Northern Ireland Assembly

Consider this...

Research reflections for a new mandate

Foreword

John Power
Head of Research and Information Services (RaISe)

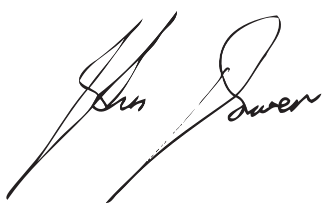
To all returning and new Members

In *Consider This*, the Assembly's Research and Information Service (RaISe) has set out a wide range of issues arising from the last Assembly mandate which I hope will be of interest to both returning and newly elected Members. It is not intended to cover all outstanding matters or set your agenda. It is aimed instead at engaging you with RaISe, which is an important resource available to you and your staff to support the work that you do in the Assembly and in your constituency.

RaISe employs subject specialists and library professionals to provide you with research and information support across the range of Assembly and constituency activities. RaISe can provide information and analysis to help you and your staff deal with constituency matters; prepare for plenary or media debates; scrutinise the work of ministers and departments; consider legislation as it makes its way through the Assembly, or assist in bringing forward your own legislation in a Private Members Bill. Whatever your reason for contacting RaISe, we will provide you with a timely, confidential and evidence-based response.

RaISe is continuously monitoring developments within the Assembly's remit, including issues that can arise in Westminster or the European Union, and produces a range of papers and briefings to share this analysis and information with Members and Committees. The service has also developed HORIZON, an electronic current awareness system, to provide you with timely notice of news and information across all policy areas in which you have a particular interest.

In the weeks ahead you will be organising and managing party and constituency business. In this time, I have asked the staff of RaISe to contact you to ensure good communication between you and the Service and to ensure that you can get the most from us to support you throughout the new mandate.



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Getting older – A demographic portrait of Northern Ireland

Dr Raymond Russell

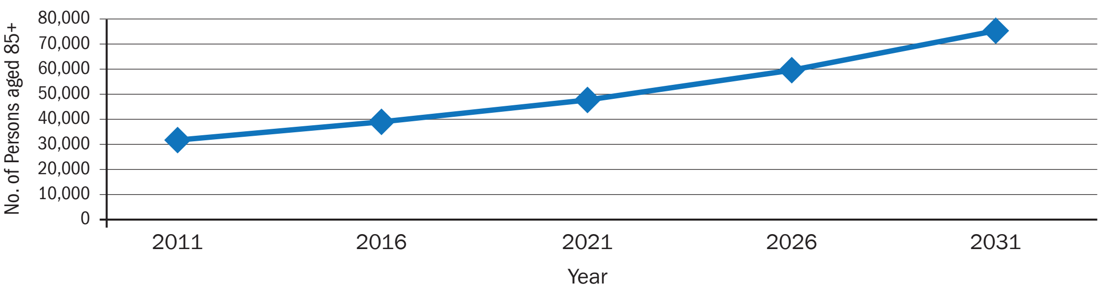
Demographic change in Northern Ireland

The population of Northern Ireland continues to grow. By the Census of 1937, the population was 1.28 million. It reached 1.5 million by 1968 and 1.6 million in 1990. The population is projected to increase to over 1.8 million in 2011 and 2 million by 2031.

During the period 2001 – 2011, Northern Ireland had the fastest growing population of any UK region. Population growth, however, has not been evenly spread. The largest percentage increases have occurred in the pension age population (17.7 % increase of those aged 60+/65+), with the number of those aged 85+ growing by over a third (35.4%) to 31,700. These trends are expected to continue in the coming decades: the 85+ population is projected to reach 47,900 in 2021 and 75,800 by 2031. The average (median) age of the population is projected to reach 37.0 years in 2011, 38.8 years by 2021 and 41.9 years in 2031.

The projected size of 85+ group is set to more than double by 2031

Projected population of Northern Ireland aged 85+, 2011-2031



Source: NISRA (2009) Northern Ireland Population Projections

In brief, the Northern Ireland population is growing older. The changing age structure has largely resulted from a decline in both fertility and mortality (natural change). Since 2004, net migration, particularly from the EU A-8 countries, has also been a contributory factor.

Comparisons with other UK countries, Ireland and EU-27

Table 1 presents a number of key demographic comparisons between Northern Ireland and the other UK regions. The table reveals that Northern Ireland:

- Had the fastest growing population in the UK (7.5% increase) between 2001 – 2011;
- Has the youngest population in the UK (projected average age: 37.0 years in 2011; and 38.8 years in 2021);

- Has the highest fertility rate in the UK (2.03 births per woman in 2011). By 2021, the rate is projected to fall to 1.95, still higher than any other UK jurisdiction;
- Has the lowest death rate (8.1 per thousand population in 2009) of any UK jurisdiction; and
- Net migration (the difference between the number of immigrants and emigrants) is projected to contribute less to population growth in Northern Ireland over the next decade than any other UK region. Natural increase (the difference between the number of births and deaths) will be the main contributor (93.6%).

Table 1: Northern Ireland: comparisons with other UK Jurisdictions, 2001 - 2021

	United Kingdom	England	Wales	Scotland	Northern Ireland
Population (millions, rounded) **Estimates** [1]					
2001	59.1	49.4	2.9	5.1	1.7
Projections [2]					
2011	62.6	52.6	3.0	5.2	1.8
2021	67.0	56.4	3.2	5.4	1.9
% change 2001 – 2011	6.0	6.3	3.9	3.3	7.5
% change 2011 - 2021	6.9	7.3	5.4	3.4	6.2
Median Age [3] (years)					
2011	39.8	39.6	41.7	41.4	37.0
2021	40.3	40.0	42.3	42.5	38.8
Fertility Rates [4] (children per woman)					
2011	1.89	1.90	1.89	1.73	2.03
2021	1.84	1.85	1.85	1.70	1.95
Deaths [5] (rate per thousand population)					
1981	11.7	11.6	12.4	12.3	10.6
2009	9.1	8.9	10.3	10.4	8.1
Components of Change [6] (percentage contribution, 2011 - 2021)					
Natural Increase	57.1	58.2	34.9	29.6	93.6
Net Migration	42.9	41.8	65.1	70.4	6.4

[1] *ONS (2010). United Kingdom Population Estimates, June 2009.*

[2 3 4 5 6] *ONS (2009).Tables - Components of Change UK, Northern Ireland, England, Scotland and Wales (mid-year to mid-year), 2008 – 2083.*

The population of Ireland declined in the post-war period to reach a low point of 2.8 million in 1961. Since the early 1990s, both natural increase and significant net inward migration have contributed to record population growth, with the result that the 2006 population of 4.24 million was the highest recorded since 1871. The latest population estimate (April 2010) is 4.47 million.

Although Ireland currently has the youngest population in the EU-27, the number of older people is projected to rise substantially over the years to 2021. The ‘very old’ population (those aged 80 years +) is set to rise by around 42% during the decade.

The total population of the EU-27 was provisionally estimated to be 501.1 million in 2010, and is projected to reach 513.8 million by 2020, an increase of 2.5%. Again, trends in the EU-27 are broadly similar to those of the UK and Ireland, i.e. a progressively ageing population. For example, the number of those aged 80 years + is projected to rise by a quarter (25.9%) between 2010 – 2020.

Implications of ageing population for spending on health and pensions

As the baby boomer generations, born between the late 1940s and early 1960s, approach retirement across Europe, there will be important consequences for public expenditure. Two of the spending areas most likely to be affected are health and pensions.

The relationship between ageing and healthcare costs is not linear. Whilst it is true that older people consume more health services per head than any other group, health care expenditure increases rapidly *only in the latter days of life*. In particular, it is proximity-to-death that tends to increase costs, rather than age per se.

With regard to approaching death, the crude number of deaths in Northern Ireland is projected to fall until 2013, before gradually rising again. From 2021 onwards, the gradient will become steeper.

In brief, health care costs associated with approaching death are likely to rise modestly in the coming decade. However, in the following decade (2021 – 2031), such costs may rise more steeply in line with the growing number of deaths.

The impact on pension provision due to the sharp increase in the projected number of older people in Northern Ireland may be considerable. Again, however, there are some factors which will modify the effect. For example, anti-discrimination legislation, the abolition of the Default Retirement Age (DRA), the rise in pension age, and the recommendations of the Hutton report on public service pensions (March 2011), will all serve to reduce the projected number of pensioners and their associated costs.

Constituency profiles

Barbara Love

Constituency boundaries

Northern Ireland is made up of 18 constituencies, namely Belfast East, Belfast North, Belfast South, Belfast West, East Antrim, East Londonderry, Fermanagh and South Tyrone, Foyle, Lagan Valley, Mid Ulster, Newry and Armagh, North Antrim, North Down, South Antrim, South Down, Strangford, Upper Bann and West Tyrone.

While the names of the constituencies have not changed, the fifth review by the Boundary Commission for Northern Ireland (2008) resulted in a number of changes to some of the boundaries of these constituencies. Belfast East gained five wards from Strangford. Belfast North gained five wards from South Antrim and one from East Antrim. Belfast South gained two wards from Strangford and two wards from Belfast East. Belfast West gained Dunmurry and part of Derryaghy ward from Lagan Valley. East Antrim gained three wards from North Antrim. East Londonderry gained two wards from Foyle. South Antrim gained one ward from Lagan Valley. Strangford gained three wards from South Down. Fermanagh and South Tyrone, Mid Ulster, Newry and Armagh, Upper Bann and West Tyrone remained unchanged.

These new boundaries, as shown in the map on the following page, came into effect for the Westminster Parliamentary constituencies in the May 2010 elections and for the Northern Ireland Assembly constituencies in the May 2011 Assembly elections. A sixth review of constituencies is currently underway and is due to report in October 2013.

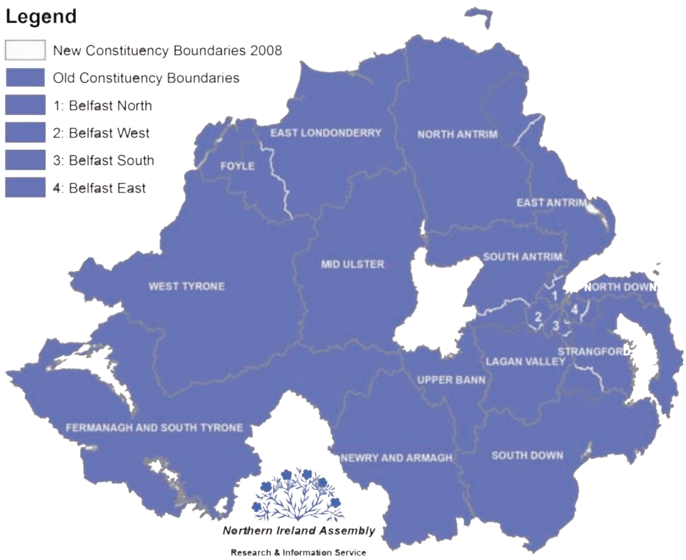
> The Research and Information Service now offers full access to Geographic Information System (GIS) for all MLAs and support staff, with access to the latest Ordnance Survey of Northern Ireland (OSNI) digital, street mapping and aerial photography. The maps can be combined with statistical information and produced at various scales including Northern Ireland, Assembly constituency, electoral ward and super output area levels.

GIS has many benefits and can help the organisation analyse and present data from various sources, and can be the best way to visualise complex statistics and provide faster decision making. Over 80% of data used in public sector services such as environment, employment, health, education and transport have a geographic element i.e. an address; and because of this it can be mapped.

A profile of your constituency

Based on these new boundaries, the Research and Information Service has produced a summary statistical profile for each of the 18 constituencies (see over). This includes the area (sq km) and population size (including the proportion of children and older people) of each constituency as well as the latest key statistics on school leavers achieving five good GCSEs, benefit claimants, disability benefit recipients, the unemployment claimant count, InvestNI Enterprise Development Programme participants, InvestNI Assistance and crime and anti-social behaviour incident rates. The year that the data relates to is included in brackets.

These profiles are intended to give a flavour of the type of information obtainable through the Research and Library Service. A wealth of statistical information is accessible, quickly and conveniently, through the Service.



> The Research and Information Service offers a comprehensive statistical service. It draws on sources of governmental information including surveys and administrative data covering key areas such as health and care, education and training, the labour market, crime and justice, agriculture and the natural and built environment. Information can be provided at a range of geographies from the Northern Ireland level to the small area level, as low as ward level and sub-ward level.

As well as providing key statistics to support the work of the Assembly and its Members, the Research and Information Service can also provide in-depth analyses of government data such as an examination of trends over time and comparisons between different areas. This research can be tailored to the specific needs of Members and their support staff.

> The Research and Information Service has expertise in Demography, and can provide information and data analysis on the Census, population trends, and the demographic characteristics of the population of Northern Ireland (including small areas), such as the age profile and the gender breakdown. We can also provide analyses of projected change in the population, and how this might impact on public policy. Comparisons with other jurisdictions are also possible.

Constituency profiles

	Belfast East	Belfast North	Belfast South	Belfast West	East Antrim	East Londonderry
Area (sq km)	55.3	50.3	44.8	45.1	593.0	1275.3
Population size in thousands (2008)	89	101	103	94	89	98
% of children aged 0-15 (2008)	18.4	21.1	16.6	24.2	20.2	21.6
% of people aged 59 (F)/65(M)+ (2008)	20.6	19.2	16.7	14.4	18.0	17.1
% school leavers with five GCSEs Grades A*-C (2008/09)	64.4	62.5	77.0	64.1	68.8	71.8
% of people aged 16 and over claiming at least one benefit (2010)	38.8	47.3	32.0	50.9	35.7	37.8
% of people aged 16 and over in receipt of at least one disability related benefit	18.2	25.2	14.3	30.2	15.6	16.7
Unemployment claimant count of those aged 16-59(F)/64(M) (2010)	4.5	7.4	4.5	8.6	4.2	5.8
No. of people completing InvestNI Enterprise Development Programme (2009/10)	109	131	162	102	112	152
InvestNI Assistance (£million, 2009/10)	24.3	9.0	32.8	3.7	4.9	12.6
Crime rate per 100,000 persons (2009/10)	6,067	10,225	11,196	10,091	4,207	6,746
Anti-social behaviour incidents per 100,000 persons (2009/10)	4,498	8,057	7,107	6,389	4,188	5,339

(year of data in brackets)

Constituency profiles

	Fermanagh & South Tyrone	Foyle	Lagan Valley	Mid Ulster	Newry & Armagh	North Antrim
Area (sq km)	2,506.0	183.6	467.8	1,348.6	1,081.5	1,386.2
Population size in thousands (2008)	101	102	95	96	110	106
% of children aged 0-15 (2008)	21.4	23.5	21.2	23.4	23.9	20.9
% of people aged 59 (F)/65(M)+ (2008)	16.2	13.3	17.6	14.1	15.1	18.4
% school leavers with five GCSEs Grades A*-C (2008/09)	72.8	67.0	73.4	72.7	71.8	70.4
% of people aged 16 and over claiming at least one benefit (2010)	32.4	42.9	34.4	34.9	38.0	37.4
% of people aged 16 and over in receipt of at least one disability related benefit	17.8	22.2	14.9	19.6	20.1	15.7
Unemployment claimant count of those aged 16-59(F)/64(M) (2010)	4.5	7.7	3.4	4.7	6.0	4.6
No. of people completing InvestNI Enterprise Development Programme (2009/10)	190	121	137	194	131	91
InvestNI Assistance (£million, 2009/10)	5.6	18.1	7.8	12.5	5.9	6.2
Crime rate per 100,000 persons (2009/10)	5,268	7,262	4,600	4,071	5,901	5,407
Anti-social behaviour incidents per 100,000 persons (2009/10)	3,149	5,434	3,521	3,285	3,366	3,792

(year of data in brackets)

Constituency profiles

	North Down	South Antrim	South Down	Strangford	Upper Bann	West Tyrone
Area (sq km)	115.4	785.0	1,249.8	655.2	479.7	1,992.1
Population size in thousands (2008)	89	98	108	90	115	92
% of children aged 0-15 (2008)	18.3	22.5	23.1	20.1	22.0	22.9
% of people aged 59 (F)/65(M)+ (2008)	21.2	15.3	15.1	18.2	15.7	15.0
% school leavers with five GCSEs Grades A*-C (2008/09)	76.7	72.1	72.8	69.6	66.1	72.5
% of people aged 16 and over claiming at least one benefit (2010)	36.3	32.8	35.5	34.9	36.9	40.0
% of people aged 16 and over in receipt of at least one disability related benefit	14.0	15.0	18.3	15.3	19.5	23.6
Unemployment claimant count of those aged 16-59(F)/64(M) (2010)	3.6	3.6	5.0	3.8	4.9	5.9
No. of people completing InvestNI Enterprise Development Programme (2009/10)	104	103	129	99	112	177
InvestNI Assistance (£million, 2009/10)	2.7	5.4	4.4	3.2	19.2	3.5
Crime rate per 100,000 persons (2009/10)	4,165	5,042	5,114	3,773	6,242	4,247
Anti-social behaviour incidents per 100,000 persons (2009/10)	3,642	4,420	3,383	3,276	4,015	3,346

(year of data in brackets)

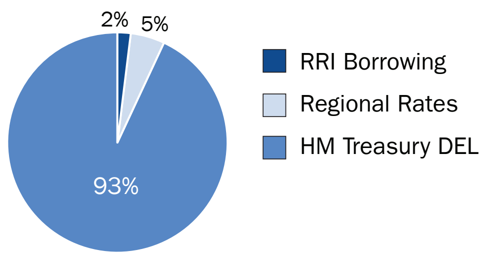
Funding public expenditure in Northern Ireland

Colin Pidgeon

How are public services in Northern Ireland paid for?

The availability of finance underpins all the activity of government: if funding is unavailable, the Northern Ireland Executive is unable to take action on an issue. The vast majority of funding available to the Executive comes from the UK Government as a block grant. Much smaller amounts are raised through the regional rates and borrowing.

Source of Northern Ireland Executive funds 2010/11



Source: NI Executive's Draft Budget 2011-15

The block grant

The block grant (also known as 'the Northern Ireland block') is set by the UK Government for multi-year periods. The current block grant covers four years: 2011/12 to 2014/15. The limits to spending (known as Departmental Expenditure Limits or DEL) are fixed for each year of the period. Because of HM Treasury rules the Executive cannot shift resources from one year into another.

The money comes from general taxation across the UK. The size of the block grant is determined through a mechanism known as the Barnett Formula. As spending on a certain policy area in England goes up or down, Northern Ireland receives an equivalent population-based share of the funding.

So, the amount of money that Northern Ireland gets through the block grant is a direct result of decisions to spend (or not spend) on programmes that are comparable with England (but not, for example, defence spending which is all controlled at the UK level). The Executive is free, however, to decide how to divide the block grant between different policy areas, such as education, health or rural development. And it does not have to mirror or follow the decisions taken in Westminster about the appropriate mix of funding for different policies.

HM Treasury imposes a number of public expenditure controls which have a direct impact on the Executive's use of the block grant. The most fundamental of these controls is the splitting of resources (known also as Total Managed Expenditure or TME) into two categories: Departmental Expenditure Limits (DEL) and Annually Managed Expenditure (AME).

- DEL covers all administration costs and all expenditure on programmes. It also normally includes relevant non-cash items such as depreciation, cost of capital charges, and provisions.
- AME is generally less predictable and controllable than expenditure in DEL. It is mostly demand-driven spending such as social security payments.

The Executive gets a Northern Ireland DEL total which it subdivides across its departments through the budget process.

The second important split is within DEL: into Resource DEL and Capital DEL.

- Capital DEL covers capital projects for example the acquisition of assets such as land, buildings, machinery and vehicles which result in the state holding something of value for a period of time.
- Resource DEL (also known as 'current' DEL) covers spending on other things such as staff pay, services and supplies. For the most part it can be thought of as the running costs of government.

Regional rates

Regional rates form part of the rates bill that householders and business in Northern Ireland pay. Unlike the other part - district rates which are set by district councils to fund their expenditure – the revenue raised comes centrally to the Executive. Rates are set each year by reference to the value of the property they are levied on. It is up to the Executive to determine the level of the regional rates.

For the period 2011/12 to 2014/15 the Executive has proposed that both domestic and non-domestic rates will rise in line with inflation. A 70% discount for manufacturing firms will continue to apply.

Borrowing

The final source of funding for the Executive is borrowing under the Reinvestment and Reform Initiative (RRI). HM Treasury allows the Executive to borrow up to a limit of £200m per year to fund capital projects and infrastructure. Borrowing to fund programme spending is not allowed.

RRI borrowing comes through the Public Works Loans Board and must be repaid at a rate of 1% above what it costs the UK Government to borrow from the international money markets. Interest repayments for new loans and on existing loans is forecast to rise from £44.9m in 2011/12 to £63.4m in 2014/15.

Spending plans

The planned resource and capital expenditure by departments for 2011/12 to 2014/15 were established in the Executive's Final Budget.

For resource (current) expenditure the total real terms change for the period ranges from - 9.1% (Department for Social Development) to - 20% (Department for Regional Development).

For capital expenditure, eight of the Executive's twelve departments have lower real terms capital allocations in 2014/15 than they had in 2010/11. The remaining four departments have higher allocations in real terms.

Northern Ireland's fiscal deficit

Colin Pidgeon

How much of what we spend on public services in Northern Ireland is paid for by locally raised tax revenue?

Northern Ireland has a sizeable fiscal deficit. In other words, considerably more is spent on public services than is raised in revenue. This section details the extent to which Northern Ireland is reliant on taxpayers in other parts of the UK.

What is a fiscal deficit?

A fiscal deficit occurs when public expenditure is higher than revenue generated. At a national level, the UK Government's fiscal deficit results in the national debt: the state borrows to make up the difference between revenue and spending. At a subnational level it is not unusual for different regions of a state to have differing levels of reliance on taxpayers in another region: local economic performance can vary from place to place and over time.

The level of Northern Ireland's fiscal deficit

The estimated fiscal deficit in Northern Ireland was £7.3bn in 2007-08: in other words, Northern Ireland spent £7.3bn more on public services than it raised in revenue (Table 1). It is immediately apparent that from a total expenditure of £20.3bn, this was a significant proportion: 36% of total expenditure in Northern Ireland was not funded by the Northern Ireland taxpayer.

Looking at it another way, Table 1 also shows that £4,167 more was spent per person in Northern Ireland than was, on average, received from taxation. This was nearly double the per capita fiscal deficit of Scotland.

The final measure shown is the fiscal deficit as a proportion of Gross Value Added (GVA). GVA is used as a measure of economic output at a sub-national, regional or sectoral level. Table 1 shows that Northern Ireland's fiscal deficit is much higher than Scotland's when considered in relation to GVA.

Table 1: Net fiscal balance estimates: NI, Scotland and the UK, 2007-08 (£m)

£m	NI	Scotland	UK
Aggregate expenditure	20,296	56,459	584,065
Aggregate revenue	12,958	44,747	540,915
Net fiscal balance	-7,338	-11,712	-43,150
Net fiscal balance per capita (£)	-4,167	-2,280	-708
Net fiscal balance as a % of financial year GVA	-26.1%	-11.7%	-3.5%

Fiscal balance trend

In nominal (i.e. 'money' rather than 'real' – and therefore not adjusted for inflation) terms the deficit has increased from just under £6bn to over £7bn over the five years from 2003–04 to 2007–08. It is worth noting, however, that as a proportion of GVA there has not been significant change; this may be due to improved productivity.

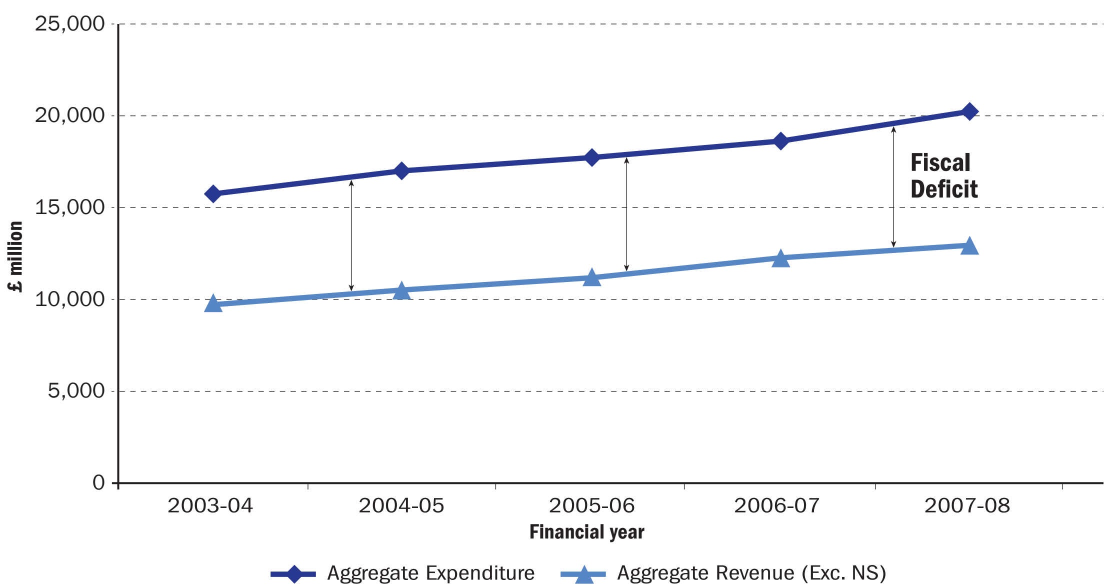
From 2003/04 to 2007/08 aggregate revenue grew from £9,839m to £12,958m; an increase of 31.7%. Aggregate public expenditure grew from £15,814m to £20,296m; an increase of 28.3%. So over the period expenditure did grow at a slightly slower rate than revenue. The fiscal deficit grew from £5,976m to £7,338m; an increase of 22.8%.

In 2003/04 Northern Ireland's fiscal deficit represented 37.8% of total expenditure. By 2007/08 this had reduced slightly to 36.2%. This means that the proportion of expenditure that was funded by the Northern Ireland taxpayer had increased from 62.2% to 63.8% which indicates that there was a small reduction in Northern Ireland's reliance on revenue raised externally.

Figure 1 charts the aggregate revenue and expenditure trends over the five-year period, 2003 – 2008 and provides a graphical representation of the fiscal gap.

What does this mean for Northern Ireland?
Essentially, Northern Ireland receives more than a third of what is spent here from outside (through the block grant from the UK Exchequer). The five-year period considered was one of relative prosperity in the region. The recent recession may well have a significant impact on the figures for the past two or three years because the tax revenue generated within Northern Ireland will have fallen.

Figure 1: Northern Ireland trends in aggregate revenue and aggregate expenditure, 2003-04 to 2007-08



Economic overview: Northern Ireland

Dr Jodie Carson

Forecasts indicate that the economic outlook for NI is less favourable than for the UK as a whole – why is this?

This paper presents economic data which indicates that the NI economy is estimated to have returned to growth in 2010; however, conditions remain challenging. As outlined below, there are a number of characteristics, specific to the NI economy, which may serve to hinder the pace and/or extent of economic recovery relative to the UK as a whole.

