury has allocated to public services in Northern Ireland, including an annual subvention of around £10 billion. At the same time, we continue to press for an increased allocation and a final fiscal framework that recognises the level of need in Northern Ireland as a smaller region of the United Kingdom.

Yesterday, the Finance Minister announced additional allocations from the June monitoring round of over a quarter of a billion pounds, as agreed by the Executive. Once again, the Department of Health received over half of the available additional resource. Whilst those additional allocations have been welcomed, we note that the resource bids across all Departments were for six times as much as was allocated, and capital bids were for nine times as much.

Notwithstanding those needs, we welcome the confirmation yesterday of funding for the Education Minister to take forward his childcare strategy, for the pay and grading review of educational support staff, for special educational needs provision and for other general educational needs. As a member of the Committee for Communities, I welcome the additional allocation for the Supporting People programme, which supports a range of vulnerable people, including the homeless. There is also additional funding for discretionary support, the cladding safety scheme, the arts sector and £20 million for new social housing, which will enable provision of around 200 additional new social homes. As a member of the Committee for the Executive Office, I welcome the funding for the Communities in Transition programme and for good relations work.

Finance is essential for the delivery of all Executive, ministerial and departmental strategies and programmes. Securing that finance requires effective engagement at Westminster. Therefore, it is essential that the people of Northern Ireland return a strong team of MPs to represent them, speak up for them and vote for them in the House of Commons, and I urge the electorate to do so this week.

Mrs Dodds: I welcome the opportunity to contribute to the Budget debate, and I will

confine my remarks to my policy area of health and social care.

As a first step, I reiterate my and my party's priority for our health and social care system. I believe that, despite the political wrangling, all of us across the House want to see a health service that is fit for purpose and serves us and our families in times of need in an efficient and practical manner. It is important to stress those issues when debating the Budget Bill.

In the last few contributions, we have heard political manoeuvring around the Health budget, but, as someone who has been consistently out on the election trail for a number of weeks, I have to warn people: our constituents have little time for this, and they recognise that there is a considerable amount of work for us all to do to sort out what are fundamental issues for the health and well-being of our society.

Mr Durkan: Will the Member give way?

Mrs Dodds: No, I want to make progress.

I have absolutely no doubt that this is a difficult Budget for all Departments. The Health budget accounts for 52% of the total block grant to Northern Ireland and, in the Budget allocation, was awarded over 50% of the additional funding that was made available to Northern Ireland. In the last couple of years, the Health budget has seen a considerable increase in its allocation, yet some in the House have tried to indicate something different by comparing an end-of-year settlement with a beginning-of-year settlement. I warn Members: our constituents are not fooled by that nonsense and are clear that, whatever the problems in health are, that kind of wrangling is of little use to them. They want the issue sorted, and they are tired of the nonsense.

I welcome the additional £122 million from the June monitoring process. As my colleague said, that represents about 57% of the funding that was available. I look forward to the Health Minister giving an update on the impact of the additional funding, just as the previous Health Minister was so keen to give us his letter on the funding gap. I hope that the new Health Minister will work with Executive colleagues to secure more funding from Treasury and not continue the sham fight on the issue.

As colleagues have said, it was my party leader, Gavin Robinson, who started the work on getting a better settlement from His Majesty's Treasury because he recognised that Northern Ireland was not funded on the basis of need. We now have a more generous

settlement, but, if we are to rebuild our public services and really make them fit for purpose, it will take all of us in the House working together to secure that objective of additional finance.

That is work in progress, and I know that the MPs from my party will take it up with renewed vigour after the general election.

4.15 pm

Mr Deputy Speaker (Mr Blair): Can I just interrupt the Member for one moment, if she does not mind? The speeches are starting to turn into political broadcasts. I know what day it is. I know what date lies ahead, but there is no place for that here. Any vote taken here today will make no difference to the outcomes in that regard, so I ask Members to stick to the Budget debate and not events later this week.

Mrs Dodds: Thank you, Mr Deputy Speaker. I respect your ruling.