Economic Indicators

Growth (GVA)	↑	Estimates of the increase in total output of the NI economy (as measured by GVA) in 2010 range from 0.5% to 1.2%. The average local forecast for growth in NI in 2011 is 1.3%; considerably below the rate projected by the International Monetary fund (IMF) for the UK (2%).
Employment	↓	The Quarterly Employment Survey is a measure of changes in employee jobs; the survey indicates that, as at December 2010, there have been falls of 1,880 and 8,200 in employee jobs over the previous quarter/year respectively.
Unemployment	↑	The unemployment rate increased by 0.4 percentage points over the quarter Nov 2010 – Jan 2011, and by 1.7 percentage points over the year, to 8.0%. This represents the largest annual increase in the UK.
Claimant Count	↑	The claimant count now stands at 59,100 (6.6% of the workforce), representing an increase of 6.3% (3,500) over the year. This is higher than the UK average rate (4.5%) and is the joint highest of all 12 UK regions. NI has reported the highest monthly and annual percentage increases in the UK.
Economic Inactivity	→	The NI working age economic inactivity rate stands at 28.4%; this is significantly above UK average (23.3%) and is the highest in the UK.
Redundancies	↓	The rate of redundancies appears to be slowing; over the latest 12 month period, there were decreases from the previous year of 45% and 53% in the number of proposed and confirmed redundancies, respectively.
House Prices	↓	NI house prices have undergone the most severe corrections in the UK since peak (August 2007). Unlike many other UK regions, NI prices have continued to fall over the last year.
Inflation	↑	Inflation rate has increased further, reaching 4.4% in Feb 2011 – this remains considerably above the Bank of England target of 2%.
Interest Rates	→	Despite inflationary pressures, the Monetary Policy Committee (MPC) once again opted to maintain base rate at 0.5% in March 2011.

Factors affecting economic outlook

Global economy: Global growth in 2011-12 is likely to be driven by emerging and developing economies, whilst advanced economies continue to face considerable downside risks. The US recently reported higher than expected output, potentially reducing the risk of a 'double-dip' in the global economy. However, inflationary pressures represent a key risk to sustained recovery. The ongoing crisis in the Middle East and recent earthquake and tsunami in Japan also present downside risks to the extent/pace of global economic recovery, as do sovereign debt concerns in the Euro zone.

UK economy: The UK Government has opted to cut public expenditure levels deeply and quickly, whereas other governments have favoured additional economic stimulus. The rationale for the UK Government's approach was to ensure a credible debt reduction plan so as to protect the UK's credit rating; if international money markets were to perceive higher risks associated with lending to the UK, it would become more expensive for the Government to service existing (and future) debt levels. However, it remains to be seen whether the planned cuts are 'too much too soon', and, as such, they continue to represent a potential risk to sustained economic recovery in the UK.

NI economy: In NI, the outlook remains challenging, to say the least. The Government's spending cuts are yet to hit the economy; these equate to some £4bn for NI between 2011 and 2015 and are likely to have a disproportionate impact locally. NI might also be particularly vulnerable to increases in interest rates, which are looking increasingly probable in the short to medium-term.

A summary of upside/downside risks to the NI economy

Upside Factors – NI Economy	Downside Risks – NI Economy
Number of high profile investment announcements in February.	Remaining constraints on availability/affordability of credit.
Corporation Tax cut looking increasingly likely (NB There would be significant associated costs thus this might arguably represent a downside risk in short-term).	Relative size of public sector means that cuts in Departmental Expenditure Limits (DEL) might have disproportionate impact in NI, as may reform of welfare system (cuts in Annually Managed Expenditure, AME).
Recent easing in rate of contraction in business activity (Ulster Bank PMI).	Relatively small private sector (with limited export base) may struggle to 'pick up the slack'.
Number of proposed/confirmed redundancies down significantly on last year.	Exposure to/association with troubled economy in ROI, and to the National Asset Management Agency (NAMA).
	Outlook for housing market remains uncertain and NI has undergone most severe price corrections in the UK. Confidence levels (and consumption) have suffered accordingly.
	Consequently, high levels of negative equity and risk of repossession makes NI particularly vulnerable to interest rate increases.
	Unlike many other UK regions, labour market conditions in NI are continuing to deteriorate.

Spending cuts and welfare reform: why NI is particularly vulnerable

Dr Jodie Carson

Why is Northern Ireland particularly vulnerable to public expenditure cuts and the impact of welfare reform?

In an attempt to redress the large budget deficit in the UK, the Coalition Government has announced a number of austerity measures. As part of these, planned public expenditure levels have been slashed significantly and a radical shake-up of the welfare system is underway. Whilst the impact of these measures will be felt across the entire UK, there are a number of factors specific to the NI economy which imply that they may have a disproportionate effect locally.

Extent of cuts for NI

As a result of the UK Spending Review, there will be an 8% real-terms decrease in current Departmental Expenditure Limits (DEL) and a 40.1% decrease in capital DEL in Northern Ireland between 2010-11 and 2014-15.

The UK Government has also announced a radical 'shake-up' of the welfare system. It is estimated that if Northern Ireland is to receive a proportionate share of the estimated £18bn welfare cuts, this could amount to some £500m.

A disproportionate impact for NI?

There are a number of characteristics of the NI economy which make it particularly vulnerable to the planned cuts in DEL:

Size of public sector: The public sector in NI employs approximately 226,000 people; equating to 32.3% of all employee jobs. This is significantly higher than the equivalent figure in the rest of the UK (21.1%). The spending cuts, and any associated impact on public sector employment levels, will therefore have a disproportionate impact on the NI economy.

Characteristics of private sector: An additional difficulty that NI faces is that the ability of the local private sector to adequately 'pick up the slack' is questionable: productivity levels in NI remain below UK average levels and the gap has widened over recent years. Companies in NI also have a limited export base. Unless they become more 'outward looking' (i.e. export orientated), declining levels of expenditure amongst consumers and by government imply limited scope for growth.

Local banking issues: Another impediment to economic recovery which is particularly pertinent for NI is the remaining constraints on bank lending levels. In their ability to access affordable credit facilities, NI businesses may be indirectly exposed to the issues associated with the Irish banking sector, including the outworking of the National Asset Management Agency (NAMA). NI has also had the lowest uptake rate of Government bank lending schemes, such as the Enterprise Finance Guarantee (EFG) scheme, in the UK. These are significant issues, since restoring bank lending to healthy levels is a necessary precondition for economic recovery.

Property market/construction industry: NI experienced an extreme spike in property prices in 2006-07 and the bursting of the bubble has been accordingly painful. House prices in NI have fallen by more than in any other UK region. Transaction levels have suffered accordingly, as has the local construction industry, the industry is thus extremely vulnerable to the planned 40% cut in capital expenditure.

Welfare reform

NI might also be deemed to be particularly vulnerable to the Government's planned reform of welfare (i.e. cuts in Annually Managed Expenditure, AME) for the following reasons in addition to the factors outlined above:

- **NI has a particularly high rate of economic inactivity**, meaning that a relatively large proportion of the population will be affected by the proposed reforms.
- **Much of the reform in respect of unemployment benefits appears to presume the availability of surplus employment**. The validity of this assumption is debatable in the current economic climate, particularly in NI given the relatively small private sector and fact that labour market conditions are continuing to decline.
- **Deficiencies in childcare are already a recognised impediment to work in NI**. This could be exacerbated by the proposed reduction in Working Tax Credit to help with child care costs.
- **There is a relative reliance on Disability Living Allowance (DLA) in NI**. In May 2010, the rate of DLA claimants in NI was the highest in the UK. A relatively large proportion of the population will thus be affected by the plans to reform DLA.
- **Housing Benefit reform and changes to Mortgage Interest Support** may have a particularly detrimental impact in NI given severe house price corrections and associated levels of negative equity and risks of repossession.

Recent research, carried out by the Institute for Fiscal Studies indicates that, if all measures to be introduced between 2010-11 and 2014-15 are considered, NI is expected to undergo the most significant losses in the UK, after London.

Furthermore, the analysis indicates that the largest losses will be incurred by the poorest income quintiles, and these losses will be higher in NI than in the UK as a whole. This suggests that the planned welfare reform may have a particularly regressive effect in NI.

Economic strategy

Aidan Stennett

What are the key themes of and challenges facing Northern Ireland's economic strategy?

Introduction

The Executive Sub-Committee on the Economy is, at the time of writing, reviewing responses to the high-level consultation on *Priorities for sustainable growth and prosperity*, which will inform the Draft Economic Strategy, due for publication in 2011. Following on from 2008's Programme for Government, *'growing a dynamic and innovative economy, with the private sector contributing more to wealth creation'*, remains the driving force. Unlike its predecessor, 2011's economic strategy will be drawn-up at a time of economic difficulty as NI emerges from recession.

NI's new economic strategy will also be influenced by the *Independent review of economic policy* (IREP) and the Treasury's consultation on *Rebalancing the Northern Ireland economy* (March 2011), particularly any reform of corporation tax arising from that document.

Consultation on priorities for sustainable growth and prosperity

Published in January 2011, the *Consultation on priorities for sustainable growth and prosperity* is the first phase of a two-stage consultation intended to develop economic strategy. The current phase sought public opinion on a framework for future economic strategy and focused on high-level considerations.

The process represents a departure from previous years, particularly since current and future documents are the result of the collaborative work by the Executive Sub-Committee on the Economy (consisting of the Ministers for Enterprise Trade and Investment, Employment and Learning, Education, Finance and Personnel and Regional Development, together with the Junior Ministers from OFMDFM), rather than a single department.

The framework document incorporates two complimentary goals:

> *… rebalancing the economy towards higher value added private sector activity, and the need to undertake a more immediate rebuilding phase, to address the impact of the global downturn on the local economy and labour market'.*

The document's central vision for the NI economy of 2020:

> *… is for it to be characterised by a sustainable and growing private sector, with a high-skilled, flexible workforce working in high productivity, innovative firms which compete in global markets.*

The document recognises the *'significant challenge in the coming years, particularly given the reduction in public expenditure available to the Executive'*, which looms over future strategy. Furthermore, upcoming policy will need to incorporate changes to Invest NI's functions and funding powers resulting from the reduction in permissible grant thresholds under EU Regulations.

To achieve its vision, the document recommends a strategy based on five strategic themes - stimulating innovation, R&D and creativity; improving employability and the level, relevance and use of skills; competing in the global economy; competing in the global economy; developing our economic infrastructure.

These will, it is argued, *'deliver increases in the productivity and competitiveness of businesses in the NI private sector'* and *'enable local companies to exploit opportunities and compete successfully in export markets, delivering both wealth and employment creation'*.

To counteract the continued impact of recession, two short to medium-term strategic themes have been proposed:

- improving employment opportunities and employability (by promoting employment and labour market participation and addressing wider barriers to employment); and
- promoting employment (by protecting sustainable jobs and promoting investment offering accessible job opportunities in areas of disadvantage).

The consultation closed at the end of February 2011, responses will inform a draft *Economic Strategy*, due to be published later in 2011.

Independent review of economic policy (IREP)

IREP assessed the effectiveness of DETI and Invest NI policies. The report made recommendations across four areas – improving coordination of economic policy, with DETI, the Department of Employment and Learning and Invest NI working together to supply the necessary skills to meet business demands; strengthening DETI and Invest NI's assistance to business, including greater support of research and development; increasing the autonomy, flexibility and decision-making powers of Invest NI and simplifying support to the private sector; and establishing a cross-departmental sub-committee on economic matters.

It is evident that these themes have formed part of the Executive Sub-Committee on the Economy's considerations so far.

Rebalancing the NI economy

In addition to corporation tax, the document outlined other possible tax mechanisms to strengthen the private sector and encourage economic growth - research and development tax credits; an enhanced annual investment allowance; training credits; and a National Insurance holiday, tailored to Northern Ireland.

Conclusion

Northern Ireland's economic strategy remains in the early stages of development. However, it is evident that the final document will be based on a collaborative approach and will be influenced by existing (IREP) and contemporary debates *(Rebalancing the Northern Ireland Economy)*, as well as economic conditions.

Corporation Tax

Colin Pidgeon

What are the arguments for and against devolving powers to set Corporation Tax to Northern Ireland?

In March the UK Government launched a consultation on rebalancing the Northern Ireland economy and devolving Corporation Tax. Arguments both for and against reducing Corporation Tax to stimulate increased economic activity have been put forward.

The issue

European law only permits variable tax levels within member states if:

- The region has the political and administrative authority to introduce its own tax regime (note that if Northern Ireland returns to direct rule from Westminster this test might be difficult to meet);
- The national government has no authority to influence such a decision; and
- The region bears the full fiscal consequences of introducing its own tax regime and must not be compensated by the national authority for lost tax revenue.

The third condition means the block grant to Northern Ireland would have to be reduced to offset a lower UK tax take.

Cost

Estimates of the cost in reduced revenue to the UK Exchequer have been from £150m to £300m per annum. The Confederation of British Industry (CBI) argued that because the UK Corporation Tax rate is declining, the actual 'hit' to the Northern Ireland block 'might be lower than £150m.'

The Treasury's consultation paper presents a range of cost assumptions – from £150m-165m in year one to between £600m-£710m in year five. It estimates that additional burdens on business 'of up to £50m a year or more.' No cost assessment of HMRC administering the devolved tax is presented – this would also be met from the block grant. The consultation considers mechanisms for calculating the cost and adjusting the block grant.

The case for

The case for a differential rate in NI partly stems from geographical proximity to ROI and the tax competition that this creates.

This issue returned to the political agenda in May 2010 when the Economic Reform Group for Northern Ireland published *The Case for a Reduced Rate of Corporation Tax in Northern Ireland* which observed that *'twelve years after the Good Friday*

Agreement Northern Ireland remains the UK's poorest region. It has the lowest average wages and the lowest productivity.'

Lower Corporation Tax is put forward to address these problems. It is argued that:

> *NI would benefit from a much larger private sector, including 80-90,000 extra jobs over 20 years. Many of these jobs would have salary levels well above the average for NI. Unemployment should fall back much further than would otherwise be the case.*

and

> *The UK Treasury would gain from additional tax revenues from income taxes, national insurance, VAT etc. This would lead to a smaller subvention to NI.*

Other arguments include:

- Existing companies would have more profit available for investment;
- Improved ability to attract 'profit centre' Foreign Direct Investment (FDI) bringing more and higher quality jobs;
- Knock-on benefits for local small and medium-sized enterprises being able to take up supply-chain opportunities;
- Benefits to local universities and colleges from research and development opportunities; and
- Removal of distortions for companies operating on an all-island basis.

The case against

A recent PricewaterhouseCoopers (PwC) paper observed:

> *…we could not find any clear evidence that low corporation tax alone would create sub-regional competitive advantage sufficient to create a disproportionate increase of FDI into the UK or Northern Ireland and increased competitiveness amongst indigenous companies.*

PwC cautioned against treating a reduction in corporation tax alone as the main driver for FDI because:

- Corporation Tax rate is not a key driver of FDI locating in the UK. It rated below language, culture and values, infrastructure, skills and proximity to market as influencing factors;
- When taxation does influence investment, it is more complex than headline rates of corporation tax. Other factors include:
  - Bilateral arrangements on taxation of foreign income;
  - Total tax rate (including labour taxes, for example);
  - Complexity of the tax regime; and
  - The number of different taxes on FDI.
- The ROI had low Corporation Tax for three decades before its period of rapid growth, and there were other factors in the 1980s such as a growing skills base and a business-friendly administration; and
- The 12.5% Corporation Tax rate in the ROI was complemented by other measures such as tax credits for research and development.

Concluding remarks

As it stands, the case for devolving corporate taxation powers to Northern Ireland appears unproven. It is likely, therefore, that this debate will continue for some time.

Youth unemployment and NEETs

Eoin Murphy

What is the impact of youth unemployment in Northern Ireland and just what are NEETs anyway?

Introduction

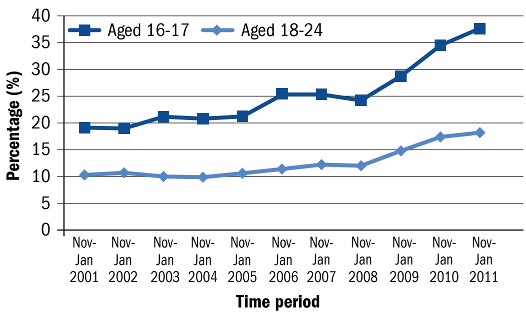
Some social groups are more vulnerable to unemployment than others, which can have significant long-term effects on both the group and on the economy.

Young people are particularly vulnerable to unemployment as they are more likely to become, or remain, unemployed than any other demographic. This is a result of a number of factors, including a lack of skills and experience (with older people who hold the requisite experience more likely to be employed or retained by businesses), poor job search abilities and a lack of the financial resources needed to find employment.

Youth unemployment

The current rise in youth unemployment began in 2004, with a steady increase in unemployment amongst 16 – 24 year olds subsequently exacerbated by the onset of the recession in 2008.

Youth unemployment rate (%) by age group, Nov-Jan 2001-2011



Unemployment amongst the young is an important issue which can have a significant impact as noted by Islam and Verick (2011):

> *'Spells of unemployment, particularly those of a longer duration, can lead to scarring effects in terms of a higher likelihood of being unemployed later in life and a wage penalty.'*

The economic cost of youth unemployment is estimated to be £250m per year for Northern Ireland. Both the economic and social costs of youth unemployment are intensified in the case of young people Not in Employment, Education or Training (NEET).

Just what are NEETs anyway?

In an ongoing consultation, the Department for Employment and Learning defined NEETs as:

> *'…young people who spend a substantial amount of time outside any form of education, employment or training.'*

The identification and reduction in the number of NEETs is important as those falling into this category are more likely to face long term unemployment and economic inactivity. NEETs are also more than twice as likely to feel depressed and more than one in three are likely to feel suicidal.

An inquiry into the matter by the Committee for Employment and Learning identified that there are 41,000 NEETs in Northern Ireland. In addition, Labour Force Survey data from Quarter 1 2010 shows that 18% of all 16-24 year olds in Northern Ireland were NEET (please note, the number of NEETs is estimated by deducting those in education, employment or training from the total population and as such these figures are indicative only).

A scoping study carried out by the Department for Employment and Learning identified three broad groups which make up the NEETS category.

Group 1: known as the 'not really NEET' group, these are young people who are undertaking some activity which is not formally counted as education, employment or training such as gap year students or those doing voluntary work. This group makes up approximately 22% of NEETs;

Group 2: The 'Identifiable Barrier' group are those who have a recognised difficulty preventing participation in the labour market, such as disability, serious illness or being a full-time carer. This group makes up around 23% of NEETs; and

Group 3: The final, and most prevalent group, is known as the 'No Identifiable Barrier' group. These are basically young people who do not fit into groups 1 or 2 and they make up 55% of NEETs.

Please note, the percentages mentioned above are based upon figures for England and Wales and subsequently transposed to the Northern Ireland context. As such, they are approximations only.

A NEET strategy

In order to tackle the NEETs issue directly, the Department for Employment and Learning is currently consulting on the development of a NEET strategy, which, it is intended, will result in a cross-departmental approach.

The consultation proposes three types of action to deal with the NEET issue:

- **Information** – plans for monitoring and tracking individuals and the effectiveness of collective strategic efforts;
- **Interventions** - the projects, processes and tools in which we are investing to re-engage young people most at risk; and
- **Prevention** - reducing the in-flow of young people most at risk of becoming disengaged from education, employment or training.

A strategy directly targeting NEETs is an important step in tackling economic inactivity amongst this demographic group. However, NEETs will remain an important issue for the Northern Ireland Exxecutive, especially with potential increases in university tuition fees, changes to Education Maintenance Allowance and the continuing rise in unemployment in Northern Ireland, all impacting on the future employment prospects of young people.

Overview of the Northern Ireland labour market

Eoin Murphy

What has been the impact of the recession on the Northern Ireland labour market?

Introduction

Northern Ireland's economy has grown considerably over the last two decades, with employment expanding alongside it. However, with the onset of the recent recession many of these hard won improvements have suffered setbacks, such as the large number of redundancies which have swept through Northern Ireland's private sector, with budget cuts in the public sector expected to have a similar impact.

Background to the current situation

In the 1990s and 2000s, increased public and private investment revitalised Northern Ireland's economy. Unemployment fell from the high levels of the 1980s and 90s as Northern Ireland underwent a boom, with new industries and businesses opening across the region.

However, the financial crisis of 2007, sparked by the sub-prime mortgage crisis in the USA and the resultant worldwide recession, ended this period of growth. As with many other countries, Northern Ireland's economy contracted, with companies closing across the region.

This, of course, resulted in large scale job losses across a number of sectors, with construction and manufacturing amongst the hardest hit.

Characteristics of the Northern Ireland labour market

Currently, Northern Ireland's labour market can be characterised by three points:

- Falling employment;
- Rising unemployment; and
- High levels of economic inactivity.

Table 1, using labour force survey data, shows the scale of the problem.

Between 2009 and 2011, 20,000 people joined the ranks of the unemployed, raising the percentage of unemployed from a low of 4.3% in November to January 2008, to 8.0% in November to January 2011. This is the highest level in fourteen years since 1997 when unemployment sat at 9.2%.

Whilst there has been some recovery in the number of individuals employed since the height of the recent recession, it has yet to reach the same levels as in November - January 2008, with 772,000 currently employed in Northern Ireland, 12,000 less than in the same period in 2008.

Economic inactivity, a consistent issue for Northern Ireland, has added to the problems currently affecting the labour market. Since the financial crisis the number of those economically inactive has risen to 569,000 (November to January

Table 1: Northern Ireland labour market structure – seasonally adjusted (thousands)

		All aged 16+				
	Total aged 16 and over*	**Total economically active**	**Total in employment**	**Unemployed**	**Economically inactive**	**Unemployment rate (%)**
Nov-Jan 2008	1,362	819	784	35	543	4.3%
Nov-Jan 2009	1,375	811	764	47	565	5.8%
Nov-Jan 2010	1,388	819	768	52	569	6.3%
Nov-Jan 2011	1,400	839	772	67	561	8.0%

2010), although it should be noted that it had dropped slightly by the same quarter in 2011. The working age economic inactivity rate for Northern Ireland is currently at 28.4%, the highest of the 12 UK regions.

Consideration of the other UK regions in the period April – June 2010 shows that whilst Northern Ireland had one of the lowest employment rates, it had the highest percentage of long term unemployed (LTU) making up this figure (43.1% LTU as a percentage of total unemployed as opposed to the next highest region the West Midlands with 37.3% LTU). Northern Ireland also had the lowest employment rate of the regions with 66.4%.

Potential areas of concern for future growth

The high level of LTU and economic inactivity are areas of considerable concern with a number of additional factors which may impact on Northern Ireland's labour market recovery, including the following.

Public sector cuts: With the ongoing cuts in the public sector as a result of the *2011 - 2015 Budget* there will be wider impacts on the Northern Ireland economy, especially in areas such as the construction industry, due to the large cuts in the capital budget. The reduction in spending could also have an impact on public and private sector jobs although it is not currently possible to estimate to what extent.

Skills development: As part of the *Programme for Government*, there is an ongoing focus on improving skills amongst the workforce and young people leaving school. These include the *Widening Participation Strategy*, changes in employment law which allow employees to have access to time off work for study and a focus on essential skills training for those who are unemployed. Again, budget cuts may have an impact on these strategies.

Not in Employment, Education or Training: NEETs are an area of significant concern, with fears that a 'lost generation' may be created as young people are unable to find jobs as they leave school, college or university, with these disaffected youth potentially becoming long term unemployed or economically inactive.

Equality and human rights

Michael Potter

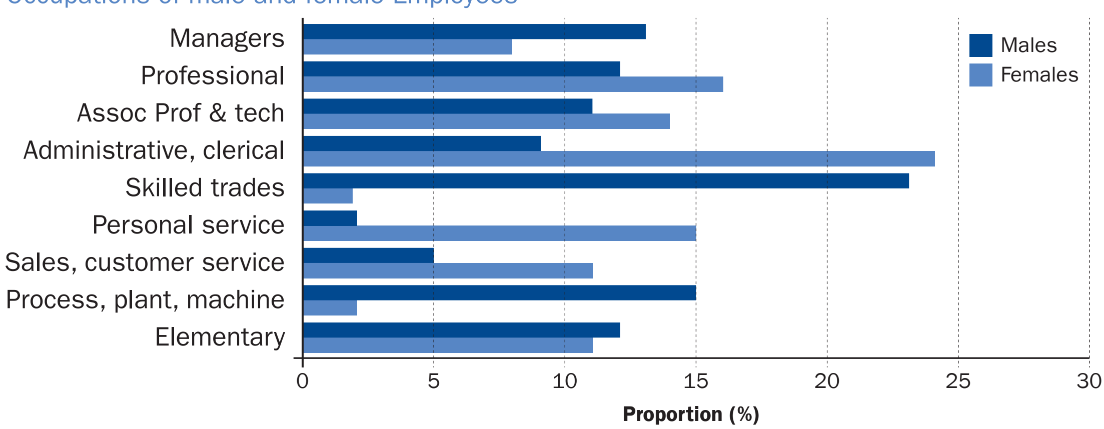
How compatible with international standards is equality and human rights legislation in Northern Ireland?

Consideration of a single *Equality Bill* for Northern Ireland was begun in earnest in 2004, with a consultation process in 2005. The purpose of this was to update existing legislation across a range of equality areas and to simplify the system, with a view to making equality provision more accessible. Work on this Bill halted with the last meeting of the advisory panel in 2006. In the meantime, the rest of the UK has proceeded with its own legislation.

The Equality Act 2010, which does not extend to Northern Ireland, gives greater protection than is available here and conforms to prevailing European Union standards. This leaves Northern Ireland out of step with the rest of the United Kingdom and with the EU, requiring either the passing of a single Equality Bill or widespread piecemeal reforms to existing legislation, such as the *Disability Discrimination Act* and the *Race Relations Order*, to keep pace. The dangers of not updating the legislation are that Northern Ireland could find itself in breach of EU standards, necessitating the Westminster Parliament to impose legislative change under the *European Communities Act 1972,* and also that local courts will begin to look to equality standards elsewhere when making decisions.

In the context of a *Women's Charter* and a *Strategy for Equality between Women and Men* published by the EU in 2010, the *Gender Equality Strategy* for Northern Ireland is to have its mid-term review in 2011. The Northern Ireland labour market continues to be gendered, with women concentrated in part-time employment and in certain occupations, as the figure below shows.

Occupations of male and female Employees



***Source**: Department of Enterprise, Trade and Investment, Women in Northern Ireland, September 2010, p.9.*

Women are also underrepresented in decision-making roles, comprising 20% of local councillors and 13% of the Northern Ireland Assembly prior to the elections of May 2011. The meaningful representation of women, the provision of affordable quality childcare and investment in community-based initiatives which support women to participate in decision-making and non-traditional roles will remain key issues for the future, especially in a context where the increased representation of women in post-conflict societies is a key requirement of *UN Security Council Resolution 1325 of 2000*. The Irish Government is developing an Action Plan for the implementation of *UN Resolution 1325*, but there has been no such action in Northern Ireland.

The EU Lisbon Treaty came into force in December 2009, with an accompanying Charter of Fundamental Rights, which contains new areas of protection, such as social and economic rights.

Other contexts have entered into new arrangements for a post-conflict society through an agreed Bill of Rights. Consideration of a Bill of Rights for Northern Ireland was included in the Belfast Agreement and many community-based groups have campaigned for one. A Bill of Rights Forum presented its final report in 2008 and the Human Rights Commission presented its Advice to Government in December of that year. Following a consultation ending in March 2010 where the Government response was much criticised, there has been no further development.

The Equality Act 2010, which does not extend to Northern Ireland, gives greater protection than is available here and conforms to prevailing European Union standards

The EU *Lisbon Treaty* came into force in December 2009, with an accompanying *Charter of Fundamental Rights*, which contains new areas of protection, such as social and economic rights. The UK has opted out of the Charter, but this will remain the human rights guide for the EU and will therefore have an influence on the development of human rights law and legislation in the UK. In addition, the ratification by the EU of the *UN Convention on the Rights of People with Disabilities* (UNCRPD) in December 2010 signals the further integration of rights for disabled people as full members of society in EU legislation. The appointment of the Equality Commission and the Human Rights Commission as a joint mechanism to monitor the implementation of the UNCRPD, means that there will be additional scrutiny in Northern Ireland than would be the case with other international standards. Developing legislative processes to implement international and European human rights standards in Northern Ireland will be an important task for the future.

Good relations

Michael Potter

What has been the policy contribution for the post-conflict transition to a peaceful, tolerant society in Northern Ireland?

The draft *Cohesion, Sharing and Integration* (CSI) strategy was published for consultation in July 2010, which was to replace the existing *A Shared Future policy* and include elements of, but not replace, race equality policy, such as the *Racial Equality Strategy*. The CSI strategy has met with significant criticism during the consultation period, where concerns were raised that it would be less effective than *A Shared Future*. In particular, there was little reference to reconciliation initiatives and the charge that there was official acceptance of maintaining communities as 'separate but equal' was levelled at the Executive.

An agreed, durable strategy for dealing with relationships between the main traditions in Northern Ireland would have to be developed that takes into account the traditional community divisions and also the societal impact of demographic change. This would be required to be multi-faceted and to take into account a range of disadvantaged or contested identities. Hate crime remains a significant problem to be addressed, particularly on race and sectarian grounds.

Parades remain a major issue, particularly in the summer months. New draft

Table: Hate crime incidents and detection rates 2008/09 and 2009/10

Motivation	Total number of incidents		Total number of crimes		Total number of crimes detected		Detection rate (%)		
	2008/09	2009/10	2008/09	2009/10	2008/09	2009/10	2008/09	2009/10	Change in %pts[1]
Racist	990	1,038	771	712	96	115	12.5	16.2	+3.7
Homophobic	179	175	134	112	29	21	21.6	18.8	-2.9
Faith/Religion	46	23	35	15	4	1	11.4	6.7	-4.8
Sectarian	1,595	1,840	1,017	1,264	155	213	15.2	16.9	+1.6
Disability	44	58	28	41	4	6	14.3	14.6	+0.3
Transphobic	10	14	2	4	1	0	50.0	0.0	-50.0

Source: Police Service of Northern Ireland Annual Statistical Report No.3 Hate Incidents and Crimes 1 April 2009 – 31 March 2010, p.3.

legislation was released for public consultation in April to June 2010, with a corresponding consultation for a draft *Code of Conduct* from July to September. This included proposals for a new structure for dealing with contentious parades, but also extending to a range of other public assemblies. The consultation received a significant response to defend the right to public assembly in non-contentious circumstances, however the opposition of some key stakeholders delayed the introduction of a bill and the Parades Commission was re-appointed by default. A decade of centenaries (1912 to 1922) will require sensitive planning and debate around potentially contentious commemorative events.

With the publication of a *Victims and Survivors* Strategy in 2010, a new Victims and Survivors Service is being developed and a needs analysis undertaken by the Commission for Victims and Survivors. The needs of victims and controversial debates around the status and provision for victims will continue to be a key issue in the new mandate. In the absence of an 'official' truth process looking at the past in Northern Ireland, there have been a number of community-based initiatives for truth recovery, reports looking into aspects of the past, such as that of the Consultative Group on the Past published in January 2009, and legal inquiries, such as the *Saville Inquiry* to report on the events of Bloody Sunday in 1972, published in June 2010.

The UK Government gave a commitment that there would be no more open-ended inquiries into incidents from the conflict, but there are still calls for such an inquiry into the killing of Pat Finucane in 1989, as well as other campaigns for justice relating to events of the past. Agreed mechanisms for truth recovery, memorialising and dealing with the past in Northern Ireland still have to be negotiated and will remain an area of contention until a shared process for doing so can be developed. In particular, the continuing physical, psychological and emotional legacy of the past for individuals affected by the conflict will remain a key area that will require political accommodation and the allocation of resources beyond the remit of the developing Victims and Survivors Service.

The United Kingdom is to be examined by the Committee for the Elimination of all forms of Racial Discrimination in September 2011, which will be the first time since the main period of migration into Northern Ireland and there is a high likelihood of racism and xenophobia in Northern Ireland being raised. From 2004, Northern Ireland saw unprecedented levels of inward migration from Eastern Europe. Attacks on minority ethnic and migrant families have become a cause for concern, particularly given a stark increase in racial incidents, culminating in Northern Ireland being referred to in the international press as the 'race-hate capital of Europe' after the expulsion of Roma families from their homes in Belfast in June 2009.

For Northern Ireland, the integration of migrants, treatment of minorities and ongoing policy issues concerning Travellers will require robust policy initiatives to reflect the changing population.

Employment equality: tackling the challenges

Jane Campbell

Studies continue to show that women are less likely to be upwardly mobile than men, whilst disability, religion, ethnicity, age and caring responsibilities all impact upon an individual's prospects.

In Northern Ireland a range of legislation was created over the last four decades to protect people from discrimination and disadvantage in the labour market. This has encouraged employers to put equality at the centre of their employment practices and despite certain improvements, research studies reveal that inequality in employment is enduring or emerging in areas where the new laws were intended to give protection. What are the main areas of concern?

Gender

It is clear that over the last few decades employment opportunities for women have increased. The pay gap has greatly narrowed but other challenges for gender equality in the workforce remain. A major difficulty is labour market segregation and helping women move into a broader range of professions. In Northern Ireland, one of the main barriers to employment is the lack of high quality, affordable childcare. Many women find it difficult to reconcile their family duties with paid work without affecting their chances to develop their skills or achieve promotion; therefore workplace policies that make working and family life more compatible are vital.

People with dependents

Dependents may be young children, older relatives or people with disabilities. The dual pressures of working and caring mean that people with dependents often have difficulties getting into and staying in employment. The number of dependents a person has is significant too, and further reduces their likelihood of working. Disincentives provided by the benefit system and a lack of suitable jobs or affordable childcare all impact upon the employment chances of people with dependents and present a challenge for government.

Disability

Disability discrimination law aims to improve the prospects of people with disabilities. However, their employment rates are still much lower than those of non-disabled people. People with disabilities in Northern Ireland are hindered in entering the work-force for a variety of reasons. To address these, the Equality Commission recommends actions which focus on improving the educational qualifications of people with disabilities, tackling people's attitudes to them and improving their access to transport.

Age

Older people's employment rates have risen in recent years but a key challenge lies in ensuring the number of older people in work continues to increase. Government is urged to encourage employers to adopt flexible working and retirement practices which give individuals more choice and opportunity to stay in work longer. The wider challenge is about changing the culture and perceptions about older people which can lead to discrimination. It is believed that this is about spreading positive messages about older people, their aspirations and the contributions they make to society.

Religion/Community background

In Northern Ireland, the Catholic unemployment rate, which has been consistently higher than that of Protestants, has narrowed significantly over the last decade, although a gap still remains. The difference in unemployment between both communities is largely accounted for by a difference in male unemployment rates.

In relation to employment, it is generally accepted that the imbalances that existed between the two communities in the past have largely disappeared. An Equality Commission review in 2005 noted what has been achieved but pointed to new complexities around the fair employment debate, and the significance of factors such as educational attainment within and between the two communities. The most recent *Equality Commission Monitoring Report* shows that around 54% of the workforce is Protestant across both private and public sectors. However, representation is uneven; for example recent research indicates that young Protestant males are more likely to be unemployed than their Catholic counterparts due to lower educational achievement.

Race

The ethnic minority population in Northern Ireland, although small, is a diverse collection of communities with differing needs and concerns. Although legislation outlaws discrimination on racial grounds in employment and occupation, the employment rates of ethnic minorities are much lower than in the general population. Some groups, such as Travellers, have fewer educational qualifications, but generally, migrant and immigrant populations in Northern Ireland tend to work below their educational or skills levels, with recent research indicating language, understanding the system and discrimination as the main barriers to employment.

For the Equality Commission the key problems to be tackled in NI are the very low economic activity rate of Travellers, the harassment and discrimination in the workplace experienced by ethnic minorities, highlighted by local research studies and the exploitation and abuse of migrant workers across NI.

Sexual orientation

It is difficult to accurately examine the relationship of sexual orientation to life opportunities or employment outcomes as there is little reliable information on the experiences of lesbian, gay, bisexual and transgender (LGBT) people at work. The research evidence for NI confirms that homophobic harassment occurs in the workplace and that it is a concern for the LGBT community. A recent survey found a reluctance amongst some LGBT people to reveal their sexual identity at work, and also that a number have complained about homophobia in their workplace. The report strongly recommended that employers make equality and diversity central to the functions and ethos of their organisations and put robust policies and practices in place.

Child poverty in Northern Ireland

Jane Campbell

How can the new administration ensure Northern Ireland meets its responsibilities under the *Child Poverty Act?*

The UK Government committed itself and future governments to end child poverty by 2020 when the *Child Poverty Act* passed into law in March 2010. The responsibilities placed upon the UK are to:

- Reduce child poverty on four income targets;
- Produce a child poverty strategy every three years;
- Consult widely;
- Pay due regard to the (forthcoming) Child Poverty Commission's advice; and
- Report annually to the Assembly and Westminster.

How is child poverty measured – and what are the targets?

Relative income poverty

A child is living in relative income poverty if the household in which they live has less than 60% of the 'average' (median) household income. The target is less than 10%.

Absolute poverty

A child is living in absolute income poverty if the household in which they live has an income less than what income poverty was measured at in the base year of 1998/99 (after adjustment year-on-year, for the effects of inflation). The target is less than 5%.

Combined low income and material deprivation

As a wider measure of the living standards of children, a child is defined as poor if living in a household which has below 70% of the UK median household income – and has a material deprivation score of 25 or more. The target is less than 5%.

Persistent poverty

A child living in poverty in three out of four years is living in persistent poverty. The target is to be set in regulations by 2015.

Progress in Northern Ireland

The Act does not set specific Northern Ireland targets but the Executive must demonstrate that it is contributing to the reduction of child poverty. Although child poverty decreased between 1999 and 2005, the decline has stalled over the last few years. Recent child poverty statistics for Northern Ireland are not encouraging. Today 25% of children are living in relative income poverty which equates to over 100,000 children. It is estimated that 21% are living in persistent poverty.

Northern Ireland's Child Poverty Strategy

Northern Ireland's first *Child Poverty Strategy* was laid before the Assembly on 24 March 2011. All government departments are required by law to contribute to the strategy and describe the measures they propose to take to meet the targets. The strategy has been criticised, however, for being too high level and lacking detail. The absence of action plans, targets, measurable outcomes, timescales or budget attached to the strategy was disappointing for many who felt that the vague priority action areas in the strategy would make monitoring its effect very difficult. One of the key tasks of the new administration therefore will be to ensure that action plans, targets, budgets and monitoring framework are drawn up and approved without delay.

The budget, CSR and welfare reforms

The UK Government has said there were measures in last year's budget and welfare reforms to protect low income families. However, many believe that any gains for families with children are cancelled out by other measures and cuts announced at the same time.
In May 2010 the Institute for Fiscal Studies warned that the government is unlikely to meet the legally binding targets to wipe out child poverty in the UK by 2020. Predictions are that the budget cuts and welfare reforms will have a significant negative effect on Northern Ireland. Some have forecast that child poverty in Northern Ireland will rise by the years 2013–15.

The way forward

Child poverty campaigners across the UK, such as Barnardos, are calling upon government to keep its promise to end child poverty by 2020. They and others have put forward ideas about what government can do to ensure the promise is not broken. Northern Ireland may be subject to the principle of parity with regard to benefits, and tax credits are outside the powers of the devolved administration, but campaigners would like to see elected representatives look at how devolution could provide opportunities for local variations on Westminster-driven policy. Save the Children and the Children's Commissioner would like to see the child poverty strategy and targets prioritised in Northern Ireland's new *Programme for Government* and its related budgets. They want the new administration to raise awareness of the child poverty legislation throughout all areas of government and to promote its importance. These groups stress that investing to save is key in tackling child poverty – investing, for example, in early intervention and in childcare. Recently though, many have questioned how feasible this will be in the current fiscal climate. Some have wondered how the UK welfare reforms and spending plans sit with the goal of ending child poverty by 2020. Local campaigning group Child Poverty Alliance sees this as a matter requiring considerable attention by the new Executive and OFMdFM.

Welfare reform

Eleanor Murphy

How will the Coalition Government's welfare reform programme impact on Northern Ireland?

The welfare reform announcements in the Coalition Government's June 2010 Budget and *Spending Review* in October 2010 have been described by many as the most radical shake-up of the social security system since the foundation of the welfare state. But what changes are ahead and what could they mean for Northern Ireland?

Universal credit

A new integrated benefit – universal credit – will replace the vast majority of in-work and out-of-work benefits (Income Support; income–based Jobseeker's Allowance (JSA); income-based Employment and Support Allowance (ESA); Housing Benefit; Child Tax Credit; Working Tax Credit). It will consist of a basic allowance with additional elements added for children, housing and caring. For the vast majority of claimants, Universal Credit will be calculated and delivered electronically. Claims for Universal Credit will be made on the basis of households rather than individuals. In line with the Coalition Government's announcement in the *Spending Review*, a cap will be applied to the amount of benefits a household can receive, set at around £500 per week for couple/single parent households and around £350 per week for single adult households.

The new regime will be backed by a 'strong system of conditionality' and new financial sanctions for recipients in GB, although it is not yet clear how this will apply in Northern Ireland. It is the Coalition Government's intention to introduce Universal Credit for new claims from October 2013, with a target to transfer all existing claims to the new regime by October 2017. The impact of Universal Credit on the benefits and tax credit administrative structures in Northern Ireland (e.g. the Social Security Agency) and the impact it may have on programmes such as *Customer First* will need clarification.

Disability Living Allowance

Disability Living Allowance (DLA) will be replaced with the new Personal Independence Payment (PIP). PIP will have a reduced number of rates and the eligibility criteria will be much more restrictive than is currently the case for DLA. To qualify an individual must meet the eligibility criteria for a period of six months (the 'Qualifying Period') and be expected to continue to satisfy entitlement conditions for at least a further six months (the 'Prospective Test'). There will also be a new 'objective' assessment process which will assess an individual's *'ability to get around, interact with others, manage personal care and treatment needs, and access food and drink'*.

Concerns have been expressed by disability and welfare organisations about the pace and extent of DLA reform. Whilst many groups welcome the removal of many of the complexities of the system, there is opposition to the proposed assessment process and questions over whether assessors will have the specialist knowledge required. Northern Ireland also has the highest prevalence of DLA claimants per head of population in the UK (around one in ten claim DLA), with North and West Belfast having the highest rates of claimants in NI. There is concern that the Coalition Government will fail to take into consideration the significant physical and mental impact of the conflict on the claimant rate here. In addition to the reform of DLA, there have been concerns about the migration of Incapacity Benefit claimants to Employment and Support Allowance, particularly with respect to the new Work Capability Assessment.

DLA claimant rate by region (31 May 2010)

Country/ Government Office Region	Allowances (‘000s)	Allowances per 1,000 population
Great Britain	3,157.3	52.6
England	2,569.8	49.6
Wales	242.0	80.7
Scotland	342.4	65.9
Northern Ireland	183.7	102.7

(Source: DSD)

Local Housing Allowance

There will be a number of substantial reforms to reduce Housing Benefit expenditure including caps on Local Housing Allowance (LHA) payments; setting LHA rates at the 30th percentile of rents rather than the median; and an increase in the age threshold for the shared room rate from aged 25 to 35. It is envisaged that it is the setting of LHA rents at the 30th percentile that may have the most detrimental impact for private rented sector tenants in Northern Ireland. It has been suggested that this measure could restrict access to, and increase rent arrears in, the private rented sector and thus would have a knock-on effect on demand for social housing and community/voluntary advice and support services.

There is concern that the Coalition Government will fail to take into consideration the significant physical and mental impact of the conflict on the claimant rate here

What will the reforms mean for Northern Ireland?

How and when the various strands of welfare reform will be applied to Northern Ireland will be a matter for the Northern Ireland Assembly and the interpretation and application of the parity principle will be crucial. Other important elements to consider will be the roll-out of the Social Protection Fund, tracking any increase in demand for advice information, and welfare services, and monitoring the subsequent impact the reforms may have on the voluntary and community sector in Northern Ireland. It should be noted that other reforms are also afoot, to State Pensions and State Pension Age and to Child Maintenance, and these will also need to be observed closely.

Housing policy

Eleanor Murphy

What are the key housing challenges for the new mandate?

Housing affordability

Whilst house prices have fallen dramatically from the 2007 peak, affordability remains a significant problem for the housing market. Mortgage lenders have become more stringent in their lending criteria, often requiring much larger deposits; a very difficult issue for first time buyers, especially for those without access to the 'bank of mum and dad' for financial support. Imaginative measures will be needed if the new Assembly mandate wants to help those seeking to get a foot on the property ladder.

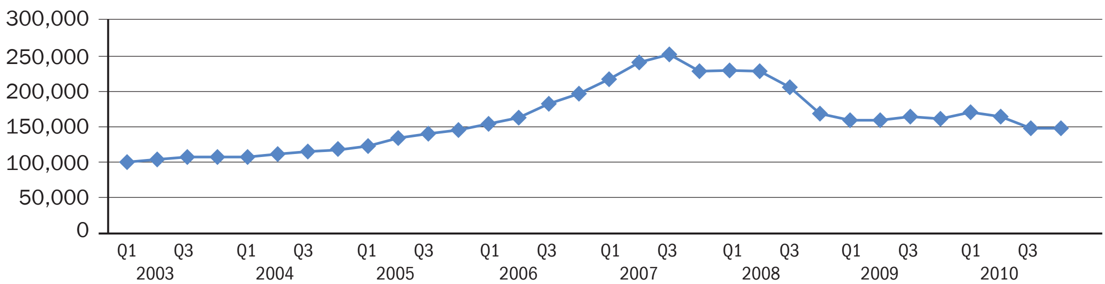
But housing affordability touches upon many other areas: it is about affordable rents in both the social and private housing sectors; preventing mortgage defaults and repossessions amongst owner occupiers and landlords; and about helping the growing number of 'inbetweeners' who are caught between ineligibility for social housing and an inability to afford purchasing a home on the open market. Expanding the 'intermediate' housing market (e.g. shared ownership/shared equity) may be one of the core housing challenges ahead.

The future of the NI Housing Executive and Housing Associations

Could radical changes be afoot for both the Northern Ireland Housing Executive (NIHE) and for the Housing Association (HA) movement? The publication of the fundamental review of the Housing Executive is imminent and is likely to outline options for the separation of the NIHE's landlord function from its strategic housing role which could involve the creation of a new Strategic Housing Authority. The previous Minister for Social Development outlined his preference for a more rationalised HA sector (i.e. a reduction to between ten and 14 associations). Structural reform of both the NIHE and Housing Associations and an agreed approach will perhaps prove to be the most challenging issue ahead.

But there are many additional challenges to be addressed in the new mandate such

NI Average House Price: 2003-2010 (University of Ulster House Price Index)



as the outworking of the NIHE Gateway Healthcheck and Governance reviews; issues around housing maintenance and the outworking of the *Savills Report*; a review of the Housing Selection Scheme; tackling rent arrears; the bulk purchasing of fuels for social housing tenants and energy efficiency measures; tackling anti-social behaviour; progressing shared housing; maximising existing social housing stock (e.g. empty homes, choice-based letting); exploring new regulatory models for the social housing sector; and to meet our future demographic needs, issues around housing design for an ageing population (e.g. lifelong housing) and management of the Supporting People programme. For Housing Associations the challenges will also involve striking the right balance between loan finance, reserves and Housing Association grant, and enhancing the effectiveness of the new housing procurement groups.

The financing of social/affordable housing may prove to be another testing but important issue for all involved. There is certainly no one simple solution to the finance issue, but can important lessons be drawn from models in other jurisdictions (particularly mixed funding and surplus land maximisation models)? Levering in private finance will be particularly important as will the development of new affordable housing tenures in tackling the social housing waiting list.

The private rented sector

There has been substantial growth in the private rented sector in NI with the number of properties now outstripping both the NIHE and HA sector combined. The *Housing (Amendment) Bill,* when enacted, will bring substantial changes to the regulation of the private rented sector with the introduction of landlord registration and tenancy deposit schemes; the details of these will be subject to the scrutiny and approval of the Assembly.

But there may be much wider issues to address, e.g. securing higher levels of institutional/corporate investment in the private rented sector; 'professionalising' the management of rental housing (e.g. accreditation, information and advice services); working in partnership with landlords to tackle anti-social behaviour; improving the quality of private sector housing (e.g. through repairing standards); and the regulation of Houses in Multiple Occupation (HMOs).

Research indicates that the vast majority of private rented sector tenants in Northern Ireland are satisfied with their landlord and it is important to build upon this positive situation. Over the coming years, there are two factors which may prove particularly challenging for this sector. One is the roll out of the Local Housing Allowance reform, the other is the potential rise in interest rates. Given the significant role of the private rented sector in meeting housing need, a close watch will need to be kept on these developments.

Conclusion

This is just a snapshot of some of the key housing issues for the new Assembly mandate, but many of these are not new issues. The reports by Semple, Varney, Ford, Savills, and most recently the Independent Commission on the Future of Housing explore the potential of the housing sector in Northern Ireland and identify the challenges and perhaps even the solutions to local housing issues. These will prove to be a rich reference point for the new Assembly mandate.

Alcohol policy

Eleanor Murphy

Will Northern Ireland lead the way in introducing a minimum alcohol pricing policy?

Northern Ireland's relationship with alcohol has often been described as a double-edged sword: on the one hand a social and recreational activity that provides a much needed source of income generation and employment, particularly in the local leisure and tourism industry. On the other hand, however, alcohol can also wreck individual lives and families, compromise physical and mental health, devastate communities, and place often immeasurable burdens on public services. It is estimated that the financial impact of alcohol misuse in Northern Ireland equates to around £900m per year, including a cost of around £250m to the health and social care sector alone.

During the previous mandate the Northern Ireland Assembly demonstrated that tackling alcohol misuse and improving the regulation of the alcohol industry were priority issues. *The Licensing and Registration of Clubs (Amendment) Act* (which received Royal Assent in March 2011) contains a number of measures including: a new penalty points system for pubs and registered clubs; new police closure powers in respect of licensed premises and registered clubs; and a statutory proof of age scheme to tackle underage drinking. Most interestingly, the Act contains provisions to allow the Department for Social Development to specify and modify a list of irresponsible drinks promotions (subject to approval by the Assembly).

Perhaps the most significant development, however, has been the launch of the minimum alcohol pricing policy consultation by the Minister for Social Development and the Health Minister in March 2011. The Ministers proposed that the minimum price be set at between 40p and 70p per unit and the consultation has been welcomed by bodies such as the Royal College of Psychiatrists (NI) and by some trade bodies such as Pubs of Ulster. Whether to implement a minimum alcohol pricing policy will be a challenging, if not contentious, issue in the new mandate. This has certainly been the case in other jurisdictions.

Example costs of products based on minimum pricing

Products based on alcohol by volume (ABV)	At 40p	At 50p	At 60p	At 70p
Standard sized bottle of spirits @ 37.5% ABV	£10.50	£13.13	£15.75	£18.38
500ml super-strength can of beer @ 9% ABV	£1.80	£2.25	£2.70	£3.15
Standard size bottle wine @ 12.5% ABV	£3.75	£4.69	£5.63	£6.56
2litre bottle of strong cider @ 6% ABV	£4.80	£6.00	£7.20	£8.40

The Scottish Government has been unsuccessful in its bid to progress its flagship minimum alcohol pricing policy through the Scottish Parliament (set at 45p per unit). Members of the Scottish Parliament (MSPs) who opposed minimum pricing did so on a number of grounds, suggesting that minimum pricing:

- Was a policy based on a modelling exercise and was therefore untried and untested;
- Would penalise moderate drinkers and the less well off;
- Could be illegal under EU law;
- Would damage the Scotch whisky industry;
- Would transfer large sums of money from consumers to retailers; and
- Could easily be circumvented by buying alcohol on the internet or in other jurisdictions where a minimum alcohol pricing policy was not in place.

The Scottish Health Minister, assisted by research commissioned from the School of Health and Related Research ('ScHARR') at the University of Sheffield, has defended the policy stating that the introduction of a minimum price policy would, in the first year, result in 50 fewer deaths from alcohol related harm; 1,200 fewer hospital admissions; and a £5.5m reduction in health care costs.

The Home Office's plans to ban the sale of alcohol 'below cost' price have also proved to be a somewhat divisive issue. Under these proposals retailers will be banned from selling alcohol below the rate of duty plus VAT. These new rules would prevent the sale of vodka for less than £10.71; 440ml of lager for less than 38p; a litre of cider for less than 40p; and 700ml of whisky for less than £8. However, many health campaigners feel that this is not enough and have previously supported a call from the former Chief Medical Officer for England, Sir Liam Donaldson, to set a minimum price of 50p per unit.

The joint DSD/DHSSPS consultation on a minimum unit price of alcohol will end on 26 June 2011, and the results will be awaited with anticipation. There will be a number of key questions for the new Assembly mandate – Will Northern Ireland be the first jurisdiction to introduce a robust minimum alcohol pricing policy? Will minimum pricing be effective? Are there more effective alternatives such as a ban on below cost selling or a change in the structure of alcohol taxation? What impact could a minimum alcohol pricing policy have on cross-border alcohol sales?

Healthy lifestyle choices – the primary focus of public health

Dr Janice Thompson

Supporting people to make healthy lifestyle choices remains the key focus of public health in Northern Ireland.

Context

Focus on public health is necessary in order to aim for a society where we are all equally well, with equal life opportunities. In recent years a series of strategies to address lifestyle issues, including smoking, alcohol and drugs misuse and obesity, have been developed and are at various stages of implementation.