Minister, as you are here in the House, I want you to acknowledge that there is work to do with the Health Department to avoid its continuous underspends. The Northern Ireland Audit Office report published on 24 May records that, in 2018-19, the underspend was £32 million; in 2019-2020, it was £69 million; in 2021-22, it was £25 million; and, in 2022-23, it was £27 million. In total, £153 million that could have been spent on health was handed back. That included £88 million of non-ring-fenced resource DEL that could have been used for the benefit of our health and social care system. We all know that that funding would have made a difference. Therefore, I urge you, Minister, to ensure efficient monitoring so that all allocated funding is utilised for the benefit of those on long waiting lists, waiting for care packages or red-flag cancer patients who have difficulty accessing prompt healthcare.

We all want a Budget that is fit for purpose, and I and my colleagues will not be found wanting in working to achieve that. Having outlined that, I also want to put it on record that funding is but one part of a complex set of problems and issues that require solutions in order to have a health and social care system that is fit for purpose. We need a comprehensive plan for the restructuring of services.

Our Health Ministers have been good at telling us what they cannot do, but they now must tell us what they can do with the 52% of the total budget that is allocated to Northern Ireland. We need to know what those priorities are. On 15 April, in the House, I asked the former Health

Minister when he would bring forward his plan for restructuring the health service in Northern Ireland. He told me then — it is on record — that it would be in a couple of weeks' time. We still do not have that plan. We in the Health Committee cannot hold the Department and the Minister to account if we do not see the plan. We need to see it.

In closing, I stress that I acknowledge how difficult the Budget is for all Departments, particularly the Health Department. The Minister said yesterday in the House that health is a personal issue. It is personal to every one of us, to our families and to our communities, and we need to work together to fix a system that is essentially broken. Too many of our constituents are on waiting lists and in pain. We on this side of the House will not be found wanting in working together with the House to ensure that we fix the problem within the term of the Assembly. While this is an extremely challenging Budget, we hope that we will see better times and better funding so that we can direct it towards those most in need.

Mr Beattie: I give my contribution from the Back Bench only because it is more comfortable back here and for no other reason, in case anybody thinks otherwise.

It has been a good debate. Members have expressed their opinions and concerns, and they have done it well. I noticed that they have pointed out all the problems that we have in regard to the Budget, and then they all said that they would vote for it.

The Ulster Unionist Party will not support the Budget, however, because it is a below-needs Budget that was produced without a strategic plan or a needs-based assessment. There was no scrutiny and no public consultation. That argument was well set out by the leader of the Opposition, but, without a doubt, the Budget is below need for the Department of Justice, the Department of Education, the Department for Infrastructure and the Department for Communities.

Mr Tennyson: Will the Member give way?

Mr Beattie: I will, if you can give me just a moment.

It is certainly below need for the Department of Health, which needs about a 6% increase each year just to stand still, and it is certainly not getting that. The Budget will create catastrophic cuts for the health service, and the Executive were told that it would before they took a vote

on 25 April. They were told not by the Health Minister but by the health providers that it would cause catastrophic cuts to healthcare. The Executive either knew that and ignored it or knew it and did not care, but, after less than two hours of debate on 25 April, they voted in favour of a below-needs Budget. I am happy to give way.

Mr Tennyson: I thank the Member for giving way. Does he recognise that this is a debate on the Budget (No. 2) Bill and not on Budget policy? It is one thing to vote against Budget policy, but to vote against the Bill would mean that Departments had no statutory authority to draw down cash and would have less money as a result rather than more.

Mr Beattie: Thank you. Yes, I am perfectly aware of what the debate is about. For me, standing here now, it is about the future of our health service. Members talk about what is said to them on the doors, and I will not go much further, but, when I go to the doors, people are interested in what is happening with the health service, and facets of it are not good. Let us be clear: if you support the Budget, you accept the Budget, and we cannot accept a below-needs Budget that will have catastrophic effects. Why would we?

We fully accept that, in working with any Executive, budgets need to be pooled and shared; I absolutely accept that. A baseline is needed for that, however, and, at this moment, the baseline that we have for the budget for our health service is pretty catastrophic. Again, it is health professionals who have said that, not us.

The cry, as always, to us is, "If we're going to give the Department of Health more money, where are we going to take that money from? From which Department are the cuts going to come?". I will answer that in two ways, if I can. First, no needs-based assessment has been done, and we have no Programme for Government, so I cannot say from where the money will come. Nobody can say where the money will come from, because no strategic outcomes have been laid out, because we have no Programme for Government. People can giggle all that they want. The Executive are making it up, because there has been no scrutiny. They are literally making it up.