Responsibility for public health

The regional Public Health Agency was established in April 2009, under the reform of health and social care structures in Northern Ireland, to provide an enhanced focus on public health. It was set up by bringing together a wide range of public health functions under one organisation. In addition, one of the areas of responsibility of the Office of the Chief Medical Officer is public health policy, including health promotion, disease prevention and health protection.

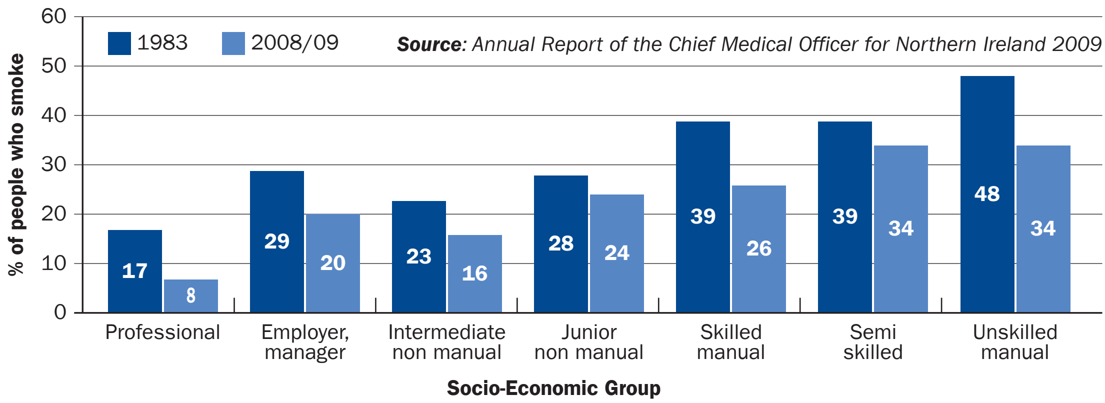
It is now generally accepted that the public also has responsibility to adopt healthier lifestyles to reduce the likelihood of developing conditions which place significant burden on the healthcare system.

Key public health issues of smoking, alcohol and drugs misuse, and obesity

Smoking remains the greatest single cause of preventable illness and premature death in Northern Ireland, and is also the leading cause of health inequalities. Despite progress in the past 20 years, prevalence rates still remain too high, particularly among those from deprived groups. Just under a quarter (24%) of both males and females aged 16 and over currently smoke, but for manual workers the figure is 31%.

Alcohol and drug misuse remains one of the biggest public health issues facing Northern Ireland. In addition to the human cost of

Percentage of Smokers



suffering that alcohol and drug misuse causes, the cost of alcohol and drug misuse combined is estimated to be over £1bn. The cost to the heath service alone is estimated at £122m, with a further £48m spent on social care. Over a third (35%) of men and 29% of all drinkers currently binge drink and one in six people attending A&E for treatment have alcohol related injuries. With regard to drug use, there are emerging problems such as new psychoactive substances ('legal-highs') and prescription drug misuse.

Obesity and overweight prevalence rates have seen a significant increase in many countries in recent decades. Northern Ireland is no exception with nearly 60% of adults either overweight (35%) or obese (24%). In primary one children, one in four girls and one in six boys are overweight or obese. Obesity causes 450 deaths per year in Northern Ireland, increases the risk of heart disease, cancer and diabetes, and reduces life expectancy by up to nine years.

Tackling obesity may seem straightforward, i.e. reduce consumption of energy-dense food and drinks and engage in more physical activity, but the reality is different. The 'energy imbalance' leading to weight gain is determined by a complex system of causes. Part of the solution is the need to tackle the impact of the technological revolution that began in the previous century and continues to contribute significantly to the development of an increasingly 'obesogenic environment'.

Developing healthier lifestyle strategies for Northern Ireland

Successes in tackling smoking include the introduction of smoke-free legislation in 2007 and the age of sale of tobacco products being increased from 16 to 18 in 2008. A new *Tobacco Control Strategy* has been developed to replace the *Tobacco Action Plan 2003-2008*. The new strategy will continue to target the whole population but will focus on three groups – children and young people (to ensure fewer start to smoke); pregnant women and disadvantaged people who smoke.

Through a regional alcohol and drugs strategy, which covered the years 2006-2011, progress has been made, including over £5m invested to help local communities deal with misuse. To take this further, a second phase for 2011-2016 has been developed and is currently out to consultation. This updated framework deals with a number of emerging issues including 'legal highs' and misuse of cocaine; addressing hidden harm to children; a population approach to alcohol, including pricing; misuse of prescription and over-the-counter drugs; and links to mental health, suicide and violence.

To tackle obesity, the development of an *Obesity Prevention Framework* is well underway and covers the decade 2011-2021. It takes a whole life-course approach and aims to increase the number of people eating a healthy, balanced diet and to increase the percentage of the population taking physical activity.

The success of these strategies will be of key concern to the next Assembly due to the potential for reducing health inequalities and the cross-cutting impact on Departments, for example, tackling the many factors contributing to the 'obesogenic environment'.

Delivering more cost-effective care?

Dr Lesley-Ann Black

This article considers ways in which health and social care services could be delivered more cost-effectively in the future.

Healthcare is a top policy priority and funding our health and social care system has dominated media reports in recent months. As the McKinsey report, *Reshaping the System,* demonstrates, this unprecedented time of austerity means that further reforms of healthcare delivery are necessary.

With a £4bn loss to the Executive over the next four years, there are challenging times ahead for all departments, not least for Health, Social Services and Public Safety which receives the largest portion of the Budget.

Although the health-related component of the Budget has been ring-fenced, it has been suggested that this will actually result in a real-terms loss by 2014/15. Critics have stated that in the next mandate, health and social care will become unaffordable, even bankrupt, if additional financial resources are not put in place.

According to Commissioners, health and social care spending amounts to a staggering £10m every 24 hours.

The costs of care are likely to increase because of many 'demand' factors. Examples of these include rising drug prices, changing demographics, and the increasing prevalence of chronic diseases.

Where can the savings come from?

The health and social care system has already undergone major modernisation and restructuring under the *Review of Public Administration*. Yet opportunities to become more efficient, so that savings can be re-invested in services, do exist. This would mean that services and current work practices will need to undergo a level of transformation in order to meet both increasing demands and budget limitations. Such changes would also have implications on policy development and how performance levels are monitored. Four possible areas where healthcare could be delivered more cost-effectively are considered below.

1. Reducing hospitalisation

In England, potential savings of around £2bn have been identified by reducing levels of hospitalisation. This includes decreasing pre-operative bed days and better discharge planning from hospital. Increasing community care initiatives and helping patients to manage their conditions better at home will also help reduce hospital admission and re-admission rates. This could be achieved through greater uptake of telemedicine technologies. Another way is through increased use of models such as the 'hospital at home', which enables patients with specific conditions who were previously treated in hospital, to receive care from specialised staff in the comfort of their own homes.

2. Pharmaceuticals

Reducing pharmaceutical drug costs is another major way to drive savings. The high level of prescribing and the free prescription service in Northern Ireland means that more is spent on medicines here than anywhere else in the UK. Figures suggest approximately £224 is spent per person per year in Northern Ireland, which is £60 more than the cost per person in England. Although improvements have been made, more will need to be done to encourage local dispensers to endorse cheaper 'generic' drugs rather than more expensive 'branded' drugs. Some European countries have changed their policies and imposed sanctions on pharmaceutical suppliers and dispensers in order to encourage more generic drug dispensing, and recent reports indicate very substantial cost savings have been made.

3. Charges and fees

Charging is a less popular way to generate savings. This could be implemented by re-introducing prescription charges, or charging patients a fee for missed or cancelled clinical appointments. Northern Ireland has the highest 'non-attendance' rates for clinical appointments in the UK and this is a huge source of inefficiency. Missed appointments have a knock-on effect in terms of existing waiting lists. They can also impact on health outcomes, and increase running and administration costs. With the average missed hospital appointment costing around £100 per patient, one way to minimise the likelihood of missed appointments and the associated cost burden, is through SMS (Short Message Service) text message reminders to patient mobile phones.

4. Procurement

In order for the health service to get the best value for goods and services, it will have to become more competitive. More widespread use of joined-up procurement strategies could be considered, such as purchasing goods in bulk rather than on an individual service basis. Likewise, buying services or goods should be founded on partnership working and securing the most appropriate provider available, whether from the public, private or voluntary sectors. Other ways of tendering for healthcare goods, such as 'reverse' online auctions, where the lowest bid wins the contract, could be considered. The higher costs associated with agency health and social care staff when compared to staff supplied from 'in-house' resources could also be reviewed.

Conclusion

The health and social care sector simply cannot afford to remain unchanged. Opportunities for savings in the healthcare system exist, but real challenges lie ahead. Commissioners and providers will need to work together to deliver services in light of significant financial and resource limitations. Changes will not come overnight, and introducing more cost-effective ways of working is not something that can be achieved without appropriate levels of investment and stakeholder buy-in.

Changing the mindset of mental health law

Dr Lesley-Ann Black

Gaps in current mental health laws exist; but what challenges will the introduction of new legislation bring for the new mandate?

The number of people who suffer from mental illness is increasing and estimates suggest that as many as one in four people are affected at some point in their lives. Mental illness affects society as a whole, from children to the elderly, and is often highly prevalent in marginalised and vulnerable groups. A myriad of factors can adversely impact on our mental health - for example, low self-esteem, social deprivation, abuse, or poor physical health. Moreover, figures suggest that there is a 25% higher incidence of mental health problems in Northern Ireland than in England and Scotland. Research also indicates that 'the Troubles' had a serious impact on the mental health of our local population.

Cost implications

Mental ill health has grave social and economic consequences that are estimated to cost around £3bn per year. Yet historically, mental health provision has been chronically underfunded in comparison with other parts of the UK.

Treatment for the majority of patients presenting with mental ill-health is administered through primary care routes and community-based services. More than 20 hospitals across Northern Ireland also provide a variety of specialist mental health services. During 2009/10, around 9,000 admissions (both day cases and in-patients) were recorded, and over 1,000 people with more severe forms of mental illness were subject to compulsory admission under the 1986 *Mental Health (Northern Ireland) Order (MHO)*.

At a time when the health and social care sector is facing its most challenging budget, there will be increasing pressures on the resources available to meet the demands on services, and those requiring access to them.

Policy context

Mental health is a complex but important area of policy development. Promoting positive mental health has been a key priority area as outlined in policies such as the *Investing for Health* (2002) strategy and the *Promoting Mental Health - Strategy and Action Plan* (2003-2008). In 2002, the Department of Health, Social Services and Public Safety (DHSSPS) commissioned an independent review of law, policy and provision in relation to mental health and learning disability in Northern Ireland. This became known as the *Bamford Review*. When finally complete, the Review made a series of recommendations to improve mental health, increase service provision, and reform current legislation. In tandem, the need for such changes has been emphasised within the Executive's *Programme for Government (2008-11)* and the Department's *Priorities for Action (2010-11)*.

Gaps in current mental health legislation

Unlike the rest of the UK, Northern Ireland has yet to update its mental health law. The current Order provides a legal authority to deliver services, protect vulnerable individuals from abuse, and more controversially, to compulsorily detain and treat people with more severe and enduring mental illness in hospital, either for their own protection, or that of others.

It is widely accepted that the MHO is outdated in terms of recent policy developments and new models of care. Stigmatising terminology, the lack of a human rights approach, and failure to acknowledge personality disorder in the definition of a mental disorder are also weaknesses. In addition, no mental capacity legislation exists locally to protect those who are not capable of making their own decisions. Instead, this is currently considered under common law.

New approach

The *Bamford Review* recommended that a new approach to legislative reform should occur through the adoption of a single legislative Bill which encompasses both mental health and mental capacity. The Review suggested that this should be based on four principles including autonomy (assumption of capacity), justice, benefit and least harm. Following a number of consultations, the government has broadly accepted the thrust of this pioneering approach.

The new Bill, known as the *Mental Capacity (Health, Welfare and Finance) Bill*, will be the first of its kind. This is unlike the rest of the UK, whereby each jurisdiction has separate mental health and mental capacity legislation. For Northern Ireland, the proposed Bill will seek to reduce stigma and discrimination by placing the rights of individuals making decisions about their treatment, welfare and financial affairs at its centre, and by safeguarding individuals who lack capacity to make decisions themselves. Amongst other things, it will also seek to broaden the definition of mental disorder to bring it into line with the rest of the UK. Establishing new criteria for assessing and treating patients who require authorised intervention, extending the role of the Mental Health Tribunal and the nominated person, and enhancing advocacy services are also some of the proposed changes.

Challenges

The complexities associated with realising the Bamford vision and the creation of all-encompassing mental health and capacity legislation cannot be underestimated. Although the Bill is not due to be enacted until 2013, there are many unknowns in terms of how the legislation will play out in practice, for example, how it may affect some individuals within the criminal justice system. As the wider changes envisaged by Bamford are projected to take 15-20 years to implement, current fiscal constraints mean that funding for mental health services are unlikely to go unscathed. Perhaps an equally significant challenge will be that of a cultural shift in thinking, namely changing society's understanding and mindset towards mental illness.

Safeguarding children

Dr Janice Thompson

Child protection and moving to the wider safeguarding agenda

Child protection is set to be enhanced with the setting up of the Safeguarding Board and moving to a broader safeguarding approach and wider child welfare agenda.

Context

Northern Ireland has the highest rate of child protection registrations in the UK, at approximately 55 per 10,000 population aged under 18. The average age of children on the register is older than elsewhere; children stay on the register for longer; are more likely to be registered under more than one type of abuse and more likely to be registered for sexual abuse. Child abuse and neglect are believed to occur as a result of different interacting factors which impair parenting. These include domestic violence; social isolation; mental health problems; and substance misuse.

The need for strong systems to safeguard children has been emphasised in child death inquiry reports; case management reviews; and in DHSSPS and Regulation and Quality Improvement Authority (RQIA) Inspection Reports. The Health and Social Care (HSC) Trusts hold the main statutory responsibility for safeguarding children.

Government targets

The Executive and the DHSSPS have set targets to strengthen child protection and safeguarding. Within the *Programme for Government (2008-2011)*, Priority area 2, Goal 10, aims to *'Reduce the number of abused or neglected children requiring to be placed on the Child Protection Register or in care by 20% by 2013'*.

A number of the *Public Service Agreements* (PSAs) aim to bring about wider changes to safeguarding. For example, PSA 6 is *'to ensure that children are cared for, live in safety, are protected from abuse, receive the support they need to achieve their full potential, become more independent and grow into well adjusted adults, taking their place in the community'*. Targets are:

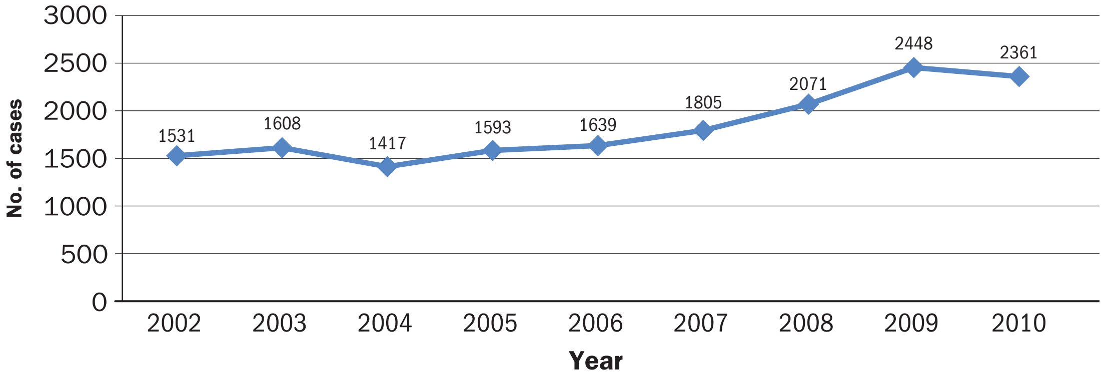
- By 2009, to establish the Safeguarding Board for Northern Ireland (the legislation is now in place); and
- By 2011, to reduce by 12% the number of children requiring to be placed on the child protection register.

The DHSSPS is aiming to reduce the number of children on the Child Protection Register by ensuring that child protection referrals are allocated within 24 hours of receipt with referrals investigated and initial assessment completed within ten working days from the date of receipt of the original referral.

Child Protection Register and PSNI statistics

The number of children listed on the Child Protection Register has increased substantially between March 2002 and March 2010. There were 2,378 children on the Register at 31st December 2010.

Snapshot number of cases on Child Protection Register, 31 March 2002-10



Statistics show that there has been little change in the length of time children stay on the Register - almost 25% of children stay on the register between six months and one year, and approximately 25% also stay on the Register between one and two years. Cases shown over time are not always new as children may be on the Register for long periods of time, or they may become de-listed and then return to the Register at a later date. Outside the family context, police statistics add to the picture of harm to children. A total of 4,589 offences against the person and sexual offences against children and young people under the age of 18 were recorded by the PSNI between 1st April 2010 and 31st January 2011.

The above statistics relate to cases known to the authorities, however, research has shown that there is often under-reporting.

Moving to a wider safeguarding agenda

Work to embrace a wider safeguarding agenda for children has been started in recent years. OFMdFM published *Safeguarding Children* in June 2009 forming an important part of the OFMdFM's ten Year Strategy, *Our Children and Young People – Our Pledge*, which has the aim of ensuring that all children fulfil their potential by 2016.

A key priority is the set up and operation of the Safeguarding Board (SBNI). Despite good work to improve child protection through the Area Child Protection Committees, the structures were criticised over the years for their lack of effective coordination and cooperation. The system required reform and the result of this process is the SBNI.

With the necessary legislation now in place, an independent chair should be appointed and the SBNI up and running by the end of this year. The transition to the new framework, which brings together key agencies from the voluntary and statutory sector and is supported by the Trusts' Safeguarding Panels, will then be complete.

Going forward, focus will be on the SBNI to ensure its core business of child protection is strong as it undertakes to broaden the approach to safeguarding into a wider child welfare agenda.

Sport and physical activity: funding a healthier society?

Dr Dan Hull

The health and social benefits of sport are clear, but reaching those in society who do not take regular exercise will be a key challenge.

Health benefits

Fewer than half of us take part regularly in sport, in spite of clear evidence that physical inactivity contributes to a range of health problems, including obesity, type 2 diabetes, coronary heart disease, stroke and some cancers. A Northern Ireland Audit Office report from 2009 found that a quarter of all men and 23% of women in Northern Ireland are considered obese, while research by the Department of Health, Social Services and Public Safety (DHSSPS) indicates that tackling obesity could save the health service in Northern Ireland £8.4m, reduce sickness absence by 170,000 days per year and add an extra ten years to an individual's life span. The DHSSPS strategy *A Healthier Future* states that 25% of all people in Northern Ireland can be classed as 'sedentary' and the British Medical Association has indicated that the most effective way to improve the population's health is to improve activity levels among inactive people.

The Chief Medical Officer has recommended that adults should take 30 minutes of moderate physical activity at least five times a week, though only 35% of people in Northern Ireland achieve this. But while regular, rhythmic and moderate exercise has clear health benefits, the evidence for vigorous, high impact sport is less clear, with injuries and long-term joint dysfunction, potentially a greater possibility. Furthermore, a recent survey has shown that around 56% of people do not enjoy sport 'a great deal', with other forms of non-competitive exercise preferred.

Social and economic contribution

Northern Ireland spends more on sport per household than any other part of the UK. Sport-related activity adds £693m to our economy, and employs 18,500 people. Around 5% of adults give up their time to coach others, and sport is the largest of the voluntary and community sectors.

Sport engages people and can bring with it a range of wider benefits for society. Participation can encourage values such as teamwork, respect and individual responsibility, and sport has been seen by policy-makers as an important tool in tackling problems which are particularly evident among teenagers and young men, such as anti-social behaviour, depression and violent behaviour.

Participation in sport and physical activity in Northern Ireland appears to have levelled off after a period of decline. A 2009/10 survey indicates that 46% of adults took part in some form of sport in the previous 12 months. This compares with 45% in 2008/09, 49% in 2007/08, and 59% in 1999/2000. The reasons for this arrested decline are not clear, though the Department of Culture, Arts and Leisure (DCAL) has placed much emphasis on its

Sport Matters strategy, with some tough targets structured around the themes of 'participation, performance and places'. Delivering on these targets, largely through DCAL's arms-length body Sport NI, will be particularly challenging in the years ahead as the Department's resourcing of *Sport Matters* falls around £191m short of the estimated capital and revenue it will require over the next four years.

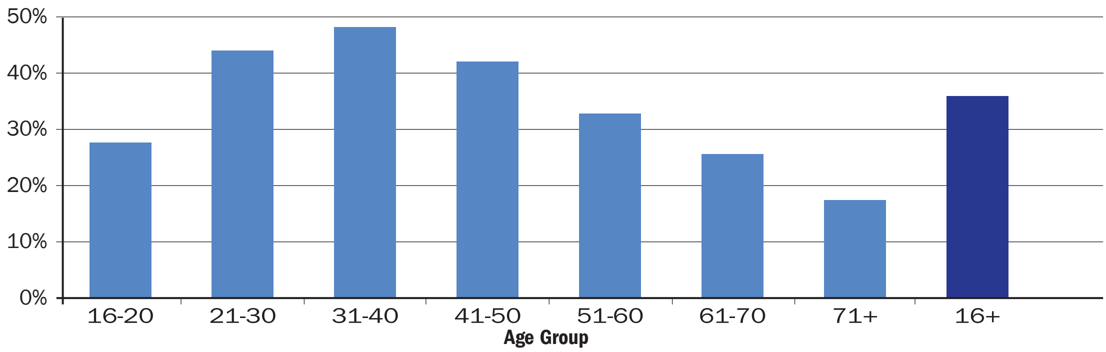
Participation in physical activity varies markedly across society, with particular groups exhibiting much lower levels of activity than the norm. It is clear from recent research that women exercise significantly less than men, and that people with disabilities, older people and those from an ethnic minority background are less likely to take part than others. There is also a correlation between having a low income and having a low level of participation in sport, though some progress has been made on this issue in recent years.

A challenging road ahead

A key challenge lies in helping people to overcome the barriers they see to becoming more physically active. A Culture, Arts and Leisure Committee inquiry recommended a number of solutions, including a transport infrastructure that encourages cycling and walking, increased community use of sports grounds and school facilities, and greater recognition of this as a cross-cutting issue for all departments in the Executive, including DHSSPS. Provision of facilities is likely to require a degree of tailoring according to different social groups, with no 'one size fits all' solution.

Only 8% of people are aware of the Chief Medical Officer's recommendation of five sessions of 30 minutes exercise per week, so there is a task to be done in getting the message out effectively. However progress is being made in various areas. *Sport Matters* states the importance of children participating in at least two hours of physical education per week, and there have been clear improvements too at the elite sport level in terms of providing specialist facilities and coaches. Indeed, high profile events such as the London Olympics in 2012, the World Police and Fire Games in 2013, and improved facilities at Casement Park, Ravenhill and Windsor Park, will attract headlines and create interest in sport. It will be important to convert the excitement generated at elite level into genuine, long-term participation if the health and social benefits of sport are to be realised across society.

Percentage of adults achieving the recommended 30 minutes of physical activity five times a week



Source: *Sport NI, Sport and Physical Activity Participation Survey 2011*

Climate change and sustainable transport

Des McKibbin

Transport emissions have increased by 38.8% since 1990 while all other sectors have seen a decreasing trend. Are current policies likely to reverse this trend, or are we fighting a losing battle?

The sustainable transport challenge

Reducing green house gas emissions (GHGE) is at the core of the sustainable transport drive, providing one of the biggest challenges to policy makers everywhere. On the one hand, an increased demand for transport has always been seen as indicative of economic growth; on the other, transport is our biggest polluter. A balance must be found whereby the movement of people and goods remains uninhibited, allowing the economy to grow, while emissions are actively reduced.

Transport in Northern Ireland

Due to widespread closures of our railway lines between 1950 and 1970, Northern Ireland is now almost completely reliant on the road network for all our transport needs. Road Transport accounted for 89% of transport's Green House Gas Emissions (GHGE) in 2008; cars represent the most significant source of $CO2$ emissions from the road transport sector, contributing approximately 54% of the $CO2$ from transport in 2008, while HGVs contributed 36%.

Modal shift

The *Northern Ireland Travel Survey* shows that between 2005 and 2008, 81.5% of all private journeys were made by car. This survey goes on to show that the average journeys made by people to work (8.5 miles), to visit friends (7.8 miles), to carry out personal business (4.6 miles), and to go shopping (4.6 miles) could not conveniently be made by walking and therefore would require access to either a car or some form of public transport, but for those who have the choice, the car seems to be the preference.

Since 2005, the DRD *Travelwise initiative* has engaged with businesses, schools and commuters to promote and encourage sustainable modes of travel as alternatives to the private car. It focuses on promotional events, such as *bike week* and *walk to school week*, while www.carshareni.com provides commuters with a platform to meet people making a similar journey. Based on data in the travel survey these soft initiatives, while welcome, have not achieved a critical mass to make a significant impact.

Sustainable vs. economic development

Sustainable development has always been at odds with economic development and nowhere is this more evident than transport. Government spending plans are based on the theory that return-on-investment from roads is greater than from public transport. The ten-year investment strategy (2008/09-2017/18) envisages £725m being spent on public transport –

including new vehicles and the Belfast rapid transit scheme – though this is dwarfed by the £3.1bn earmarked for roads.

Current thinking is that road construction opposes the values of sustainable transport. New roads frequently result in higher levels of travel demand and increase congestion within towns and cities. In Northern Ireland traffic congestion has already reached unprecedented levels, costing the economy over £250m per annum.

Opportunities

The *Regional Transportation Strategy* (RTS, 2002) promised a modern and efficient transport infrastructure; and Belfast's Metro service is an exemplar of how improved infrastructure can achieve modal shift. However, plans for a Bus Rapid Transit system (BRT), first announced in 2008, are moving slowly. While the *Transport Reform Bill*, which included legislation to enable BRT, was passed in the Assembly in February 2011, the draft budget did not provide funds to roll the project out but rather allocated funds for continued planning.

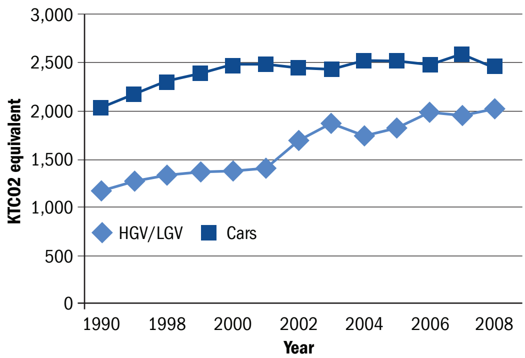
This shows that while sustainability is embedded within policy, to date the outcomes have been firmly in favour of the private car and unless something drastic changes in people's behaviour, or something is done to change it, emissions in Northern Ireland are only heading in one direction.

It is positive that the revised RTS recognises these shortcomings. It proposes a change in direction for transportation in NI through three high level aims: to support the growth of the economy; to enhance quality of life for all; and to reduce the environmental impact of transport.

Freight transport

Although cars are the biggest contributors of GHGE, the most significant increase in road transport emissions in recent years has been in relation to the movement of freight (LGV and HGV) accounting for 70% of the total increase in carbon emissions from road transport (DRD, 2009). This has prompted the Chartered Institute of Logistics and Transport to admit that specific targets to reduce energy consumption and emissions from the road freight sector are now needed.

Carbon emissions by vehicle type, 1990-2008



The freight industry has been looking at the use of double-deck trailers and other flexible trailer designs to increase capacity and cut emissions, while the Department for Transport released proposals to allow an increase in the total length of articulated Lorries. The Department estimates that this move could cut carbon emissions by around one hundred thousand tonnes each year. Regarding freight modal shift, road transport is much more polluting than rail per tonne-km of goods transported and therefore a shift towards greater use of rail in freight transport is desirable. Inadequate infrastructure prevents this modal shift taking place.

Achieving efficiencies in public transport delivery

Des McKibbin

Public transport is criticised for low productivity, high costs, and the need for subsidy. Government can redress this imbalance through joined-up thinking.

Public transport offers significant social benefits, connecting people to jobs, social networks, education and leisure activities. In terms of the environment, it is a more sustainable alternative to the private car, however, it is crucial for government to increase productivity and reduce costs.

Current transport provision

The Department for Regional Development (DRD) has responsibility for transport policy and planning. The DRD oversees the Northern Ireland Transport Holding Company (NITHCo), a statutory public corporation that delivers most public transport services in Northern Ireland via its branded company Translink. The remainder of public transport services in Northern Ireland fall broadly within the areas of home to school transport, health and social services transport, and voluntary and community transport.

A strategic objective in DRD's *Draft Regional Transport Strategy 2011* is to maximise the efficient use of all transport assets through better integration of these existing transport services. Interdepartmental cooperation will be essential if this is to be achieved.

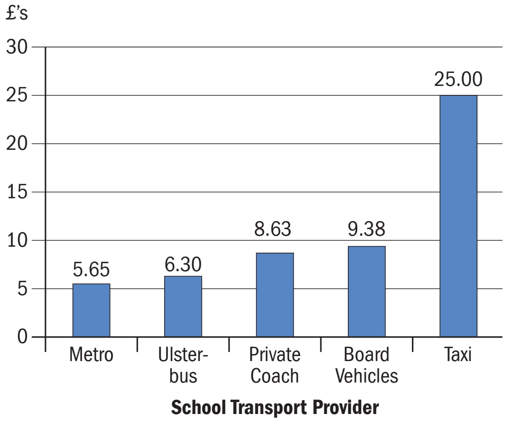
Home to school transport

The DRD, DOE, Translink and DE(NI) are responsible for the regulation and provision of home to school transport (HST). HST is a significant operation with approximately 110,000 children travelling to and from school by bus in Northern Ireland each day, at a cost of £74m (2008/2009); around 30% of pupils receive free home to school transport. Of those who use public transport 65% are carried by Translink, 27% by Education and Library Board (ELB) buses and 8% by private operators. £7.8m was spent on carrying just over 3,000 pupils in taxis in 2008/09.

The figure shows significant variability in the cost per pupil journey across these providers, with Translink services Ulsterbus and Metro having a significantly lower cost than all other providers. This could suggest that Translink is able to achieve greater efficiencies, given that public transport provision is its primary function, and demonstrates that there is scope for efficiency savings in HST. If the 27,236 pupils carried annually in ELB vehicles were transported on Translink services, a saving of £8.6m could potentially be realised.

Although responsibility for HST is cross-departmental, joined-up working is not apparent. Translink has been criticised by the ELBs for increasing their prices, suggesting that payments are commensurate to education subsidising public transport, while Translink argue that it has to subsidise loss making school transport services through its more profitable routes. Rather than showing cooperation, this clearly demonstrates two Departments at odds, within the context of budgetary constraints. While this is understandable, particularly in light of the latest budget, individual departments need to take a more holistic view and understand that they are working towards a common goal.

Average cost of journey per pupil by transport provider



Health and Social Services transport

The DHSSPS has a statutory duty to provide transport to enable eligible people to receive health and personal social services at an estimated cost of £30m per annum. The DHSSPS *Transport Strategy* (2007) suggests that the Northern Ireland Ambulance Service provides most non-emergency transport for patients, however, Trusts have the flexibility to commission transport services from a range of other providers including community transport organisations and taxi operators. Collectively, the Trusts spend around £5m per annum on taxis; some 17% of their total transport spend.

In Northern Ireland more than one in ten patients fails to attend their appointment with an estimated annual cost of £8.5m. One of the main reasons cited for patients not attending outpatient appointments are difficulties travelling due to time and location. In the UK, a number of NHS Trusts have successful relationships with the community and voluntary transport sector that have reduced the number of missed appointments.

Community Transport (CT)

Traditionally the voluntary sector provided transport services regarded as ancillary to statutory provision. In Northern Ireland CT is funded through DRD's Rural Transport Fund (RTF) and Transport Programme for People with Disabilities (TPPD). In dispersed communities across Northern Ireland CT provides a vital service, providing vulnerable individuals and groups access to essential services.

There is significant scope for CT to contribute more to mainstream transport provision. In rural areas in particular, where many routes are under-used and unprofitable, community transport providers are potentially more adaptable than Translink. This type of cooperation is restricted by current funding arrangements, however, it provides another example of where cross departmental cooperation may increase efficiency.

A call to action

This paper has identified an issue where interdepartmental collaboration has the potential to deliver real benefits both in terms of saving money and improving service. What is now required is engagement between all the relevant stakeholders to bring forward proposals for action. This paper has identified some ways in which collaboration in service provision may save money, however, there are other opportunities, such as joint purchasing of fuel and/or, joint stabling (sharing of storage and mechanical facilities) that could help to create economies of scale.

What is the true cost of poorly funded structural maintenance?

Des McKibbin

Recent budgets appear to suggest a trade-off between new road projects and planned maintenance, but can we afford to let this continue?

The Roads Service is responsible for maintaining assets worth approximately £34 billion (in 2009) including some 25,600 kilometres of public roads, 9,700 kilometres of footways and 5,800 bridges across Northern Ireland. In addition to accommodating cars, roads carry 98% of freight and 87% of inter-urban public transport journeys; therefore their condition is fundamental to the economic and social well-being of this country.

The 2001 *Regional Transportation Strategy* identified plans for unprecedented investment in Northern Ireland's Key Transport Corridors (KTC) and in recent years delivery of these has begun. There have been some notable improvements, in particular the upgrade of the Belfast to Dublin corridor as well as a series of schemes to dual, widen and build bypasses on key inter-urban routes. Further investment is planned, although it remains to be seen how much of the £3bn earmarked in the ten year (2008-2018) *Investment Strategy* (ISNI) is delivered in the wake of the latest Spending Review.

While large capital projects enhance the strategic road network and provide significant benefits for the economy, consideration should be given to whether they are taken forward at the expense of the less glamorous, but no less necessary, maintenance of existing roads. This is particularly important for minor and rural roads which are the most visible and highly used part of the network, allowing the community to conduct their daily lives safely and efficiently.

Structural Maintenance

Structural maintenance is the collective term for activities which maintain the integrity of the road and footway structure; however, this frequently fails to attract the necessary funding. The main activities include resurfacing and reconstruction, surface dressing, patching and structural drainage. Planned structural maintenance activities, such as resurfacing and surface dressing, can provide good value; however, reactive patching is less efficient.

All too often, short term budget constraints result in planned maintenance being sacrificed, undermining the ability of roads to withstand the damage inflicted by heavy vehicles, extreme weather, and street works, which are necessary as most local roads and footways carry utilities' pipes and cables. The first paragraph in the Chief Executive of Roads Services annual report (2010) spells out the situation:

> *The overall investment for structural maintenance still falls significantly short of that recommended by independent assessment.*

In order to deal with a protracted period of underinvestment, Roads Service has had to implement a sub-optimal budget. In doing so the Roads Service has had to target its limited resources on the strategic Trunk Road Network (TRN), on maximising surface dressing and on the more reactive patching of roads. An independent review of the Structural Maintenance funding requirements for the Roads Service was undertaken by Professor MS Snaith during 2009. *The Snaith Review* found a steady decline in the condition of the entire local road network (non trunk A roads, B roads and C roads) with the exception of the unclassified network which appears to be 'held' at the minimum condition commensurate with safety. The reduced surface standards also correspond with a dramatic 100% increase in vehicle damage related public liability claims between 2005/6 and 2009/10. Following the severe winter of 2009/10, DRD received approximately 600 claim form requests in a four to five week period with end of year figures for 2010/11 likely to show that this trend is continuing.

The massive backlog

The *Snaith Review* recommended that it would be helpful for the economy if a time scale and budget could be provided to reduce the backlog of maintenance, which stood at approximately £700 million (at 2008 prices). However, the latest budget has failed to acknowledge this problem; with the proposed allocation for structural maintenance over the Spending Review period some £200 million short of the recommended level. By the end of the period it is estimated that the maintenance backlog will exceed £1 billion.

The vicious circle

The *Snaith Review* makes it clear that the current level of funding is no longer sustainable as the cost of poor value for money reactive patching is climbing year on year. The under-investment of previous spending periods has created a vicious circle because as pavements deteriorate through a lack of planned maintenance, they require relatively expensive patching to avoid public liability claims and maintain road safety, which draws further funds away from good value resurfacing and surface dressing. Conversely, planned preventative programming provides better value for money and is more efficient. While certain levels of reactive maintenance will always be necessary, the Northern Ireland Audit Office (NIAO) suggest that spending around 10% of the Structural Maintenance budget on reactive work would be reasonable; however, the *Snaith Review* found that around 30% of structural maintenance budget is currently spent on reactive work.

Source: DfT

The fact that the backlog now stands at £754 million (in 2009) shows the severity of this problem. The *Snaith Review* suggests it will take a commitment of £108 million per annum (at 2009 prices) simply to maintain the roads in their current state, while it will take a massive investment to make all the roads in Northern Ireland fit for purpose by clearing this backlog.

What is the best model for water service delivery?

Des McKibbin

Five years since NI Water took control of water and sewerage services its status as a Government Owned Company (GoCo) has been queried, so where does the water reform process go from here?

Water reform

Between 1973 and 2007 water and sewerage services in Northern Ireland had been delivered by central government, while in England and Wales the industry has been managed by private companies since 1989. The privatisation of the water and sewerage industry in England and Wales allowed for significant capital investment to improve water and wastewater quality. In contrast, under public ownership, there has been a legacy of underinvestment in Northern Ireland, meaning that by 2002 an estimated £3bn was required to bring water and sewerage service levels in line with the rest of the UK.

The need to address the legacy of under-investment was obvious and this was driven further by new requirements to comply with the European Union's *Water Framework Directive* (WFD). The WFD has a number of objectives, such as preventing and reducing pollution, promoting sustainable water usage and environmental protection. Significantly for Northern Ireland, the WFD carried the real threat of costly infraction penalties, as standards of drinking water and particularly of waste water treatment were well below specified requirements. In addition the WFD insisted that by 2010 member states would charge consumers for water in such a way that it would encourage the sustainable use of water.

Options for management

In August 2004 a financial and strategic review of the old water service was carried out by a consortium of experts. The subsequent report identified a number of options for reform based on a range of existing models used by comparable water and sewerage companies. The report recommended that Private Sector (Equity) Participation (PSP) was the most financially attractive model, and one which would ensure Government could maintain majority ownership. In the interim a Government Owned Company (GoCo) would be formed that could deliver better quality water and operating efficiencies, effectively ushering in a new era of water charging and eventual privatisation of water and sewerage services for Northern Ireland.

NI Water GoCo

The GoCo which became known as NI Water has delivered much of what was asked of it, investing some £778m in water and wastewater infrastructure, and during the period of 2010-13 it plans to invest a further £622m. The result of this investment is that NI Water now delivers the best drinking water quality and wastewater treatment standards Northern Ireland has ever enjoyed and on these issues it is now in compliance with the WFD. There may, however, still be some questions around compliance with the WFD, in terms of the requirement *'to ensure that water-pricing policies provide adequate incentives for users to use water resources efficiently'*, as this is something which may only be possible to achieve through direct charging.

Who pays?

Water charging was fundamental to the reform process and it was originally intended that by now NI Water would be financed through domestic charges. However, this was an unpopular option and water charging became a key issue of the 2007 election campaign, for all parties. When devolution had been restored the Minister for Regional Development set up an Independent Panel to review the reform process; make recommendations on the level of funding needed; and advise the Executive on how the services should be paid for in the future.

The Independent Water Review Panel (IWRP)

The IWRP published two reports: the first report looked at costs and funding of water and sewerage services, while the second report dealt with governance and management issues. The strand one report found that households already make a contribution towards the costs of water and sewerage services through the domestic regional rate, which equates to about half of the level of funding required. The remaining funding requirement, of around £240m per annum comes from our block grant.

Based on this, the report recommended that rather than having a separate bill for water and sewerage, charges should appear distinctly on the rates bill, and be based on property values. *The Hillyard Review* was clear that the cost of water and sewerage services should be met by the consumer but there should be protection from 'water poverty' for vulnerable members of society.

The Business model?

The Minister for Regional Development has stated that in his view, water and sewerage services should be delivered by a public body and that the Executive should continue to supply majority funding. This is in contrast to the recommendation made in the *Hillyard Review* that:

> *It would be neither appropriate nor practicable to reverse the water reform process and reinstate NI Water as an Executive agency within DRD. To do so would cost our public expenditure budget over £90m per year and increasing*

The IWRP strand two report recommends that a mutualisation model similar to that adopted by Welsh Water should be considered. This would involve ownership moving from the state to the people of Northern Ireland. As there are no shareholders, efficiencies are achieved by reducing financing costs, while it is able to deliver an annual 'customer dividend', to reduce customer bills.

Of course this presupposes water charging will be introduced. Whether or not this happens, it could be argued that the IWRP reports would provide a useful foundation on which to make a final decision.

Effectiveness of winter service in an unpredictable climate

Des McKibbin

Do the recent bouts of extreme weather signal a new trend that would warrant a review of winter service policy in Northern Ireland?

According to the Met Office the climate of Northern Ireland is calm with *'the moderating effects of the Atlantic Ocean - bringing relatively mild winters and cool summers'*. Of course those with short memories may question this as the last two winters have been exceptionally cold across the UK.

Source: NASA Terra satellite 22/12/10

Extreme winters

The winter of 2009/10 had been the harshest winter in Northern Ireland for 46 years, causing significant disruption to transport across all areas, with extremely hazardous conditions for motorists and the closure of many main roads; 2010/11 was considered to be even more challenging. Mean temperatures were some 5°C below the 1971-2000 average, while December 2010 was the coldest in over 100 years, with many places experiencing sub-zero temperatures continuously for over seven days. During this period the temperature at Castlederg, Co. Tyrone fell to a record low of -18.7°C for Northern Ireland.

Climate change or simply weather?

A cursory look at climatic data proves that winters vary in intensity and duration and that it is therefore a season of unpredictability. The Met office position on this matter is that:

- The probability of the next winter being severe is virtually unrelated to the fact of just having experienced two severe winters, and is still about 1 in 20;
- The effect of climate change is to gradually but steadily reduce the probability of severe winters in the UK;
- However when severe winters come they could still be extreme – in terms of snowfall, winds and storms, though not necessarily in relation to temperature.

In short, the weather in winter is unpredictable, however, it is unlikely that recent cold spells are indicative of climate change. Although the Scotland and Northern Ireland Forum for Environmental Research (SNIFFER) highlights the uncertainties in the prediction of climate change and interpretation of the impacts, it had not considered the possibility of extreme cold winters in its *Preparing for a Changing*

Climate Report (2007). The *Quarmby Review* of winter resilience in England (December 2010), suggests that this unpredictability, coupled with an inability to provide long-term and seasonal forecasts with any degree of certainty, warrants additional resources to improve resilience.

Winter service

There have been a number of recent calls for a review of winter service; however Minister Conor Murphy backed the current practice stating that the policy to:

> *…treat roads with relatively high traffic volumes, where the salt would be most effective and will benefit most road users, is basically sound, particularly in the current economic climate.*

Winter gritting service is a massive logistical undertaking that involves around 290 personnel on standby every night. Approximately 7,000 kilometres of roads are salted in just over three hours across the country, at a cost of around £74,000 per night. On average there are around 75 call-outs each year and a massive 52,500 tonnes of salt are spread by Roads Service to help drivers cope with wintry conditions. However, the winter of 2009/10 required around 100,000 tonnes of salt to be used – almost twice the annual average – while it was common for operations to continue 24 hours a day.

Problems

An area of contention in the previous winters has been the lack of clearing and salting of footpaths largely caused by the fact that there is no statutory duty on Roads Service or, indeed, on district councils, to do this. This has also led to questions over liability, with councils and individuals reluctant to clear footpaths for fear of possible legal recourse in the event of an accident. There is no doubt that the failure to adequately clear footpaths during the last winter caused accidents while impacting heavily on the retail and licensed trade during what should be their busiest period of the year.

If this weather were to become more common, the practice of using rock salt could be called into question. Rock salt is cheap and readily available, however, it is only effective to a temperature of -7°C, which was regularly exceeded over the past two winters. Rock salt does not act immediately; it needs vehicles to turn it into an effective solution and it can refreeze after spreading, particularly in showery conditions. Magnesium chloride is an alternative with a lower effective temperature (-15°C) and it works instantly; however it costs £180 per tonne in comparison to £25 per tonne for rock salt.

Potential solutions

The *Quarmby Review* suggests that the right sort of incremental expenditure on winter resilience could be expected to generate economic and social benefits well in excess of the additional costs. Best practice suggests that winter service should be a component of wider civil contingency plans while a review of technical standards and methods is recommended. A key challenge for the Roads Service will be to find a resolution to the dispute over footways, for the social and economic good.

The early years: determining the future

Caroline Perry

What can we do to ensure that children's earliest experiences lay strong foundations for the future?

There is widespread recognition that the early years of a child's life play a fundamental role in determining their overall life chances. The brain develops rapidly during children's early years, growing to 90% of its adult size by the age of four. As such, the experiences of children prior to this time shape the architecture of their brain, influencing how they respond to future events and their capacity to empathise with other people.

A number of factors can impact on children's educational outcomes, including socio-economic background and parental qualifications. However, research has shown that what parents do in the early years matters more than their educational qualifications or type of employment. Relationships and interactions with parents are therefore a key factor in influencing how the brain develops.

Early experiences do not impact solely on educational outcomes. Many sources now agree that appropriate and timely intervention in the early years can play a crucial role in mitigating against many of the challenging and costly problems faced by society including low work aspirations, drink and drug misuse and criminality. Overall, there is increasing evidence that high quality early childhood education and care improves children's well-being, makes learning outcomes more equitable and helps to alleviate poverty.

Pre-primary education

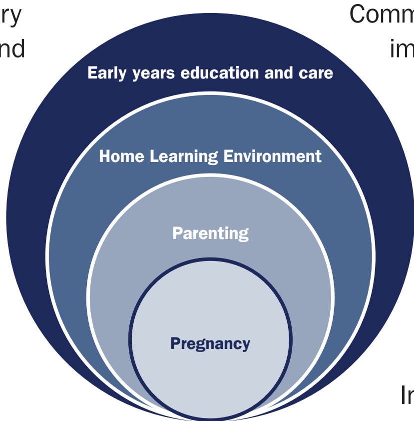
There is clear evidence that pre-primary education has positive and lasting effects on children's development: students who have attended pre-school tend to perform better at school than those who have not. This has been found to be particularly the case in countries where pre-primary education lasts longer, where there are smaller pupil-to-teacher ratios at the pre-primary level and where there is higher public expenditure per pupil for this phase of education.

The quality of early years provision is linked directly to the quality of outcomes for children who participate in it. Factors such as staff turnover, the level of support available from an early years specialist and the levels of qualifications and Continuing Professional Development for staff are strongly linked to the quality of care provided.

With regard to the most appropriate form of provision for young children, an active, play-based pedagogy encouraging self-management and independence is widely believed to be the most effective approach. Duration of attendance at pre-school is also important, with an earlier start (under three years) being related to better intellectual development and improved independence, concentration and sociability.

SureStart in Northern Ireland

The evidence indicates that disadvantaged children in particular can benefit significantly from good quality pre-school experiences, especially when attending centres that cater for a mixture of children from different social backgrounds. The SureStart initiative aims to provide a range of services for children aged under four years in the most disadvantaged wards, including home visiting; family support; primary and community healthcare; and support for quality play. An evaluation of its programme for two year olds suggested that it had the potential to add value to pre-school provision, however that collaborative working practices needed to go further, and that there is a continuing need for effective strategic planning, better training, higher levels of qualifications and greater access to specialist support.



How can we give children the best start in life?

The evidence calls for governments to place a greater emphasis on children's early years, from pregnancy through to the age of five. It has been widely suggested that increased investment should be targeted to this stage of children's education, particularly to the factors illustrated in the diagram that are known to have a key influence in the early years.

The European Commission has called for member states to offer universal access to pre-school provision and has highlighted the importance of offering high quality education and care. It suggests that a greater focus on the professionalisation of staff is a key factor in achieving the best outcomes for children.

Much of the evidence calls for robust cross-departmental working, particularly across education, health and social policy; helping to facilitate simple and effective organisation, policy and decision-making for early education and care. The European Commission believes that the implementation of these measures can support two of the aims of the overarching *Europe 2020 Strategy*: a decrease in the number of early school leavers and a reduction in the risk of poverty and social exclusion.

In order to support the best outcomes and promote a positive future for children, a number of areas could be considered, including the following:

- How could the SureStart programme be expanded most effectively to support more disadvantaged families during pregnancy and throughout children's early years?
- How could universal pre-school provision be funded and implemented?
- What measures could be taken to improve qualifications and Continuing Professional Development for staff in pre-school settings and to increase access to specialist support?
- What measures could be taken to ensure robust cross-departmental and multi-agency working across early years policy and practice?

Addressing underachievement

Caroline Perry

How can we close the gap in outcomes for children from different socio-economic backgrounds?

Pupils in Northern Ireland consistently gain a higher proportion of the top GCSE grades than their counterparts in England and Wales. For example, in 2010, over three quarters of pupils gained five GCSEs at grades A* to C, compared to 69% of pupils across the jurisdictions.

However, these figures mask a long tail of underachievement, whereby a greater proportion of pupils in Northern Ireland leave school with fewer than five GCSE qualifications. Specific concerns have also been raised about differences in educational attainment between the controlled and Catholic maintained sectors, and in particular, the comparative underperformance of disadvantaged Protestant boys.

Causes of underachievement

The factors contributing to underachievement are many and varied. They include socio-economic background; parental influence; aspirations; readiness for schooling; and in-school factors. It is known that gaps in achievement between better- and less-well off children become apparent at an early age, and tend to widen as they progress through school.

The generally lower educational performance of disadvantaged Protestant boys in comparison to their peers in the Catholic maintained sector has been attributed to a range of additional factors. These are thought to include:

- The loss of traditional routes to employment (for example, shipbuilding);
- A perceived lack of educational aspiration and value placed on education; and
- Insufficient role models, particularly positive male role models.

Implications of underachievement

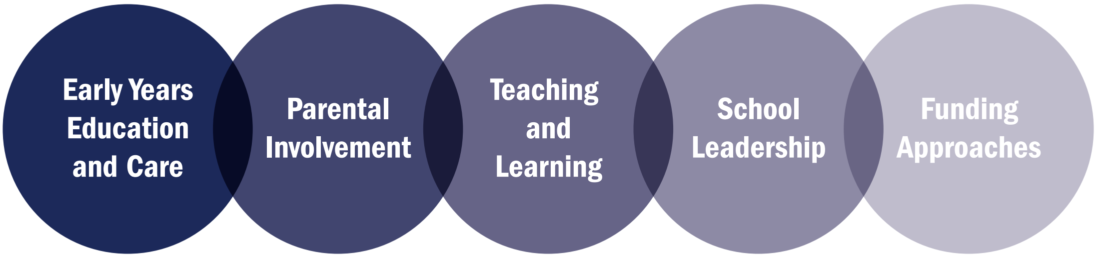
There is a well-known link between education and skills, productivity and employment. Indeed, the OECD has stated that countries that can improve the cognitive skills of their populations can make significant economic gains, and suggests that substantial changes are required in order to realise these benefits in the future.

In addition, education is often viewed as a means to support equality of opportunity and promote fairness and inclusivity in society. If the gaps in educational attainment between the highest and lowest performers are not addressed effectively, many young people will continue to be ill-equipped to compete within an increasingly globalised economy.

How can the issue of underachievement be addressed?

The evidence suggests that a multi-faceted approach is required to address the complex issue of underachievement in an effective way. It is widely recognised that a

Key areas of influence on educational achievement



range of key areas can have a significant impact on educational outcomes for children and young people. Some important areas are discussed in the following paragraphs.

Early years education and care

There is widespread recognition of the fundamental influence children's early years can have on their educational prospects later in life.

**Areas for consideration could include levels of investment, the volume and types of provision available, and the level of training and qualifications of staff within providers.*

Parental involvement

Evidence suggests that parental involvement in children's education and the quality of the home learning environment are crucial factors in addressing underachievement.

**Areas for consideration could include how parents can be encouraged to support their children's learning and the work of the extended schools programme in increasing parental involvement.*

Teaching and learning

The quality of classroom teaching and learning has the greatest impact of all in-school variables on educational outcomes. There is evidence to suggest that children exposed to poor teachers for many of their primary school years suffer an education loss that is largely irreversible.

**Areas that could be considered include how to ensure that the right people are recruited as teachers and the extent to which their training equips them to become highly effective instructors.*

School leadership

School leadership is known to be second only to classroom teaching in terms of its influence on student outcomes. The development, recruitment and retention of effective principals are therefore crucial.

**Areas for consideration could include succession planning in schools, the robustness of recruitment and selection practices and how to attract the best leaders to the most challenging schools.*

Approaches to funding

With the financial constraints facing the education sector during this mandate, careful consideration will need to be given to the ways in which funding can be allocated most effectively.

**Consideration could be given to how schools are funded; for example, whether further additional resources could be targeted to schools facing the highest levels of disadvantage.*

Sharing and collaboration in education

Caroline Perry

What are the options for increasing sharing in education, and what are the implications?

Northern Ireland's schools system has a complex structure, divided into a number of different sectors with a range of official bodies managing and administering schools. In addition, our school age population has been in decline and is projected to further decrease for many years to come. Both of these factors have implications for the sustainability of schools and even the very structure of the schools system in Northern Ireland.

Economic and educational implications

Northern Ireland has 1,219 schools, of which a relatively large proportion are small schools. This has ramifications for school funding, as schools with low pupil numbers are less efficient than their larger counterparts, and for the delivery of a broad and balanced curriculum.

The Bain Strategic Review of Education stated that there were 53,000 vacant places in schools in 2006. While a degree of surplus capacity is required in order to support parental choice and to allow for demographic change, the *Bain Review* considered the current level of vacant school places to be disproportionate.