Secondly, I am asked, "Which Department will give up more money?". I never asked any Department to give up money; I asked Executive Ministers to stand together and say, "This Budget isn't good enough". I asked them to go back to the Government in Westminster and tell them that it is not good enough. That is

what I asked for: that Executive Ministers say to the Government, "This is not workable", and then go back to them before we agreed the Budget.

There was supposed to be a meeting of the Executive on 18 April to discuss the Budget to make sure that everyone knew what was going on. That meeting was cancelled, so our Minister found out about the Budget only days before the meeting on 25 April. When that debate, which lasted for less than two hours, was being held at the Executive on 25 April, I rang party leaders and said to them, "Please do not vote on the Budget. Can we delay it for a week just so that we can discuss it further?". They said no, and, on the Executive, they voted for the Budget, while we voted against it.

An awful lot of the time, I hear Sinn Féin say, "Tory austerity. We're in this mess because of Tory austerity", and then it votes in favour of a Tory Budget. Let us call it an "austerity Budget": Sinn Féin voted in favour of it. All that we said to the Executive was, "Don't. Let's go back as a collective and argue the case for more". That was what we asked for: nothing more. I will tell you what: we asked for a week in which to do that, and the Executive said no.

What, do we really think, will happen here when we get a new Government?

Everybody thinks that that Government are going to thrust their hand into their pocket and pull out an awful lot of money and fire it towards our Executive and say, "There you go". Not a chance. Here is what they will do. They will look and say, "We called your bluff, we gave you this Budget, you made do. Well, you can make do again this year". That is what is going to happen. We will be made to make do again next year because we did not stand up to them. It is not just about talking about the allocation of the Budget. The allocation of the Budget is the allocation of the Budget. It is the quantum of the whole thing that has been given to us for the Minister to be able to divvy up, and to divvy up without any strategic outcomes.

When we did this for this below-needs Budget and when we cut Health by £184 million or 2.3%, no more than two weeks later, the same three political parties decided to give themselves an increase of a quarter of a million pounds to run their own party structures. Of course, a quarter of a million pounds will not do an awful lot. That extra £100,000 that has gone to Sinn Féin to run its own party structures here will not go very far, that extra £85,000 that went to the DUP to run its own party structures here will not go very far, and neither will the £45,000

that has gone to the Alliance Party. Of course, I accept that it is not a huge amount of money, but if you are a charity and you rely on micro funding, it is a huge amount of money.

Sometimes, you do have to stand and say, "I do not agree". That is what I am doing. I am standing and I am saying, "I do not agree". There is not a single person in this room, I think, who does not want to do the best that they possibly can with the Budget that has been allocated. I simply do not agree with it.

Mr Kingston: Will the Member give way?

Mr Beattie: Yes.

Mr Kingston: I have to say, as a DUP representative, that when the DUP took a stand to undo the damage to Northern Ireland's place within the UK internal market, the Ulster Unionist Party was against that tactic. You are now saying, effectively, that we should bring down the Assembly by not approving a Budget and not enabling Departments to make spending plans and to complete procurement. Do you not see the hypocrisy in what you are saying?

Mr Beattie: Thank you for the intervention. With all due respect, that really is a strange old intervention. I am not asking for anything to be collapsed. I am expressing a disagreement with the Budget, but I will say this. You talk to me about your tactics with the Irish Sea border. Did they work? Is the Irish Sea border still there or has it gone?

Mr Kingston: Will the Member give way?

Mr Beattie: I will give way.

Mr Deputy Speaker (Mr Blair): Please resume your seat, Mr Kingston. We are not going to have debate by intervention. That is the first thing. Secondly, we are not going to rehearse arguments about sea borders. We are dealing with the Budget Bill, and we will return to that now.

Mr Beattie: Thank you, Mr Deputy Speaker. I guess that you are right. I was just answering the point. I am not trying to bring this down in any shape or form. We are taking a stand on a Budget that we do not think is right. We think that it is below need, we think that it handicaps our health service and we think that it will create catastrophic cuts. We will not implement them. That is the point that I am making. If people want to drag me into a different debate, I am

happy enough to be dragged into a different debate, but I accept your ruling, Mr Deputy Speaker.

I will finish, and I was close to finishing anyway. I thought that all the contributions were good — I think that everyone made their points very well — but the Ulster Unionist Party cannot and will not support this Budget, now or later on.