In light of these contextual issues, the *Bain Review* found that education resources are not being used as effectively as they might be in Northern Ireland, and called for rationalisation of the schools estate and a more coherent approach to planning. The Review also recommended improved sharing and collaboration between schools in order to support more efficient use of resources.

Benefits of increased sharing and collaboration

Sharing and collaborating can help schools to deliver high quality education to children, achieve economies of scale and provide a balanced curriculum for pupils. This is particularly pertinent for small rural schools with few teachers and for post-primary schools, which are required to deliver the Entitlement Framework by offering greater choice and flexibility for students aged 14 and over by 2013. In addition, Oxford Economics has suggested that a more strategic, area-based approach to education could help to better address community needs, avoid duplication and unnecessary competition and increase school sustainability.

Collaborative models of education

Recent research from Queen's University Belfast suggested that 88% of schools in Northern Ireland (responding to a survey) have engaged in some form of collaboration with another educational institution. However, in many cases it is likely that the engagement was transient in nature, rather than through substantive partnerships. The findings of this survey also highlight potential challenges for collaboration between sectors, indicating that schools can be reluctant to share and collaborate with schools of a different religious denomination, but even more reticent to do so with schools that have a different approach to academic selection.

A number of models or options for greater collaboration in education are possible. These range from an informal confederation, to a formal amalgamation of two or more schools through to a radical transition to a predominantly single, streamlined and integrated schools sector.

Confederation: Schools working in partnership, sharing pupils, staff or facilities, while retaining their principal and Governors.

Co-location: Collaboration between schools is supported by their proximity, while each retains its ethos and identity.

Shared campus: Two or more schools share infrastructure, but retain their autonomy.

Federation: A more formal approach: small schools combine to form a single school, sharing a principal and governors, but operating on two or more sites.

Amalgamation: A new school replaces two or more schools of a similar size, usually with a new name and uniform.

Largely integrated system: A move away from the current multi-sector schools system to a more streamlined approach.

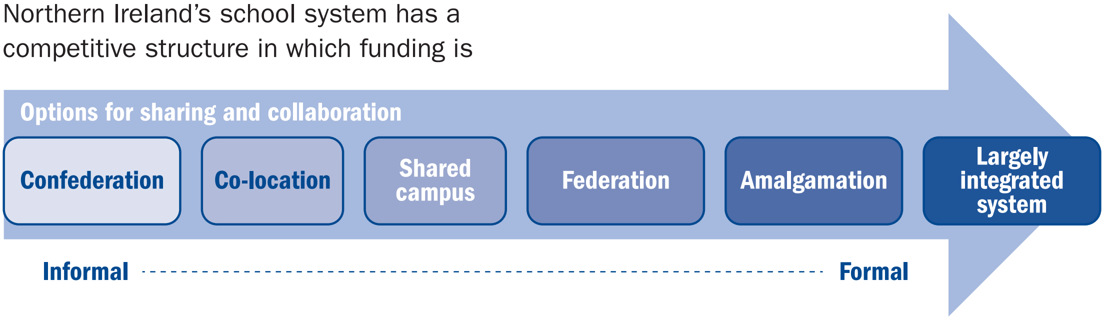
How can we promote sharing and collaboration?

Northern Ireland's school system has a competitive structure in which funding is broadly calculated on a per pupil basis, meaning that schools often feel that they have to compete for pupils. In light of this, the *Bain Review* called for incentives to encourage sharing and collaboration between schools, for example the provision of new facilities and financial support for schools that collaborate.

Challenges ahead

The potential benefits of collaboration must be weighed against the costs and manageability of the arrangements; and it is likely that additional funding will be necessary initially to ensure that initiatives are sustainable. In addition, supporting increased collaboration will be challenging within a competitive sector and within a context where uncertainty exists around academic selection and the implementation of the Education and Skills Authority.

Any review of educational structures must also take into account the Department of Education's responsibility to support parental choice and its statutory duty to facilitate Irish-medium and Integrated Education. If a move towards a more integrated and streamlined schools system overall is considered, it will be important to pay due regard to aspects such as school ethos; the role of the churches; community relations; and funding, leadership and governance arrangements.



Educating in the face of cuts

Caroline Perry

A climate of financial austerity poses clear challenges for our children's education.

It is widely accepted that investment in education is crucial to the economic and social well-being of society. Indeed, investing in the provision of high quality education for all children can help to reduce poverty, generate savings in other areas and contribute to economic growth.

In Northern Ireland, funding for educating children and young people represents one of our most significant investments. However, *Budget 2011-15* outlines challenging reductions for the Department of Education, with implications for its priority aim of raising standards for all during this mandate.

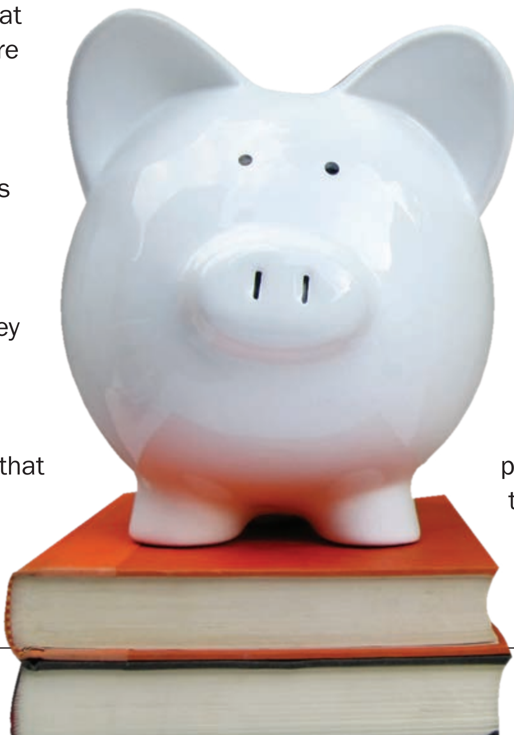
Economies and efficiencies

Research indicates that while rising expenditure on education has a positive impact on attainment; the effect is relatively small. This finding suggests that it is the way in which resources are used and targeted that is key to raising standards in education.

The evidence is clear that classroom teaching is the single most important in-school variable that has an influence on student achievement, followed by effective school leadership. Therefore it will be important to consider how savings can be made without having a negative impact on the quality of teaching, learning and leadership in our children's schools.

School spending

Research into educational procurement has found great variation in spending on standard items across schools, suggesting that there may be scope for large savings to be made. School meals, transport, cleaning, ICT and energy are among the areas that could be reviewed in order to ensure that the best value for money is being achieved.



In a tough financial climate it will be important to consider the extent to which the procurement of goods and services is open to competition and how consistently collective buying power is used to reap economies of scale. For example, many schools in Northern Ireland individually purchase commercial tools for assessing pupil progress, whereas collectively purchasing the tools for a larger number of schools could result in significant discounts. It will also be important that schools, Education and Library Boards and the Department of Education robustly monitor and evaluate the goods and services they procure to ensure that they realise the best value for money.

Teacher substitution

The costs of teacher substitution are highlighted in the Budget as an area for savings. A 2010 Public Accounts Committee (PAC) report found that expenditure on substitute teachers in Northern Ireland had increased by 41% in real terms between 2001 and 2009 to over £66m. Key points from the report include that:

- There is considerable variation in substitution cover costs across schools;
- There is a need to build up a profile of teacher absences across schools to allow managers to identify patterns of absence and address them effectively;
- The potential benefits of a new resource management system have yet to be fully realised; and
- Attempts to address the issue of the re-employment of prematurely retired teachers for substitute cover have met with little success.

Indeed it will be important for a balance to be struck between retired teachers' expertise and knowledge and the cost implications for substitute cover, as well as taking into account the employment opportunities of newly qualified teachers.

Schools estate

Another important area for consideration is the schools estate. The school population has been in decline for many years, and is projected to reduce further until 2016, resulting in increasing numbers of empty desks and schools with low pupil numbers. The 2006 Bain *Strategic Review of Education* called for more strategic planning to address the issue of over-provision and lower demand for school places. In a time of significant financial constraint it will be even more important to consider the difficult issue of school sustainability.

Collaboration and sharing

Increased collaboration between schools can be another effective way of achieving economies of scale and generating savings for the education system. It can help to promote the sharing of market awareness; prevent the duplication of resources; allow the sharing of leadership and other staff and resources and provide crucial economies of scale.

Sharing between schools for the purpose of finding efficiencies can take many forms, from an informal network of schools sharing knowledge and information, to geographical clusters partaking in joint commissioning. It can go further to a formal federation model, for example, in which a number of schools share a principal, teachers and administrative staff, making the provision of a broad and balanced curriculum more cost-effective and achieving significant savings throughout the school.

The challenge for the Assembly will be to consider the most effective and efficient forms of procurement and approaches to teacher substitution, the sustainability of the schools estate and even new ways of working, in light of the difficult financial settlement for education.

Participation in Higher Education

Eoin Murphy

What are the benefits of Widening Participation in Higher Education?

Introduction

Whilst Northern Ireland has one of the highest Higher Education (HE) participation rates in the UK (almost 50%) some social groups still lag behind in numbers attending and remaining in HE. Widening participation provides benefits to both the individual; in that they have an increased likelihood to earn more, be less prone to obesity and have a lower risk of suicide; and to society as a whole with a higher level of productivity helping to raise the standard of living.

The economic and social benefits of participation in Higher Education

HE has benefits for both the individual undertaking third level study and for the region they live in, although it is important to note that HE does not just constitute degrees and post graduate qualifications. HE includes National Qualification Framework (NQF) levels 4 – 8, which covers everything from BTECs to PhDs. As such, HE includes a broad spectrum of skills required by Northern Ireland employers.

HE is essential for long term growth within an economy. For example, a report written by Oxford Economics in 2007 on behalf of the Department for Employment and Learning (DEL) examined the relationship between the proportion of graduates in the employed labour force and the levels of productivity. It found that a high percentage of the employed labour force with graduate qualifications is associated with high wages and productivity. Importantly the paper also found that where the percentage of graduates increased by 10% in the private sector; this resulted in wages for all workers being 30% higher.

HE also provides benefits to the individual, with higher wages, greater job satisfaction and improvements to social mobility.

Current participation in Higher Education in Northern Ireland

Participation in HE in Northern Ireland is relatively high at almost 50% of young people. This trend continues for Socio-Economic Classifications (SEC) 4-7 as can be seen in Table 1.

Table 1: Participation rates in HE: Socio-Economic Classification 4-7

	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09
UK	28.6%	28.2%	29.3%	29.8%	29.5%	32.3%
England	28.2%	27.9%	29.1%	29.8%	29.4%	32.4%
Wales	29.5%	28.4%	29%	30.1%	30.4%	32.5%
Scotland	26.9%	26.7%	27.3%	25.9%	26.3%	28.2%
Northern Ireland	42.4%	41.2%	41%	41.7%	40.6%	41.7%

As can be seen above, in 2008/09, 41.7% of SEC 4-7 in Northern Ireland participated in HE, significantly higher than the national average and the other UK regions.

However when level 4 is removed from the 'lower SEC' definition the percentage of NI students involved in HE falls to around 27%.

NI has been successful in promoting HE for SEC 4-7, although only 29% of Northern Ireland's workforce has a qualification at NQF level 4 or higher, in comparison to 36% in Scotland and 44% in London.

The Widening Participation in Higher Education Strategy

DEL is currently conducting a consultation into the development of a widening participation strategy. Whilst NI currently has the highest participation rate in the UK there remains pockets of under-representation within certain sections of the population.

These include:

- SEC Groups 5-7 (Lower supervisory and technical occupations, semi-routine occupations and routine occupations);
- Those with a disability (physical, sensory or learning);
- Low participation neighbourhoods (areas of high deprivation);
- Young Protestant males (and in particular those from areas of high deprivation); and
- Adult returners, particularly work-based learners.

The Consultation states that there are three reasons why a strategy is critical for Northern Ireland:

1. There is a need for greater social inclusion as many people in NI still experience disadvantage and exclusion;

2. There are benefits for individual graduates and for society from participation in HE; and

3. Northern Ireland needs a skilled workforce.

The Consultation discusses a number of areas which will be taken into consideration for the formulation of the strategy, including:

- Targeting: which groups are most in need of assistance in accessing HE;
- Aspiration and Attainment: improving the policies and practice of raising individual aspirations and attainment at school;
- Enhancing Recruitment and Selection: improving existing procedures to provide a more comprehensive recruitment and selection process for HE; and
- Retention and Progression: identifying factors that might help with early identification of students at risk of non-completion of HE courses and finding examples of best practice which may be applicable.

Summary

Higher Education is an important driver of economic growth and it has significant benefits for both the individual and society. However, some groups still do not benefit from HE as much as they could. The development of a strategy on widening participation should target those groups most in need of support and help build the skills base of the NI workforce, making it a more attractive location for international and national businesses, to the benefit of all.

Higher Education tuition fees

Eoin Murphy

What are the current and proposed Higher Education tuition fees for Northern Ireland and what impact could they have for students and Higher Education Institutions?

Introduction

Following the 2008 recession and the *Comprehensive Spending Review* (CSR) carried out by the Coalition Government, Higher Education has become the focus for a number of reforms which could have a significant impact on students and on Higher Education Institutions (HEIs) in Northern Ireland. One of the most important of these areas is tuition fees, with potential impacts on HEI funding, widening participation and long-term economic growth.

Current tuition fees

In Northern Ireland, full-time first degree students can access a tuition fee loan of up to £3,290 per annum for the 2010/11 academic year. These fees help cover the cost of tuition at HEIs with the remainder of the cost of a degree (a degree costs approximately £7,000 per year per student) received in the form of a teaching grant from the Department for Employment and Learning (DEL).

The Browne and Stuart Reviews

The *Browne Review* (2010) examined tuition fees in England and recommended that they be set at a minimum of £6,000 and with no upper limit. In addition, it recommended the reduction of funding to HEIs, with the shortfall made up by the increase in fees.

Whilst the UK government took on board many of the suggestions, tuition fees have been set between £6,000 and £9,000 per annum for England, with universities deciding how much to charge students within this spectrum.

The *Stuart Review* (revised draft published in January 2011) considered tuition fee reform in Northern Ireland, including an assessment of the impact of the *Browne Review* recommendations on potential future fee arrangements in Northern Ireland. Stuart recommended that, based on the additional financial pressures created by the reforms in England and the CSR, tuition fees should be raised to between £5,000 and £5,750 per annum for NI domiciled students.

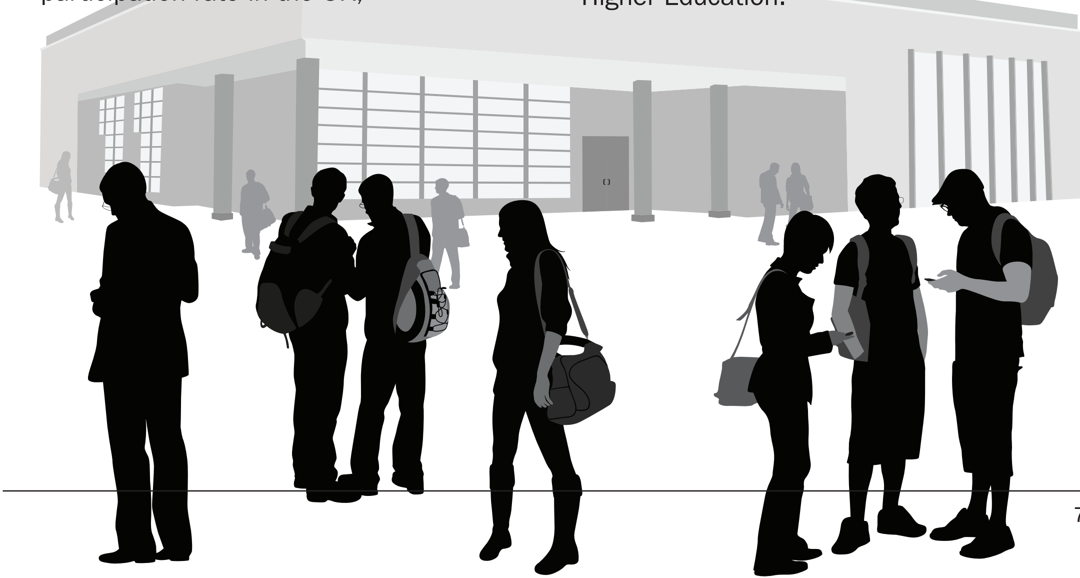
The future of Higher Education tuition fees in Northern Ireland

Following the publication of the *Stuart Review* a DEL consultation on *Higher Education tuition fees* was launched to examine in detail the potential options for changes to tuition fees. The consultation considers five alternatives:

- **The abolition of fees**: Whilst students would benefit initially from this, the abolition of fees would result in the government having to source an additional £120m to cover the loss of funds to universities, with that cost having to be potentially met by the taxpayer;

- **Maintain the fee level at the current rate, subject to annual increases for inflation**: The current arrangements have allowed Northern Ireland to deliver the best participation rates in Higher Education in the UK, including those from low income backgrounds, and enabled our universities to sustain and enhance the quality of their academic offering and research capability. However, given the financial challenges faced by the Executive, this option would either require the Higher Education Institutions to reduce their services by the equivalent of £40m per year or require DEL to reduce other programmes by a similar amount;
- **Raise fees to £4,500 per annum, subject to annual inflationary increases**: For this option the teaching grant for NI HEIs would be reduced by 20%, with additional revenue from the fee increase of £30m used to meet the financial pressures generated by the budget settlement. The impact of this option would be generally neutral with NI able to retain its position of having the highest participation rate in the UK;
- **Raise fees to between £5,000 and £5,750**: This option would provide for slightly more generous rates of grant support than the previous option and would create additional income of £40-60m. Whilst this option would be broadly neutral in its impact on HEI funding, it would create additional pressures for graduates making repayments, with fees of up to £17,250 for three years of tuition; and
- **Raise fees to between £6,000 to £9,000 as in England and Wales**: This would create additional income of £100m per annum, with HEIs losing 80% of the teaching grant. This may have a negative impact on low income participation, although the higher fees may be used to help fund an increased student support package.

Following completion of the consultation, a Ministerial decision is expected on the future of tuition fees in Northern Ireland. The full impact of changes to tuition fees on widening participation, student enrolment rates and the graduate work force may take considerably longer to be felt and until then, many students may be left in the dark as to what choices to make regarding Higher Education.



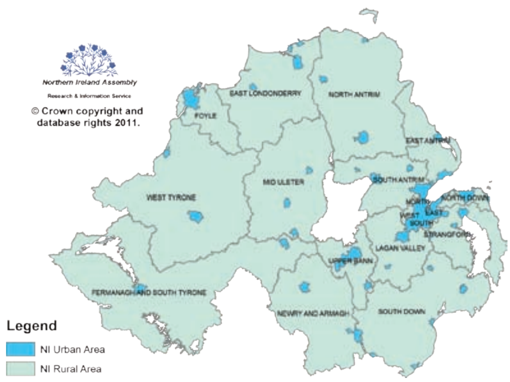
The Rural White Paper Action Plan

Mark Allen

Can the development of the *Rural White Paper Action Plan* improve the quality of life for rural people?

Context

Within Northern Ireland settlements of less than 4,500 people are recognised as rural. Using this classification 80% of Northern Ireland's landmass and 35% of the population (560,000 people) are rural.



Rural/Urban classification – Urban areas in blue

Rural areas have historically been identified with agriculture and food production, and whilst these industries continue to be highly significant for rural communities, some would argue that policy makers and departments assume that rural issues are largely agricultural and as a result are the primary responsibility of the Department of Agriculture and Rural Development (DARD).

The danger of this approach is that it has the potential to both underplay the range of issues that affect rural people and communities, whilst also enabling other statutory bodies and government departments to shirk their responsibility to meet the broad and cross-cutting needs of rural areas. In addition, this approach fails to take account of the fact that rural and urban communities within Northern Ireland are not separate entities but are rather interdependent and as such are often affected by common issues which albeit impact or exhibit in different ways.

The limitations of a restricted and agri-centric view of rural areas and the need for other government departments to play their part in making rural communities better and more sustainable places to live, work, learn and play have long been recognised by many rural stakeholders.

The Rural White Paper

In simple terms a *White Paper* is a government document which sets out policy or proposals on a specific issue. *The Rural White Paper* sets out the government's thinking on the issues and challenges facing rural communities in addition to defining measures to address them. England, Scotland, Wales and the Republic of Ireland have all had *Rural White Papers* since the mid to late 1990s and in that sense Northern Ireland has been something of an anomaly in not having its own *Rural White Paper*.

The previous *Programme for Government* (2007-2011) contained a commitment to develop a *Rural White Paper* (PSA 17). Prior to dissolution of the previous Assembly DARD put its draft *Rural White Paper Action Plan* out to formal consultation. This document, which was developed as a result of work by the Rural White Paper Stakeholder Advisory Group and Interdepartmental Committee on Rural Policy (IDCRP), contains approximately 90 actions to deal with rural issues under areas such as housing and planning; transport; health; education; tourism; business; broadband; poverty and social exclusion; and the wider countryside. As evidenced by the broad range of areas covered, the *draft Rural White Paper Action Plan* and the actions it contains have been formally endorsed by the previous Northern Ireland Executive and its individual Ministers and Departments.

The responses to the public consultation exercise around the *Action Plan* will inform the next stage of this process, namely the inclusion of the elements of the draft *Rural White Paper Action Plan* within the *Programme for Government 2011-2015* that will be developed by the new Northern Ireland Executive.

Key challenges

The development of the draft *Rural White Paper Action Plan* is a positive step and one which breaks new ground in efforts to build a cross-departmental consensus with regard to the functions that rural communities currently perform, a vision for what rural communities can be like in the future, and who should be responsible, and in what practical ways, for making the vision a reality. There are, however, still valid questions around what practical improvement it will make to the quality of life of rural people. Whilst the commitment of the Executive and individual Ministers is encouraging it would have to recognised that some of the agreed actions are aspirational and visionary whilst being peppered with caveats such as '*within the limitations of available funding*'.

Given this situation, a key challenge relates to the need to ensure that individual Departments, Ministers and the Executive as a whole develop and sign up to the delivery of specific actions which are both easily measured and for which they are held publicly accountable. In this regard the monitoring arrangements for the draft *Rural White Paper Action Plan* within the next *Programme for Government* (2011-2015) will be critical. In relation to this point, a commitment to an enhanced rural proofing mechanism, which would ensure the scrutiny of all policy for its rural impacts has the potential to address some of these concerns.

At another level, but in a not unrelated point, there is a need to ensure that responsibility for the achievement of the vision for sustainable rural communities set out within the draft *Rural White Paper Action Plan* does not fall solely on central government. Given the complexity and interconnectedness of many of the issues, stakeholders such as local government (which will potentially have increased powers within the life of this Assembly), the private sector, the community and voluntary sector and other non-governmental organisations will all have a role to play. The key challenge here will be in ensuring that all of these stakeholders play their part and that their contribution is coordinated with and complementary to the work of the Executive and individual Departments.

An ageing rural population

Mark Allen

The rise in the elderly rural population, present and future, presents opportunities and threats for the sustainability of rural communities

Context

Northern Ireland has an increasingly ageing population. In 2008, OFMDFM research highlighted that the number of people aged 65+ within Northern Ireland has grown by 104,000 between 1961 and 2008, a growth of 72%.

Projections for 2041 suggest that 29% of the population of Ireland, North and South, will be aged over 60. The average (median) age of farmers in Northern Ireland is currently 57, a figure which has been rising in recent years.

Potential impacts of an ageing rural population

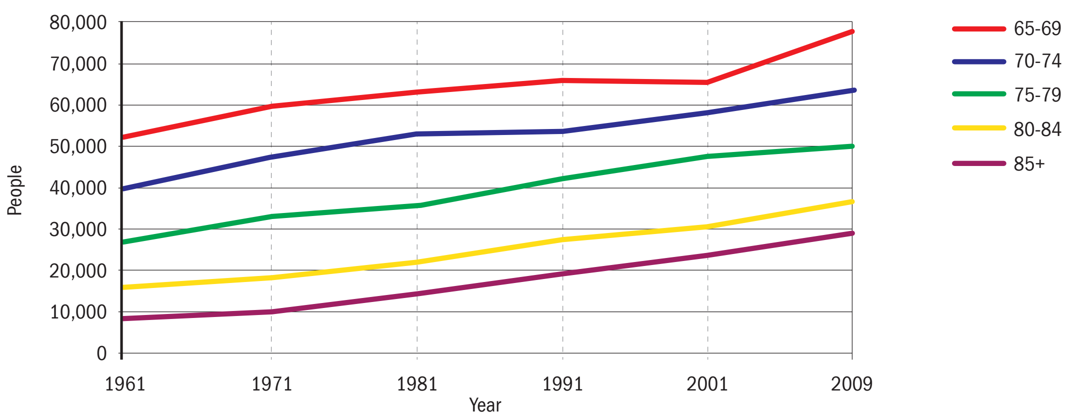
There are wide ranging and challenging impacts posed by a dispersed and ageing rural population. Consequently, many of the key challenges and opportunities presented by an ageing rural population may fall within the broad areas of service provision and the rural economy.

Rural services

With specific regard to services, the growth in the numbers of rural elderly people is likely to result in a growing need for new, adapted or enhanced services. Whilst there is no definitive list of essential services that are critical to enable older people to live within a rural community and enjoy a good quality of life, it is safe to assume that areas such as transport and health provision will continue to be a priority.

Providers of these services need to consider how they respond to meeting the needs of an ageing and dispersed rural population whilst trying to ensure independent living within communities for as long as possible. A key challenge

Northern Ireland older population by age group, 1961-2009



here is that evidence suggests that costs of delivering many services within a rural setting are higher on a per capita basis than in an urban setting. In such circumstances services need to be both efficient to deliver and effective for the people using them. Whilst the use of ICT and other technological innovations may go some way to addressing these challenges, more work is required to make living in a rural community a viable option for older people.

On a more positive note, the growth in the rural older population brings with it a potential benefit for service provision within rural communities. Rather than being viewed as a burden and a problem, the demographic change in rural communities presents an opportunity for older people to play an increasingly important role in rural life.

At present, many of the voluntary services provided within rural communities rely heavily on the involvement of elderly volunteers: often the people within a rural community who have the skills, experience and time to get involved. Examples such as luncheon clubs and childcare facilities are just two of the many instances where the contribution of rural older people is making an essential contribution to the sustainable delivery of essential services for the entire rural community. In addition, the growth in the rural elderly population may make the provision of other statutory services possible due to the economic viability afforded by the achievement of a critical mass/number of older people within a community.

Rural economy

In terms of the rural economy, an ageing population also brings challenges and opportunities. The implications of having many farmers aged in their late 50s and early 60s are not to be underestimated. Whilst it is encouraging that people are remaining economically active up to, and in all likelihood beyond, the conventional retirement ages of 60 or 65, it needs to be understood that farming is a physically and increasingly mentally demanding business. In order to secure the long term viability and success of the industry, which forms a key part of the rural economy, this issue needs to be addressed.

The growth in public transport and the government policy focus for centralisation over recent decades has seen many of our villages and rural communities lose their shops, post offices and places of work. The decline in retail, statutory services and local employment opportunities has called into doubt the long term viability of many rural communities. The growth in the elderly rural population, however, could go some way to addressing these issues. As people age, services such as a local shop or post office can become increasingly essential. In addition, issues around cost and access to transport, coupled with the fact that many elderly people are on low incomes, makes them more likely to source these services locally. In this regard a growing elderly customer base could secure the availability of these services for the entire rural community, as well as creating the need for new services and shops that will bring more local jobs and consequently improve the overall state of the local rural economy.

The way ahead

In summary there is a real need to ensure that rural communities are places where older people can live, work, learn and contribute to community life into old age whilst enjoying a good quality of life. The challenge is creating the circumstances for this vision to become a reality.

Rural equality

Michael Potter

What effect does living in a rural area have on equality?

Equality issues in rural areas tend to be the same as those in urban areas, but often they impact on people differently and the rural location can exacerbate the degree of inequality. The key element that restricts people more than in urban areas is the lower density of services in relation to space and population and insufficient transport to enable a level of access that is equal to that for people in urban areas.

People in rural areas are generally healthier, live longer and are less likely to get life-threatening diseases such as cancer, compared with people living in urban areas. However, infant mortality is slightly higher, morbidity in young people is greater than in urban areas and remoteness and isolation in some rural areas has led to a higher risk of suicide in some groups, but research suggests that the extent of the problem is hidden. In general, access to services is half that in real terms than in urban areas: it takes around twice as long to get to an Accident and Emergency department, a hospital with acute services or a maternity unit. In addition, people in rural areas on average have to go twice as far for a pharmacy, a dentist or a GP.

The effect of space means that services tend to be less cost-effective in rural areas, so they can become targets for closure. However, the impact goes far wider than the levels of use or practicalities suggest. For many, the social setting of the post office, library, local shop, school gate or day centre is the lifeline that keeps many people from isolation.

Research has suggested that there are some Section 75 groups that experience life differently in rural areas than others, as follows:

Age For older people, access to health and social infrastructures are important, as well as concerns around safety, income and access to work and learning opportunities. A lack of adequate public transport means that mobility is a major issue for older people in rural areas. Many younger people in rural areas likewise suffer from reduced access to training and employment opportunities and affordable housing.

Disability Access, mobility, isolation and social exclusion are a consequence of less access to appropriate transport for many disabled people in rural areas, but there is also a lack of adequate adapted housing and employment opportunities for disabled people.

Gender Women tend to carry out the main family administration tasks, such as caring, shopping and accessing services, so would have to travel further for longer in rural areas compared with urban areas and if there is an incidence of domestic violence, police response times are longer, particularly in areas where police stations have closed since the conflict has subsided, leading to many women suffering in silence and isolation. In addition, research carried out in 2006 found that there are far fewer women in public life, leadership and decision-making positions in rural areas than in urban areas.

Dependents There is insufficient provision for child and other care in rural areas, there being less choice, less transport and a more dispersed population making childcare businesses less financially viable. Only five of the 98 nursery schools, four of the 68 grammar schools and three of the 41 special schools in Northern Ireland are in rural areas.

Marital status Higher rates of marriage and lower rates of teenage pregnancy suggest more traditional family patterns in rural areas, but research to date has not identified significant equality issues between people of different marital status.

Community Many areas of rural Northern Ireland are severely divided along community lines and rural interfaces are less visible, but there is also more space for avoidance. Divided village patterns differ, but this can often mean that even the nearest services are not the ones that people are comfortable using on safety grounds, making access much more difficult.

Religion In terms of the farming community, smaller farms tend to have Catholic owners and these are disproportionately located in Severely Disadvantaged Areas, compared on average with larger, predominantly Protestant farms, mainly located in Lowland areas.

Ethnicity Many new immigrants to Northern Ireland have found themselves in rural areas, where the employment they came to undertake is located. Lack of family and social support networks, language barriers, difficulties in accessing training, services and social settings and poor provision of dietary needs contribute to isolation exacerbated by a lack of transport in rural areas.

Sexual Orientation Gay, lesbian and transgender people report isolation, negative attitudes, lack of support and information, access to policymakers and concerns around confidentiality in local services as particular problems in rural areas.

Transport is a potential solution to many rural problems, but bus routes and times are not sufficient to cost-effectively provide for people's needs, and the train network in Northern Ireland is a fraction of what it was in the 1950s. However, community transport initiatives, either supported through the Rural Transport Fund or by community-based groups, have provided the flexibility for some rural residents.

All policies are to be 'rural-proofed' for their differential impact on rural communities, but, while some rural-based NGOs have called for rural/urban dimensions to be another Section 75 category, there remains no statutory duty to consider how rural communities are affected by policy.

Rural health issues

Lesley-Ann Black

Rural society contains a wide range of people with diverse health needs. Providing appropriate services for them raises a number of key challenges for policy-makers.

Access to healthcare

Current healthcare policies aim to deliver care and treatment to people close to their homes and as safely as possible. This presents particular challenges for rural dwellers, given that the range and accessibility of medical services are far more limited in these communities when compared with larger towns and cities.

Data shows that only 13% of GP practices, 7% of community pharmacists and 3% of dental practices are located in the most rural parts of Northern Ireland.

Evidence also suggests that people living further away from where health services are delivered are less likely to avail of them until absolutely necessary, and that this can have an impact on health outcomes. Likewise, the timing and frequency of appointments is often less convenient for rural dwellers who are required to travel longer distances. Poor terrain, coupled with increasing fuel costs, and sporadic public transport links, can make access to treatment difficult. ‘Rurality’ can also present similar challenges for healthcare staff who deliver care or services to patients in their own homes.

Recent government changes have also led to the centralisation of acute hospital services because of economic constraints and risks to patient safety. This has resulted in limited access and even closures in less populated areas to services such as maternity, accident and emergency and surgical units. At present, ambulance response times in rural areas are almost double the regional average. The number of ambulances have been reduced and replaced by Rapid Response Vehicles manned by individual paramedics. Questions remain about the impact of these changes, given that delays in travel time to hospital may be life critical.

Specialised staff

Another issue that affects rural communities is the lack of specialist medical staff. This is a particular concern for patients with complex support needs who are required to travel considerable distances for treatment. The reason for the lack of specialised staff is partly due to the centralisation of services. Training, facilities and career prospects are often concentrated in urban areas and this makes recruitment and retention of staff to less populated areas increasingly difficult.

Ageing population

Northern Ireland has an increasing ageing population and 39% of pensioners now live in rural areas. Older people are more likely to be predisposed to a range of long-term chronic conditions, such as dementia and diabetes, which require regular treatment. As people live longer, those in rural areas will require greater access to healthcare services.

Carers

Pressures have also intensified for the 75,000 rural carers in Northern Ireland. Figures show that over half of the carers in remote areas are socially excluded and face financial difficulties. Many do not have access to information about benefits or services available to them, and are unaware of their entitlement to a needs assessment. They also experience high levels of stress, a lack of respite, and worry about potential closures to care homes.

Socio-economic factors

Research shows that there is a strong link between deprivation and poor health. Poverty is an important risk factor for illness and premature death, and rural deprivation is often hidden within areas of apparent wealth. Decisions as to whether to 'heat or eat' often become the reality; especially for the elderly or those on low incomes, and this can prove detrimental to their health and well-being. Stress on rural families is also increasing. This is because of rising living costs, the effects of the current economic situation, low rates of pay, and the limited and often seasonal nature of employment in rural places, such as farming and tourism.

Social supports

Those living in rural areas are also more likely to suffer higher levels of loneliness and social exclusion. Vulnerable groups - such as one parent families, mothers with young children, or those with disabilities, face greater risk of isolation. Farmers typically work long and anti-social hours and there is a growing prevalence of depression and suicide within this group. It is also well known that fewer community support and outreach initiatives exist in rural communities, and this has vast implications on social and mental well-being. As rural dwellers tend to come from a culture of self-sufficiency, there can be a reluctance to seek outside help. Fear about confidentiality or stigma can also prevent them from making use of services.

Conclusion

In summary, a wide range of health issues affect the diverse and changing rural population in Northern Ireland. Such factors can impact on the availability of care, patient choice, waiting times and health outcomes. Other innovative approaches and models for rural healthcare delivery could be explored in order to help reduce the inequalities these communities can face. This might include better telecommunications infrastructure to support remote healthcare services, increased partnership working with voluntary groups, mobile outreach services, cross-border initiatives, and better coordination between primary and secondary care providers. In addition, a more complete understanding of the health needs of people in rural areas is necessary in order to help inform policies that will positively influence their health and well-being.

Education in rural Northern Ireland

Caroline Perry

How sustainable are our rural schools?

Over half of all primary schools in Northern Ireland are situated in rural areas. Rural communities often place great value on their local schools, frequently considering them to be embedded in the very social fabric of the community. However, the sustainability of many rural schools has been called into question, particularly in light of the financial pressures facing the education sector during this mandate.

Questions around sustainability

Despite a current slight increase in birth rates and net inward migration, the overall trend for school enrolments in Northern Ireland is downwards. Among the key implications of falling rolls in schools is the link between pupil enrolment numbers and funding.

School budgets are provided through Local Management of Schools (LMS) which uses a funding formula largely based on pupil numbers to determine the budget of individual schools. Schools with fewer pupils are therefore likely to face greater funding constraints, with potential implications for their ability to provide a broad and balanced curriculum and a range of extra-curricular activities for pupils.

In addition, small schools are proportionately more expensive to run than larger schools. This is because they attract additional funding through the Small Schools Support Factor, intended to free up teaching principals for part of the week to undertake their leadership duties and support delivery of the curriculum. By way of example, schools with fewer than 20 pupils are three times more expensive to run per pupil than larger schools.

The Bain *Strategic Review of Education* highlighted these concerns and set out proposed minimum enrolment requirements for schools to be considered sustainable: a minimum of 105 pupils for rural primaries and 500 for post-primaries. These requirements were adopted by the Department of Education’s policy on sustainable schools, although the policy states that schools with enrolments below the minimum requirements will not automatically be considered for closure. Rather, they will be considered on a case-by-case basis using the following criteria:

- Quality educational experience;
- Stable enrolment terms;
- Sound financial position;
- Strong leadership and management;
- Accessibility; and
- Strong links with the community.

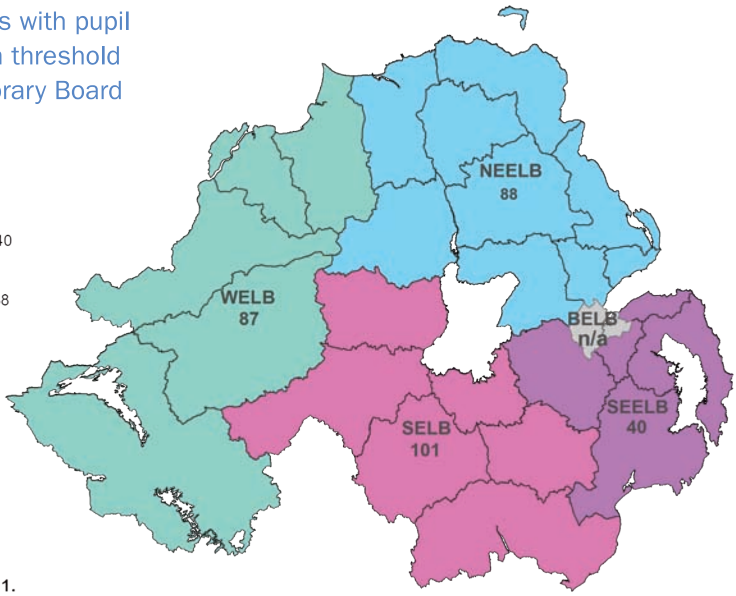
Other challenges facing rural schools

In 2009-10, there were 99 schools in Northern Ireland with fewer than 50 pupils; almost all of these were in the primary

Number of rural primary schools with pupil enrolments below the minimum threshold (105 pupils) by Education & Library Board Area (2009)

Legend

- Belfast Education & Library Board: n/a
- South Eastern Education & Library Board: 40
- Western Education & Library Board: 87
- North Eastern Education & Library Board: 88
- Southern Education & Library Board: 101



Northern Ireland Assembly
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sector and had between two and four full-time equivalent teachers.

This presents the challenge of teaching a broad age range of pupils in composite classes. There is also some evidence that rural schools experience greater difficulties in attracting applications for principal positions; this is significant as school leadership is known to be second only to classroom teaching in terms of its influence on pupil outcomes. Around 40% of principals in Northern Ireland combine their leadership role with teaching duties, predominantly in rural communities. This dual role and its associated workload, together with a possible need to relocate, may influence the decisions of potential candidates seeking a leadership position in rural areas.

A more strategic approach

It is evident that small rural schools could enhance their perceived sustainability by taking a more strategic approach and seeking alternative ways of working. By sharing teaching and non-teaching staff, facilities and even pupils with other schools, they may be able to offer a broader curriculum and more extra-curricular activities; give pupils greater opportunities for socialisation; ease pressures on teachers and principals and find crucial economies of scale.

It is important to note, however, that in a situation where funding is largely based on pupil numbers and there are falling trends in enrolment, many schools feel that they are in competition with one another for pupils, and as such, are less inclined to collaborate.

Given these concerns and the increasing financial pressures facing the education sector; it will be crucial in the coming years to consider how rural schools can be encouraged to collaborate with other schools, as well as the ways in which they can be supported in taking a more strategic approach to shared education.

Rural housing

Eleanor Murphy

What are the key challenges for rural housing in Northern Ireland?

Housing unfitness; lengthy social housing waiting lists; housing affordability; the growing importance of the private rented sector; community cohesion and community safety; and fuel poverty and energy efficiency – these are just some of the key challenges facing rural housing in Northern Ireland.

Levels of unfitness in rural areas

Housing unfitness remains higher in rural areas compared to urban areas. According to the preliminary findings of the 2009 House Conditions Survey, 4.1% of properties in rural areas are unfit compared to 1.4% in urban areas. However, it should be highlighted that there has been a reduction in unfitness levels across Northern Ireland generally, and in rural areas the proportion of unfit dwellings has fallen from 5.4% in 2006 to 4.1% in 2009. The highest rate of unfitness is in isolated rural areas where there are approximately 6,000 unfit dwellings. It is important to note that there are links between fitness standards and factors such as occupancy and the age of the dwelling. Key issues for rural housing and unfitness in the new mandate include the availability of grant funding for repairs and maintenance and the continuing roll-out of the Warm Homes scheme and other energy efficiency measures (e.g. Hard to Heat Homes schemes) in rural areas.

Waiting lists for social housing

At the end of March 2010, there were around 5,300 households on the social housing Waiting List seeking homes in rural areas. Around 2,400 of these were deemed to be in housing stress. Housing need, in particular social housing need, is not always easy to identify in rural areas:

it is often hidden and smaller in scale in comparison to urban areas. This is an issue which has been identified by the Housing Executive in its *Rural Action Plan* and the Housing Executive is currently working with local rural communities to register housing needs. The Housing Executive is also working in partnership with Housing Associations to identify suitable areas for rural housing in the *Social Housing Development Programme*. New build social housing is crucial to reducing waiting lists in rural areas. The Housing Executive's goal is for 12-13% of all new build starts to be in rural communities. In 2009/10 there were 185 housing starts in rural areas which accounted for around 10% of the total social housing new build programme.

In terms of social housing there are a number of issues of relevance to the new mandate such as monitoring the level of rural housing in the Social Housing Development Programme. Additionally, the impact of the welfare reform programme, particularly the reform of Local Housing Allowance, should be observed closely to ensure that there is a co-ordinated and tailored response to any hardship that may arise in rural communities.

Housing affordability and the private rented sector

Housing affordability is a significant issue for rural communities: it is crucial for their sustainability as it impacts on other areas such as schools, small rural businesses and community cohesion. The recent report of the Independent Commission on the Future of Housing stressed the importance of affordable housing for young people in rural communities. Although the economic downturn has led to a reduction in house prices, many lenders have become more stringent in mortgage qualifying criteria for first time buyers, particularly with regards to deposits, and this impacts greatly on young first time buyers.

Related to affordability is the increasingly important role the private rented sector is playing in both urban and rural communities. Ensuring that there is an adequate supply of good quality affordable accommodation for rent is vital for those who are unable to access social housing or owner-occupation. The roll-out of the registration of Houses in Multiple Occupation in rural areas is another important issue, particularly for migrant workers in rural areas.

Community cohesion and community safety

It is quite easy for the significance of these issues to be overlooked in relation to rural areas. Anti-social behaviour is not the sole preserve of urban society: it can also blight rural communities and in particular vulnerable people within those communities. The recently published *Beyond Belfast* report compiled by the Community Relations Council and the Rural Community Network highlights the impact of 'contested spaces' in rural communities which can at times spill over into sectarian violence and intimidation.

Fuel poverty and energy efficiency

Fuel poverty can be very difficult to treat in rural areas, particularly in isolated rural areas; for example, due to lack of access to the gas network. Given the recent extreme weather conditions, measures to tackle fuel poverty and energy efficiency are vital to rural communities as is the preparation of a co-ordinated response to adverse weather conditions particularly for vulnerable groups in rural areas.

Energy

Neal Gartland & Aidan Stennett

What major energy issues face the next Assembly?

Renewable energy

Ambitious targets oblige policy makers to encourage greater penetration of renewables within the energy mix. At EU level, Northern Ireland is required to contribute to the UK's efforts to reduce greenhouse gas emissions by 20% by 2020. Regionally, Northern Ireland is committed to delivering 40% of electricity and 10% of heat from renewable sources by 2020. To put these targets into perspective, renewable electricity currently accounts for only 10% of the total consumption, whereas the figure for renewable heat is 1.7%.

It is often said that Northern Ireland has the potential to become the Saudi Arabia of renewable energy. While these claims may be overstated, as a region the potential for renewable energy development is significant. Onshore and offshore wind, marine energy, bioenergy, renewable heat and geothermal are all relatively untapped resources that could contribute significantly to our energy needs, and allow us to export energy, provide business opportunities and create jobs.

It is, however, telling that renewable energy is still discussed in reference to its potential. This is due to a range of barriers – capital, planning and connection costs; upgrading existing electricity network to accommodate significant renewable penetration; the planning system; grid access; segmentation of energy policy across government departments; the variability of some renewable energy generation; and public understanding of renewable energy and environmental issues.

Overcoming these barriers is likely to be a significant issue during the next mandate. Members may wish to keep an eye on DETI's implementation of its *Strategic Energy Framework* and its efforts to meet 2020 targets; the Northern Ireland Renewable Obligation and the development of the UK Feed-in Tariff, to ensure that Northern Ireland has the most suitable financial support mechanism in a place; DETI's efforts to introduce a renewable heat incentive similar to that developed in GB; grid infrastructure development and the transparency of grid connection; interconnection between Northern Ireland and neighbouring regions; the implementation and application of planning policy for renewable energy (PPS18); and support to research, development and innovation in the renewable energy sector.

Security of supply

Security of supply is rapidly becoming one of the most pressing issues for energy policy, not only in Northern Ireland but globally. Recent oil price volatility and the knock-on-effect this has had on domestic energy prices, have demonstrated how closely linked our economy is to global energy markets.

The impacts of price volatility are particularly acute in Northern Ireland, since we are almost 100% reliant on foreign imports of fossil fuels. As a result we must develop new ways to 'keep the lights on'.

The development of indigenous renewable energy resources offers one solution to this over-dependence on imports. However, as shown above, development is not without problems.

Increasing gas storage, thereby providing a degree of security to domestic electricity production and to the burgeoning commercial and residential gas markets, is another way Northern Ireland could insulate itself from energy shocks. During the next mandate, what develops out of commercial interest in gas storage projects in the Larne/Island Magee area may become a significant issue.

Infrastructure

Northern Ireland's energy infrastructure requires a major overhaul in order to meet the challenge presented by future energy need. A lot of work is to be completed – ensuring grid infrastructure can accommodate enough renewable energy to meet targets for 2020 and beyond; facilitating cooperation between governments, regulators and electricity companies on both sides of the border on infrastructure issues; construction of the North-South Interconnector; developing a cost effective solution to connect offshore generation to the land-based network; and moving toward 'smart grids'.

Competition

The establishment of the Single Electricity Market (SEM) marked a significant step in opening up Northern Ireland's energy markets to competition. However, further steps are to be taken in the coming years – ensuring the EU directive on unbundling in is transposed to Northern Ireland; further integrating the SEM into neighbouring markets; establishing cross-border arrangements for gas; ensuring transparency in gas and electricity pricing; encouraging new entrants into energy markets; facilitating switching; and extending of the gas network.

Fuel poverty

The recently published *Northern Ireland House Condition Survey 2009* shows that 44% of households in Northern Ireland have to pay more than 10% of their income on energy costs. The Department of Social Development has recently published its *Fuel Poverty Strategy* (March 2011) that commits to:

- Spend more money to improve the energy efficiency of our housing stock - £31m will be spent this year in energy efficiency improvements;
- Bid for extra money from the Social Protection Fund to further help people in need;
- Launch a pilot boiler replacement scheme targeting those in greatest need; and
- Push forward on energy brokering and challenge energy suppliers to drive down energy costs.

Climate change - the need to raise the game

Suzie Cave

Northern Ireland is lagging behind in terms of reaching targets and moving to a low carbon economy.

The Intergovernmental Panel on Climate Change has unequivocally affirmed the warming of our climate system, and linked it directly to human activity. The recent SNIFFER report on the impacts of climate change on NI identified a number of direct effects, mostly negative, on human health, the economy, natural habitats and water resources. Household emissions in NI are reported to be 39% above the UK average, and the 12 worst performing UK authority areas were in Northern Ireland. Our carbon footprint is 10 tonnes in comparison to Bangladesh which is 0.2 tonnes. The implications for NI target setting are clear, with the level of annual reduction rising each year of delay.

Key UK-wide legislation is the *Climate Change Act* which mandates for at least a 34% reduction in emissions by 2020 and 80% by 2050. The target set in the NI Executive's *Programme for Government* is to reduce greenhouse gas emissions in 2025 by 25% from 1990 levels. This compares with Scotland's 42% reduction for 2020, preparing them for an 80% reduction target by 2050. Wales also intends to hit above the UK target for 2020, with a reduction of 40%. The Republic of Ireland currently seeks to secure a 40% improvement in primary energy consumption and a reduction of 40% in C02 emissions.

Against the 1990 levels, England has reduced its emissions by 21.1%, Scotland by 21.3%, Wales by 9.9% and NI by 11.2%. While Wales appears to be further off the target than NI, we are clearly lagging far behind England and Scotland. The target of more than 34% by 2020 means that the rate of emission reduction should be an average of at least 3% per annum to ensure that NI contributes its fair share of emissions reduction to help stabilise the world's climate.

Cross-departmental co-operation and adaptation

All government departments have a contribution to make to mitigating and adapting to climate change. DOE has the remit for climate change policy and delivering it through its Climate Change Unit. The role of this unit is to be expanded requiring it to be more proactive across government and given more responsibility for the actual delivery of not just mitigation (dealing with the causes of climate change), but also adaptation (dealing with the consequences of climate change). There is now approval to expand the remit of the cross-departmental working group on greenhouse gas emissions, so as to include adaptation as well as mitigation.

The *Climate Change Act* sets the responsibilities in relation to the impact of and adaptation to climate change. The Secretary of State is required to lay assessments before Parliament of the risks for the United Kingdom of the current and predicted impact of climate change, known as the 'Climate Change Risk Assessment' (CCRA). This is due to be released January 2012, with a chapter on the risks for NI. However, NI will have to prepare its own risk assessment from this, with the requirement for the production of a new one every five years.

> *All government departments have a contribution to make to mitigating and adapting to climate change*

Following the risk assessment will be the development of a UK-wide *Action Plan* due mid to late 2012. This is to be adapted to become the *NI Action Programme* to counteract the risks and reduce NI green house gas emissions. This will be produced and overseen by the cross-departmental working group as part of its wider remit to address adaptation and ensure buy-in by all departments.

Alongside the risk assessment will be the release of a UK-wide Economic Appraisal by mid 2012. This will identify the priorities and how to address them in the most cost effective way. As yet there is no provision for one at the NI level due to a lack of additional resources.

Low Carbon Economy - the race is on

A report commissioned by Action Renewables on the job creation opportunities from renewables in NI suggested that *'there is a good potential for job creation in Northern Ireland. Almost 6,000 short-term and 400 long-term jobs could be sustained in Northern Ireland'*. Renewable technology offers significant opportunities for Northern Ireland business and industry, but the policy drivers must be there to support their development.

Countries such as Scotland and Saudi Arabia have recognised the potential and opportunities associated with moving to a low carbon economy. Saudi Arabia is one of the major suppliers of clean power to the UK, and recognising this Scotland clearly wants its slice. Scotland has the most stringent targets in the whole of the UK, and as a result large companies are setting up to take advantage of the environment created. For example, a £70m wind energy fund has been launched for ports and shipyard upgrades to stimulate the offshore wind industry and create an expected 28,000 jobs. NI now needs to develop distinctive and innovative policy to attract experts, resources, services and businesses, so as not to get left standing at the starting line.

The Road Safety Strategy: out with the old and in with the new

Suzie Cave

Following the early achievement of the current Road Safety Strategy targets, a new more challenging strategy, with emphasis on young people, has been launched.

The need for new targets

The current road strategy was supposed to continue until 2012; first published in 2002, the road safety strategy aimed to reduce by 33% the number of people killed and injured in road accidents, and by 50% the number of children killed or seriously injured. As most of the targets have been reached, the Environment Minister has introduced a replacement strategy. The success of the strategy was so great that February 2010 was the first calendar month during which no fatalities were recorded on Northern Ireland's roads since electronic records began in 1986.

The new strategy

The new strategy outlines the key road safety challenges to be addressed over the next ten years to 2020 in terms of 'Safer Roads', 'Safer Vehicles' and Safer Road Users'. With its vision for road safety *'to make a journey on Northern Ireland's roads as safe for all road users as anywhere in the world'*, the strategy identifies four key casualty reduction targets:

1. To reduce road fatalities by at least 60%;
2. To reduce the number of people seriously injured in road collisions;
3. To reduce the number of children (0-15) killed or seriously injured by at least 55%;
4. To reduce the number of young people (16-24) killed or seriously injured by at least 55%.

Not only are these targets higher than the previous strategy; they are starting from an already reduced baseline. Northern Ireland is unique with the introduction of the separate target to reduce deaths in the 16-24 age group, which is the first such target within the UK and Ireland.

Areas for focus

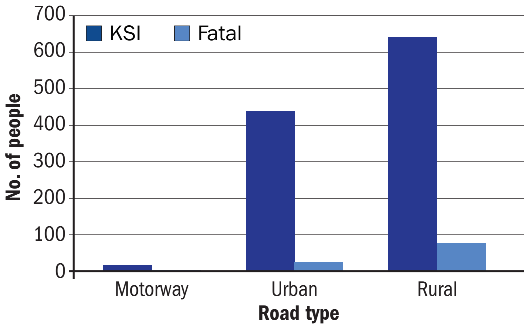
Road deaths

While the latest figures in Northern Ireland show that the current road safety target reductions for up to 2012 had already been achieved by 2008, the proportion of Northern Ireland's population killed or seriously injured as a result of road traffic collisions remains higher than Great Britain and other high-performing European countries.