Ms Hunter: I will speak in my capacity as education spokesperson for my party. As we have mentioned previously, we are a constructive Opposition, and I think that it is important to welcome things when they are done right. Therefore, first, I take the opportunity to commend the Education Minister on the significant amount of funding that his Department has allocated for special educational needs. It certainly is heartening to see that he has taken this seriously and to see the energy that he has in securing the capital funding necessary to expand our special schools. Both he and Mr Robinson, who is a constituency colleague of mine, have done great work alongside me and other constituency colleagues in looking at the challenges facing Rossmar special school and, of course, Sandelford special school.

On top of that, I welcome that £43.7 million has now been provided for the pay and grading review. There is a serious need to ensure that the staff who work with young people each and every day are adequately paid for the work that they do.

4.30 pm

However, while there has been a welcome lift in those areas, serious shortcomings remain in the provision of SEN and other aspects of the Education budget. In real terms, Northern Ireland has seen a decrease in education funding of up to £145 million in the past 11 years. Funding per pupil has seen a decrease of 11%. The 2023-24 budget was down 2.5%. We have seen a planned raise of 6.5% in England over the same period. Evidently, education in Northern Ireland is the least funded across these islands. More needs to be done to ensure equitable funding for young people here and their future.

We have had some really interesting opportunities to engage on the Education Committee. I have really enjoyed it. We had the chance to meet the different representatives from the independent review of education panel, such as Dr Keir Bloomer. The panel said that Northern Ireland has the potential to be a

21st-century success, but only if it invests adequately in its education system. Regrettably, I feel that the Executive have failed to secure the funding that is necessary to build such a system. It also remains somewhat unclear now as to how we can make meaningful progress without such funds.

Each and every Member whom we have heard from across the House has genuine and good intent. We want to work with what we have. However, I fear for how schools will get on. I have spoken to teachers, principals and parents. Schools are really struggling. I will come to that later in my comments. Of course, we have seen the pressure that integrated schools were under after cuts to their funding. It caused severe anxiety. Schools were getting ready to, essentially, have work done and were told overnight that the money, which was initially ring-fenced, was being taken away from them. I will just echo the sentiment that schools can operate only with what they have. When we pull money from them, it is like pulling a rug from underneath them. They cannot plan ahead. That has a detrimental impact on schools, school communities and, of course, students.

The independent review of education panel stated bluntly that an educational crisis is looming. A staggering £291 million is needed each year if that crisis is to be averted. Currently, while great work is being done by the Education Committee to advocate for the changes that are required, there is an obvious limit to what can be achieved in the absence of those desperately needed funds. Whilst it is often said that schools manage well — exceptionally well in some circumstances — despite insufficient funding, the failings are really now impossible to hide and are having a direct impact on our ability to deliver a top-tier education service.

What does that look like? At the moment, the reality in Northern Ireland is that we are seeing increased class sizes, increased pupil:teacher ratios, decreased subject choice and, of course, a narrower curriculum, and acute shortage of available supply teachers. One thing that, I think, we all know is that, in our communities, we have incredibly bright and talented young people who have just qualified as teachers. We see that they have an appetite to go down South or to places such as Canada or Australia. We have touched on that in previous debates in the House. We want to do all that we can to keep them here. It is important to keep that in mind when we talk about future planning in the education system.

As recently as this morning, the Education Committee, in an informal briefing from PlayBoard NI and the Mae Murray Foundation, talked about the regrettable state of play areas in public parks and schools. We are aware that 22% of young people in Northern Ireland have special educational needs. We recognise the urgent demand and dire need for inclusive play facilities to allow children the human right of play. Currently, too many play facilities are designed without considering children with complex needs. In order to remedy that, it is important that the Department considers that when anything moves forward and that adequate funds are provided to ensure that young people, whether it be for their education or education through play, are adequately funded and that inclusive play is a priority.

The Committee also heard about an issue that is on the rise as we approach the summer months. I have spoken to a number of parents in the Claudy and Limavady areas who are rural based and have children with special, complex needs. They feel that there is a lack of investment in inclusive summer schemes that can ensure that a child, whether they have a physical disability or other kind of disability, can be included in play through summer schemes. Today, when we are talking about the Budget, it is vital that we be mindful of disability and the additional money and resource needed to ensure that every child has a good education and can be included in play, as is their right. It is vital that the Department take those concerns seriously and work to secure the capital needed to facilitate those schemes in the future.

Members will be happy to know that I am almost done. The Minister will be aware that there are serious concerns around the mental health and, most importantly, well-being of our young people. We have talked in the Committee and the Chamber about the cutting of funding to Happy Healthy Minds. That has been the most devastating loss for young people across Northern Ireland. We are talking about a service for young people who were in the most harrowing and horrific of situations at home. They may not have had the language to communicate the abuse at home, but, through song, dance, play and conversation, they were enabled to open up and share what was going on. It is undeniable that that has been beneficial for their academic achievements and outcomes. We need to take the ending of that programme very seriously when we talk about a Budget. I have the most deep-rooted concern. There needs to be a serious conversation that recognises that Northern Ireland has the highest suicide rate across these islands. The Budget needs to ensure that we are doing what

we can to prevent that from continuing and to ensure that we are building up our young people and providing them with counselling services inside and outside school campuses via investment in our health services.

Additionally, the axing of the holiday hunger food grant stands out as another serious blow to our most disadvantaged families, who are struggling to meet the cost of living this summer. My colleague Mr Durkan, who is sitting behind me, touched most eloquently on the importance of tackling poverty in Northern Ireland. We do not have an anti-poverty strategy, and we in the North need to prioritise that. The child poverty statistics are heartbreaking. It is a failure of each and every one of us if we do not make that an absolute priority. It is important to raise that today, because I worry about how the Budget will impact on children and young people overall. We all share the same hope and desire to build a world-class education system and to safeguard the health and well-being of our young people, but more must be done if that is to be a reality.

As we approach the general election in the coming days, it is imperative that the Department engage with the new Government in Westminster. I urge the Minister to commit to securing the vital funds that are required to mend a system that is approaching collapse.

Mr Deputy Speaker (Mr Blair): I call the Minister to conclude and make her winding-up speech.

Dr Archibald: Go raibh maith agat, a Leas-Cheann Comhairle. [*Translation: Thank you, Mr Deputy Speaker.*] My thanks to the Members, Chairs and Deputy Chairs who contributed to the Second Stage of the Budget (No. 2) Bill. As Finance Minister, it is always useful to hear the views of the respective Committees and Members on the important financial and economic issues that face us as an Administration. I noted many of the issues raised by Members and will endeavour to respond to as many as I can.

Mr O'Toole, leader of the Opposition, raised a number of issues, including some relating to June monitoring. To avoid any doubt, I clarify that the allocations agreed in June monitoring are not included in the Budget (No. 2) Bill that we are debating. As usual, they will be reflected in the Supplementary Estimates later in the year. As I made clear yesterday, having considered the guidance, my view and that of the Department is that June monitoring is normal and routine business of the Executive.

Given the financial pressures facing Departments, it was essential to provide clarity on any additional funding as soon as possible. Therefore, I am content that it does not breach the pre-election guidance and that the impartiality of civil servants has not been compromised.

Mr O'Toole mentioned running out of money being used as a reason for the monitoring round proceeding. While the potential of Departments exhausting their cash limits is a real and valid reason for the urgency surrounding a Budget Bill, it is not the reason for the monitoring round. The monitoring round was required to give Departments certainty on the funding available to allow them to plan effectively and avoid unnecessarily harsh decisions being taken.

Mr O'Toole: Will the Minister give way?

Dr Archibald: No, I will not.

Mr O'Toole also mentioned that the June monitoring round provided no strategic plan and did not set out how issues such as waiting lists would be addressed. In-year monitoring rounds do not set long-term strategic plans; they allocate any funding that has become available in-year and consider any emerging issues. The June monitoring round provided allocations to help mitigate the worst impacts identified by Departments, and that will provide the clarity that is needed to allow Departments to plan effectively.

Mr O'Toole also highlighted a number of cases where expenditure relies on the sole authority of the Budget Act. I agree that it is important that Departments take steps to ensure that that spend is regularised as soon as possible. I know that the development of a financial provisions Bill, which is being taken forward by my Department, will address a number of the issues listed. Likewise, my Department is working on legislation that relates to the Fiscal Council.

Mr O'Toole referred to RRI borrowing, as did a number of other Members. As the Member will be aware, the Executive fully utilised the £220 million of RRI borrowing available to them in the 2024-25 Budget. The level of RRI borrowing will grow in line with inflation until 2028-29 as a result of the financial package. It will be for the Executive to decide how to make best use of that borrowing in future Budgets in the context of a Programme for Government and an investment strategy.

Mr O'Toole and a number of other Members rightly highlighted the important role that Committees play in the Budget scrutiny process. I encourage all Departments to ensure that they fully engage with their Committees as part of that process.

Mr Tennyson and Mr Elliott spoke about climate change priorities not being reflected in the Budget process. While some Departments had submitted bids for climate change, given the constrained financial position, I did not ring-fence any allocations specifically for that purpose. That is not reflective of the priority that I consider should be attached to climate change; rather, it reflects the intention to provide Departments and Ministers with maximum flexibility to manage their budgets. As climate action is so far-reaching, as Mr Elliott also said, it should be a consideration right across spending areas in Departments. I encourage my Executive colleagues to consider their statutory obligations in the Climate Change Act when prioritising expenditure within the funding envelopes that have been provided to their Departments. Once the Programme for Government priorities are agreed, which may include climate requirements, consideration will be given to how those priorities may be best reflected in the subsequent Budget process. Any decision on prioritising the climate in the Budget will, however, be for the Executive in what will likely be a continually strained fiscal environment.

Ms Bradshaw, in her contribution as the Chair of the Committee for the Executive Office, asked how the Department could plan effectively in the absence of certainty on its funding. I appreciate that the absence of a multi-year Budget may mean that Departments do not have longer-term certainty on their budgets. Unfortunately, I am constrained by the period of the Treasury spending review, as Members will be aware. I have expressed my commitment to multi-year Budgets where possible. Departments, however, have certainty over their budgets for the current financial year, as agreed by the Executive on 25 April. The funding envelope for each Department has been set. The guidance is clear that that must be regarded as the ceiling, and Departments must plan to live within that amount. Departments may, of course, bid for additional funding through the in-year monitoring process, but they cannot assume that funding will be provided.

Mr Brett, in his contribution, asked how Departments will be able to meet public-sector pay pressures in the coming year. I fully acknowledge the vital role of public-sector

workers in delivering public services on a daily basis. As the Member will be aware, I got the agreement of Treasury that £688 million could be used in 2023-24 to enable Departments to meet public-sector pay awards. However, it was clear to all Ministers that, in setting the 2024-25 Budget, Departments would have to manage the cost of any pay awards within the budget allocated to them, because the financial package did not have a recurring amount of money for public-sector pay.

Mr Brett also asked about the RHI business case. The Department for the Economy submitted a business case addendum to my Department in November 2023. The addendum proposed an uplift in the non-domestic RHI tariffs that were set in 2019. Following engagement between my officials and their counterparts in DFE, my Department has approved the expenditure associated with the revised tariffs.

I am aware that the Economy Minister is also working towards securing the Executive's agreement to close the non-domestic RHI scheme. Given that DFE is the lead Department on energy policy and the operation of the non-domestic RHI scheme, responsibility for the business case rests with his Department.

4.45 pm

Deborah Erskine asked when the next Budget process will begin and whether it will be a multi-year Budget process. I aim to begin work on the next Budget as soon as possible after the election, once we have clarity around the timing and scope of the next spending review. As the Member will be aware, whether that results in a multi-year or single-year Budget will depend on decisions taken by the new Chancellor. I have repeatedly made the case to the Chief Secretary to the Treasury and the shadow Secretary of State that our preference is most certainly for a multi-year Budget. I am sure that Members, like me, have been following the media commentary on that. It is not exactly clear whether we will get a one-year or a multi-year Budget. My preference most certainly is for a multi-year Budget.

Mr Chambers made a number of comments about the Department of Health's budget. I put on record again that I wish that I had been in a position to give the Department of Health more money in the Budget and the June monitoring round. It is the same for all Departments. We are constrained by the funding envelope available to us. I must, however, reject the assertion that Health was not prioritised. It got

over 50% of the amount of money available to us for allocation in the Budget process, and it got 57% of the money available for allocation in the June monitoring round. Therefore, it is disingenuous to say that the Executive have not prioritised Health. In fact, over the past three years of the current spending review, there has been a £1.6 billion uplift in the Department of Health's baseline.

Mr Beattie's contribution reflected his view that the Department of Health needs a 6% uplift, year-on-year. It got a 6.3% uplift this year. I recognise, however, the huge challenges for all those people who are on waiting lists or trying to access GP appointments and those who work in our health service. It is really important that we, as an Executive and an Assembly, collectively make the case that we need to see proper investment in all our public services. Certainly, I will make that case to the incoming Government as soon as we know who that will be.

Mr Durkan made a number of comments about the level of scrutiny in the Budget Bill process. The Member will be aware that it is normal to obtain accelerated passage for the Budget Bill. It always needs to be taken through the Assembly by accelerated passage, because it must always be written to the Executive's most-up-to-date spending plans. Failure to do so risks Departments running out of cash before the new Bill is introduced. The need for accelerated passage is in line with the approach taken to equivalent Bills in other jurisdictions.

Mr Durkan spoke at some length about the things that have not been funded in the Budget. I am sure that he recognises the pressures facing our public services, which are very well rehearsed at this point. It is easy to say where more money is needed — we could all do that — but it is not so easy to identify where money can be found. We would all like to provide more funding for our hard-pressed public services, but the Executive must live within the funding available to them. The amount of funding is higher than before, due to the agreement of the interim fiscal framework. I intend to build on that as we agree a final fiscal framework. I have also made, and will continue to make, the case for additional funding for public services, as I reflected to Mr Chambers.

I have covered many of the points. Diane Dodds referred to the need to deliver efficiencies in Departments. That point was well made, and many of us agree with that. I have been on record as saying that we aim to put our finances on a more sustainable basis. It is

important that we look at all opportunities to deliver efficiencies, generate revenue, look at further borrowing powers and explore further fiscal devolution.

Mr Tennyson also referred to the devolution of fiscal powers. I do not disagree with him about the need to look at that with some degree of urgency. He will be aware — I have said this to him a couple of times today — that I have recently established a budget sustainability team and a fiscal team that will take forward that piece of work. The number of officials in my Department who work on those issues is small, and they have had an awful lot on their plate in the past months, but we are giving significant attention to the budget sustainability plan and to being in a position to negotiate the future fiscal framework. He will also be aware, however, that we, as an Executive, will have to take a position in any negotiation on fiscal powers, so I will bring to the Executive, in the near future, recommendations based on the consultation on the work of the Fiscal Commission.

I will draw my remarks to a close. I have tried to respond to Members on as many of the issues that have been raised as possible. As always, the debate has been useful, with many points being raised, and I thank Members for their contributions. It is imperative that the legislation debated today continues its passage through the Assembly so that public services continue to be delivered to our citizens. I ask Members to support the Budget (No. 2) Bill, thereby authorising spending on public services by Departments in 2024-25 and the Excesses identified by the Public Accounts Committee.

Mr Deputy Speaker (Mr Blair): Minister, thank you for bringing the debate to a conclusion.

Question put.

The Assembly divided:

Ayes 39; Noes 13.

AYES

Dr Archibald, Mr Baker, Mr Boylan, Mr Bradley, Ms Bradshaw, Mr Brett, Miss Brogan, Mr Brooks, Ms Brownlee, Mr K Buchanan, Ms Bunting, Mr Clarke, Mr Delargy, Mr Dickson, Mrs Dodds, Mr Dunne, Ms Ennis, Mrs Erskine, Ms Ferguson, Ms Flynn, Ms Forsythe, Mr Frew, Miss Hargey, Mr Harvey, Ms Kimmins, Mr Kingston, Mr Lyons, Mr McAleer, Mr McHugh, Mr McMurray, Mrs Mason, Mr Muir, Ms Mulholland, Ms Á Murphy, Mr C Murphy, Mr

O'Dowd, Mrs O'Neill, Mr Robinson, Mr Tennyson.

Tellers for the Ayes: Mr Boylan and Ms Ferguson

NOES

Mr Allen, Mr Beattie, Mr Butler, Mr Chambers, Mr Durkan, Mr Elliott, Ms Hunter, Mr McGlone, Mr McNulty, Mr Nesbitt, Mr O'Toole, Mr Stewart, Mr Swann.

Tellers for the Noes: Mr Chambers and Mr Stewart

Question accordingly agreed to.

Resolved:

That the Second Stage of the Budget (No. 2) Bill be agreed.

Mr Deputy Speaker (Mr Blair): That concludes the Second Stage of the Budget (No. 2) Bill.

Adjourned at 5.05 pm.