Rural roads

The most recent statistics show that rural roads in NI have the worst safety levels. The figure shows that both the observed numbers for fatal, and killed or seriously injured casualties in 2008 were higher on NI's rural roads compared to other road types.

Number of people killed or seriously injured (KSI) by road type, 2008



Source: Transport Research Laboratory, Benchmarking Road Safety in NI (2010)

Young and inexperienced drivers

The new strategy aims to reduce the number of young people (16-24) killed or seriously injured by at least 55% by 2020. One way of targeting this age group is to implement an improved programme of measures to influence young people's attitudes and behaviours to road safety. This is to be achieved by reassessing and improving the way novice drivers and motorcyclists first learn to drive and/or ride, and the way they are tested and continue to learn throughout their lives. In light of the targets and amid concerns at the continuing over-representation of young and often inexperienced drivers in fatal and serious road collisions, the new strategy included a consultation on proposals to re-evaluate the existing 45mph speed restriction on learner and restricted drivers, and introduce a new system of Graduated Driver Licensing (GDL) to replace the current 'R' driver scheme. The GDL scheme is proposed to include:

- Raising or lowering the age of qualification for a provisional or full licence;
- Setting minimum learning periods;
- Requiring learners to take a minimum number of driving lessons and/or hours/ miles of supervised practice;
- Allowing learner drivers to drive on motorways;
- Post-test restrictions on the number of passengers allowed in a car;
- Night-time curfews; and
- Increasing the 12 month restricted period and introducing an offence-free period.

Knowledge and understanding

There is a need for more locally focused research to improve knowledge and understanding of road safety in areas of deprivation, rural areas, and areas where such things as alternating speed limits outside schools during school start and finish times could be introduced, or the introduction of 20mph limits to residential areas. However, the uncertainty of funding over the coming years could affect this greatly.

Drug driving

Drink driving is a per se law: either being above the stated blood alcohol limit (BAL) or not, testing can be conducted at the road side, making enforcement relatively straightforward compared to drug driving testing. There is no equivalent limit for drugs and police have to prove on a case-by-case basis, where a specified drug has been detected, that the offender displays a level of impairment. With so many forms of drugs (including prescription), enforcement is therefore very difficult; technical research for a method of road side drug detection is needed.

Review of Public Administration (RPA)

Dr Kevin Pelan

The RPA has practical implications for local government and the Assembly. Can there be progress or is it back to the future?

Background

The RPA was established in 2002 by the Northern Ireland Executive with the aim to modernise and reform the public sector. Following restoration an Executive Sub-Committee was established to review the decisions that related to local government reform and modernisation. This Committee was chaired by the Environment Minister and comprised of four other Ministers. The work was taken forward in three strands:

- The development of a shared vision for local government;
- The number of councils; and
- Functions to be transferred to local government.

Following a period of consultation with stakeholders, the then Environment Minister, Arlene Foster, submitted a final report to the Executive on 12 March 2008. The decisions of the Executive were presented in a statement to the Assembly on 31 March 2008.

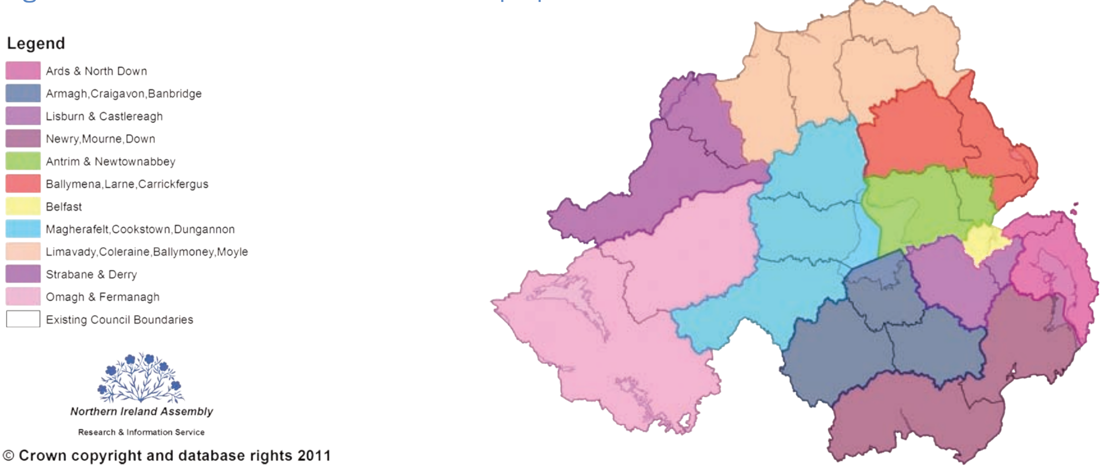
What were the key recommendations?

The key recommendation that arose from this report was the proposed reduction in the number of councils from 26 to 11.

In addition, the new councils were to have greater powers delegated to them from the Executive departments for a wide range of functions e.g.

- Local development plan functions, development control and enforcement;
- Certain road functions including street-scaping; town and city centre environmental improvements; street lighting;
- Urban regeneration and community development delivery functions including

Figure 1 Boundaries and names of the 11 proposed councils



area-based regeneration (such as Neighbourhood Renewal);

- A range of housing functions; and
- A number of functions associated with local economic development, local tourism and local arts, sports and leisure.

The transfer of these functions would account for annual expenditure of £116m (increase of 25% in local government budget) and involve about 1100 staff (increase of about 12% of complement).

While most of the media focus and public debate was, and is, still on the proposed reduction in the number of councils, the RPA would also affect the wider public sector e.g. a reduction in the number of health trusts, establishment of a single education authority to replace the Education and Library Boards, the establishment of a single waste authority.

Arrangements would also be established that would see local government have formal input to those areas that continue to be held by central government.

What happened to RPA?

Policy development panels, established after the Minister's statement to the Assembly, produced policies for local government reform under three broad headings:

- governance and relationships;
- service delivery; and
- structural reform.

Despite this progress the Executive took a controversial decision in June 2010 that the RPA would not proceed to the planned May 2011 deadline and that elections to the existing 26 councils would take place in May 2011 instead.

The debate around this decision centred on the findings of a PwC report which indicated that the cost of reducing the number of councils over the initial five year period would have been £118m, although savings of £438m over 25 years were envisaged.

Questions around whether local or central government should foot this bill, disagreement over council boundaries and plans to centralise some business functions also contributed to the decision not to proceed.

What next?

The Department of the Environment carried out a consultation between November 2010 and March 2011. It was comprised of the policies produced by the policy development panels referred to above.

In relation to the number of councils the document refers to the report of the Local Government Boundary Commissioner presented to the Department of the Environment in June 2009.

It indicates that the Executive will bring forward legislation when a timetable for local government reorganisation is agreed. This will give effect to the Boundary Commissioner's recommendation *with or without modification*, made in June 2009 report, which specified the boundaries of the new local government districts and wards.

Planning Reform: a culture shift

Suzie Cave

The new Planning Reform Bill will bring about the most radical changes to Northern Ireland's planning system for over 30 years as part of a fundamental reform to its local government structure.

The new system

The new Bill provides for the transfer of development plan and development management powers from the Department of the Environment (DoE) to the yet to be established councils.

Under the proposals the new local councils will become planning authorities with responsibility for drawing up their own development plans and making the vast majority of planning decisions, where local authority councillors will have responsibility for determining planning applications.

The functions of the current Planning Service will be taken forward by two new divisions:

1. The existing six divisional planning offices will be streamlined to five new planning offices, or 'Local Planning Operations Divisions'. The map shows the proposed location of each new divisional office. The new planning offices will take responsibility for development management (determining planning applications) and development plan (preparing area plans that guide future development), and will be transferred to the new Councils once the final RPA arrangements have been put in place.
2. A Strategic Planning Operations Division that will ultimately remain within the DoE will retain responsibility for major planning applications, strategic planning and policy.

The Department for Regional Development will retain responsibility for the Regional Development Strategy, and the Department of the Environment will retain responsibility for strategic planning policies. Together these will provide the policy framework within which councils will operate. The DoE will issue secondary legislation and guidance on what practical aspects of planning and performance management the councils will have oversight of. With this in mind, a pilot programme will be conducted to test the working arrangements for the delivery of planning functions by the new councils before they are rolled out across the new council areas by April 2012. The purpose of the programme is to establish arrangements as close to those that will be required after the functions transfer.

Policy proposals for Local Government Reform have undergone consultation. However, this will be for the post-2011 election Executive to decide, with proposals by the Environment Minister to bring the 11 councils into shadow form in 2014, and the full transfer of powers in April 2015. At the

New Area Planning Offices

time of writing, Minister Poots stated that he does not propose to transfer Planning ahead of local government re-organisation legislation.

Spatial planning

It is important to acknowledge the difference between two types of planning: land-use planning and spatial planning. The former characterises the present system and practice in Northern Ireland. *The Planning Reform Bill* makes the initial statutory provision for spatial planning to be adopted in Northern Ireland.

Spatial planning moves the emphasis away from planning as simply regulatory practice narrowly focused on land-use, to planning as an activity that is both integrated with other local government services and is focused on delivery. In this context the development plan becomes the land-use and development delivery mechanism for the objectives and policies set out in the Community Strategy. This has been accompanied in other parts of the UK by attempts to uplift the skills and outlook of all those involved in the planning system, in what has been called a 'culture shift', represented by a move from 'Development Control' to 'Development Management'.

The proposals in the Bill substantively replicate the instruments contained in the *Planning and Compulsory Purchase Act 2004* which applies to England and Wales and the *Planning (Scotland) Act 2006*. These Acts effectively placed the new concept of 'spatial planning' on a statutory basis in these parts of the UK.

Subordinate legislation and guidance

The new Bill is heavily dependent on the production of secondary legislation and associated guidance to enable individual councillors and planning staff to produce local development plans that meet the needs of their communities. With so much reliance on follow-up legislation and guidance, it is essential that it is produced in a timely manner. Councils will need the information, resources and expertise to perform their new functions, and the extent of this need will rest on the outcome of the pilot programme.

Green New Deal for Northern Ireland

Aidan Stennett

The Green New Deal has been called *'the big idea for coping with the recession, rising energy prices and climate change'.*

Introduction

Inspired by Franklin D Roosevelt's New Deal of the 1930s, the Green New Deal for Northern Ireland is a cross-sector initiative to tackle the 'triple crunch' of recession, rising energy prices and climate change. The deal's proposals include refurbishing thousands of existing homes with insulation and renewable energy, decreasing our reliance on fossil fuels by increasing our use of renewables, and developing innovative financial packages to fund the proposals.

The plan

A business plan outlining these proposals has been published. It presents a vision of economic stimulation and job creation that simultaneously combats major economic, environmental and social threats.

The plan, the result of cross-sector collaboration, recommends that Northern Ireland:

- Refurbishes tens of thousands of existing homes by installing insulation and renewable energy. This includes the 137,000 homes that fail to meet the Decent Homes Standard, and will combat fuel poverty in the process;
- Transforms the energy performance of public and commercial buildings through energy efficiency and renewable generation;
- 'Decarbonises', regionalises and localises the supplies of electricity and heat through large-scale renewables, micro-generation and efficient fossil fuels use;
- Develops a 'carbon army' of workers to implement the programme creating around 24,000 new jobs;
- Transforms the transport system by moving beyond oil reliance; and
- Develops innovative financial incentives based on collaboration and partnership between the public sector, private sector, other stakeholders and the public, in order to implement the programme.

Financing the plan

Key to the implementation of this ambitious strategy is how it will be financed – an important consideration in fiscally constrained times.

Debating the Green New Deal in the Assembly in October 2010, the Minister for Enterprise, Trade and Investment noted its potential benefits, but was keen to stress the financing difficulties:

> *I welcome the Green New Deal proposals. However, we must be mindful of the current financial climate and, therefore, work together to develop an innovative green deal financing option*

> *that will stand the test of time and, thereby, embed energy efficiency and renewable energy across all aspects of our society.*

The Minister supported leveraging private sector investment to fund the proposals and to repay this through a 'pay as you save' scheme. The Minister noted, in specific reference to the deal's housing proposals, that:

> *… we must be mindful to put the correct financial framework in place at the outset. A model with a pay-as-you-save concept at its heart offers the best opportunity for everyone. In that model, the private sector would pay for the work up-front through networks of green deal providers, and it would allow house owners or tenants of non-domestic buildings to pay their energy bills back over time from the energy savings that they make.*

The Green New Deal Plan itself recognises the considerable funding needed – approximately £900m per annum, equivalent to 3% of Northern Ireland's annual Gross Value Added. They recognise too that this level of funding is not readily available from the block grant.

With this in mind, the plan outlines a range of funding alternatives:

- Bond finance: investment capital is raised through bond markets for, and the creation of a revenue stream through, a 'pay as you save' scheme where the cost of the measures is recovered through energy bills;
- A surcharge on the regional rate serving as a revenue stream for a bond issue via a non-governmental body;
- A restructuring of the rating system to incentivise investment in low carbon technologies and energy efficiency, penalising inefficient properties;
- Housing equity unlock: a charge on a property serves as security for the capital investment in energy saving measures and is paid for through a 'pay as you save' scheme;
- European Investment Bank loans made available through the local banks, a mutualised body, and/or other agencies;
- Salix Finance: the use of an enhanced Carbon Trust Salix fund to finance investment in the public sector;
- Local authority bonds: local councils issue bonds securitised against the rates base to carry out energy efficiency measures on council property; and
- Northern Ireland Green Energy Bond issued by government if Treasury rules were relaxed, or by local banks or a mutual institution to attract savings from individuals and pension funds.

Joined-up thinking

The initiative's proposals have been drawn up by the Green New Deal Group, a coalition comprising 40 organisations, chaired by the Utility Regulator and led by the Confederation of British Industry, the Irish Congress of Trade Unions, the Northern Ireland Council for Voluntary Action, the Ulster Farmers' Union and Friends of the Earth. Other organisations, including the Energy Saving Trust, the Utility Regulator, Translink, Invest NI, the Carbon Trust, Queen's University and University of Ulster, contributed to the project in an advisory capacity.

The Common Agricultural Policy (CAP)

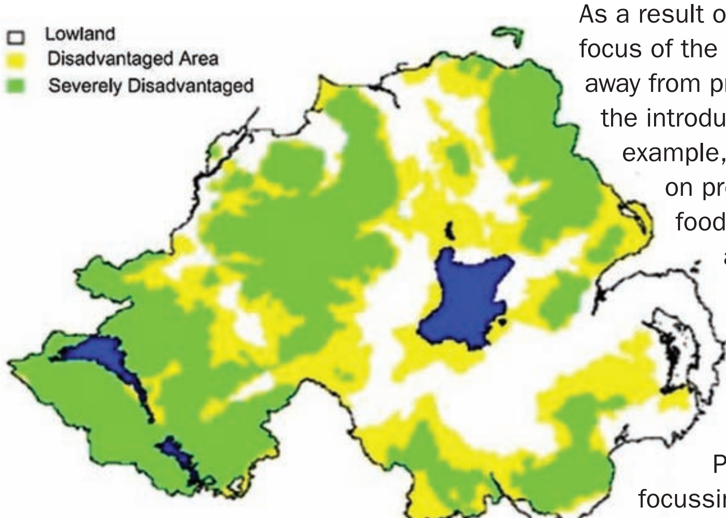
Mark Allen

CAP reform could have seriously negative implications for Northern Ireland agriculture.

Context

Agriculture remains a critical industry and employer in Northern Ireland with a labour force of 48,000 directly involved in agriculture. Agriculture contributes £304m Gross Value Added to the local economy, (1.2% overall): double the UK average.

70% of the agricultural land within Northern Ireland is recognised as being Less Favoured, meaning that agricultural production is hampered or restricted by factors including lower quality vegetation to support animal grazing and low population densities.



Reproduced from the Ordnance Survey Map of Northern Ireland. Crown Copyright 2003

At a time when other business sectors are in decline or stasis, the agri/food sector appears to be growing within Northern Ireland.

Background to the CAP

The principle of supporting agricultural production so that European consumers had access to a stable and affordable supply of food whilst ensuring that the farmers who produced the food had a viable income and livelihood was one of the primary motivations for the creation of the EEC/EU. This principle was formally enacted and implemented in the form of the Common Agricultural Policy (CAP) in 1962, which has subsequently provided direct and indirect financial support to agriculture and the wider rural economy.

As a result of a number of reforms the focus of the CAP has gradually been moving away from production since the 1980s, with the introduction of milk quotas in 1983 for example, setting the trend for limitations on production and the reduction of food surpluses. Currently the CAP accounts for around 50% of the entire EU budget organised under two pillars: Pillar One being focussed on direct payment to farmers largely in the form of the Single Farm Payment (SFP), and Pillar Two focussing on wider rural development measures including diversification, habitat/environmental conservation, and wider rural sustainability.

The EU is currently committed to a further and wide-ranging reform of the CAP in

2013. The proposed reforms have three key objectives as follows:

- Viable food production;
- Sustainable management of natural resources and climate action; and
- Balanced territorial development.

In proposals published in late November 2010 the European Commission set out its broad proposals for CAP reform in the period up to 2020. This paper sets out three broad policy options for reform, based upon the continuation of a two pillar CAP as follows:

- **Option 1**: Introduce more equity in the distribution of direct payments between member states, but leave the current direct payment system to farmers unchanged. This option would result in the least change from the current system;
- **Option 2**: Introduce more equity in the distribution of direct payments between member states, and a significant redesign of the direct payment system to farmers including the creation of a new basic rate, which would be capped, and the creation of additional payments to compensate for issues like natural constraints. This option would result in significant change from the current system; and
- **Option 3**: Phase out direct payments in their current form and instead provide limited payments for environmental protection and additional natural constraints payments. This option would result in an unprecedented and total change from the current system.

What are the potentially challenging impacts of CAP reform on agriculture in Northern Ireland?

Given that the current CAP reform process is very much in the early stages the effects of proposed reforms on agriculture here are hard to accurately assess. However, challenges can be identified on the basis of an analysis of how agriculture in Northern Ireland currently benefits from the CAP.

According to figures provided by Defra there were a total of 39,080 Single Farm Payment (SFP) beneficiaries within Northern Ireland in 2009 who received payments which totalled £301,825,754.21. Any drastic changes to the Single Farm Payment system in terms of its budget, eligibility or rate of payment have the potential to adversely affect the viability of many of our farm businesses, particularly small farms, and the rural communities where they are based, as the SFP is their main source of income.

DARD currently funds its Less Favoured Areas Compensatory Allowance (LFACA) scheme through rural development funding. This scheme supports beef, sheep, deer and goat producers farming within LFAs in Northern Ireland to the tune of £22m per annum. Any alterations to the budget or funding priorities for the rural development mechanisms under Pillar Two could have far-reaching ramifications here.

In many ways the key challenge for Northern Ireland agriculture is in managing and minimising the potentially negative local impacts of the reform of the CAP. In order for this to happen there will be a real and ongoing need to engage effectively, decisively and creatively in the CAP reform process and by so doing bring influence to bear in both Westminster and Brussels that will secure a sustainable future for agriculture in Northern Ireland.

The Common Fisheries Policy (CFP)

Mark Allen

Can CFP reform secure the existence and further development of the local fishing industry?

Context

In UK terms, the sea fishing industry within Northern Ireland is relatively small, employing 654 full-time sea fishermen in 2009. Despite its size, however, the industry makes a significant contribution to the local economy within County Down due to both the growing value of fish and the development of a local fish processing and industry support sector.

In terms of ports, the boats which constitute the sea fishing industry here are mainly located in Portavogie, Kilkeel and Ardglass. Based on 2009 figures, all three of these ports were within the UK's top 20 ports in terms of the tonnage of fish landed by UK vessels.

Shellfish and in particular nephrops (prawns) make up the most significant part of the overall catch landed at Northern Ireland's three ports. Pelagic fish such as mackerel and herring make up the next largest tonnage, followed by the lower tonnage but more valuable Demersal fish such as cod and plaice.

In terms of fish stocks, scientific evidence utilised by ICES (International Councils for the Exploration of the Seas), shows that with the exception of haddock, plaice and herring, there are serious concerns at the current stock levels of species such as cod, sole and whiting within the Irish Sea, although ICES believes that the trend for stock of all species within the Irish Sea, with the notable exceptions of sole and whiting, is improving.

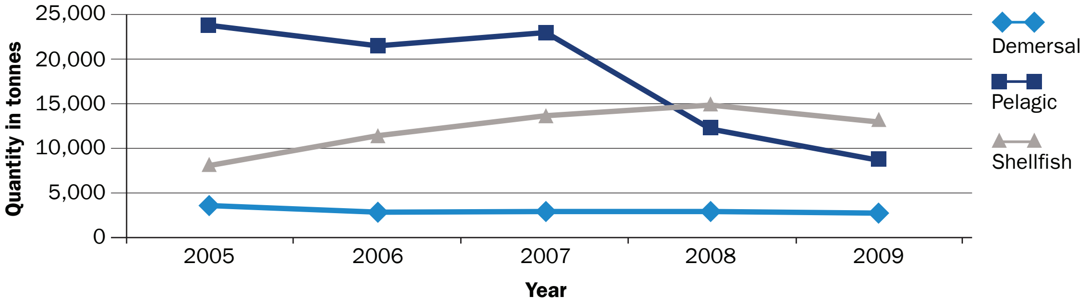
With regard to the state of the Irish Sea nephrops stock, the available evidence suggests that the stock in the *'western Irish Sea has maintained a stable size composition and sex ratio during the past four decades, suggesting that the stock is harvested sustainably.'*

Background to the CFP

The general principle that all EU members should have equal access to the waters of all member states was broadly agreed as part of the then European Economic Community's aspirations in 1970. The formalised Common Fisheries Policy emerged from this principle in 1983. This is the main policy mechanism impacting upon the sea fishing industry within Northern Ireland, past, present and future.

The effects of the CFP have been wide-ranging but the policy is commonly viewed as having reduced both the size of the EU fishing fleet and its level of effort (days at sea), whilst greatly restricting the species and size of catch through the Total Allowable Catch (TAC) system. With specific regard to cod, the Cod Recovery Plan has been in force within the Irish Sea since the year 2000, placing major restrictions on fishing for cod.

Landings into the UK and abroad by NI administered fishing vessels



These changes have led to the EU-wide problem of discards, whereby perfectly healthy fish are dumped at sea to ensure that fishermen do not exceed their TAC. At a more local level these changes have meant that the Northern Irish fishing industry could increasingly be described as a single species industry focussed on the catching of nephrops, a situation which makes the local industry vulnerable to any changes relating to nephrops stock or regulation.

The CFP has also seen the creation of a grants scheme to enable the fishing industry across the EU to be more efficient and sustainable. At present the European Fisheries Fund (EFF) is running from 2007–2013 and within Northern Ireland has been allocated a total of €18.1m. This figure, which is matched by DARD, means that fishermen and fishing communities in Northern Ireland potentially have access to grants worth a total of over €36m.

The challenges of CFP reform for the local industry

In 2008 the European Commission launched what has been generally referred to as a 'radical reform' of the Common Fisheries Policy (CFP). As part of this ongoing process of reform the European Commission has hoped to publish legislative proposals for the reform of the CFP in early 2011 with a view to a revised CFP coming into force on the January 2013.

Within this context key challenges posed by CFP reform for the local fishing industry include:

- Ensuring demands for both greater regionalisation/decentralisation and simpler regulation are met through CFP reform;
- Ensuring that the expertise and knowledge of local fishermen is brought to bear in both the process of CFP reform and the implementation and management of the finalised policy;
- Increasing the accuracy of the scientific knowledge on which the health of fish stocks and TACs are based;
- Ensuring that the Irish Sea is both a sustainable and more diverse fishery – not solely reliant upon the exploitation of prawns;
- Ensuring that the good work being done by the local industry in relation to the reduction of fish discards is both widely disseminated and further built upon; and
- Ensuring that the voice of the local industry is both heard and listened to at a UK and EU level.

The agri-food sector's reliance on oil

Mark Allen

The rising cost of oil raises questions around the long-term sustainability of our agri-food industry in its current form.

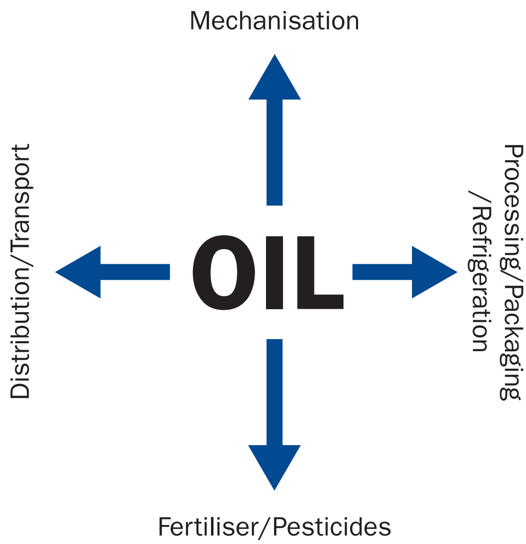
Context

The twentieth century saw many radical changes to how we live and work but it could be argued that many of these changes were driven by the availability of cheap, reliable and highly portable energy, and other commodities derived from oil. The development of the car, plastics, air travel and many medicines would not have happened without the development of the oil industry, and whilst these steps have been positive, modern human society is now tied to, and highly reliant on, the provision of oil-derived products.

This situation is perhaps nowhere more apparent than in relation to the modern agri-food industry. Without oil and the products derived from it, the production, availability and variety levels of food that we currently enjoy would be far harder to achieve.

Whilst oil has been both cheap and readily available in large volumes for most of the last 100 years there is a growing recognition that this era may well be coming to an end. For much of the second half of the 20th century oil prices were on average around $40 per barrel. The oil crisis of the 1970s saw this figure soar to $100 before falling back for much of the 1980s and 1990s. On average, however, the 21st century has borne witness to a steady rise in prices that has now seen oil rise to $113 per barrel at the time of writing.

Agri-food sector oil product uses



The growing demand from emerging economies such as China and India has seen both world oil consumption and prices soar, at a time when the yield from many of the easiest to exploit oil reserves has, at best, levelled off, or in some sites showed signs of decline. This situation has led some experts to speculate that the world may now have reached, or be about to reach, the much vaunted point of 'peak oil' – when world oil production reaches its maximum and then begins a rapid and terminal decline. In such conditions the price of oil is likely to rise rapidly over the coming years as demand exceeds supply.

Potential impacts for the Northern Ireland agri-food sector

At present the local agri-food industry employs around 92,000 people and had a turnover of £3.2bn in 2009, making it one of our most significant industries and one of the few sectors of the economy that has continued to grow, in spite of the recent economic downturn. Set within this context an ever upwards rise in oil prices has the potential for catastrophic impacts on our local agri-food sector.

The ability for the constituent parts of the agri-food sector here to continue to exist, never mind prosper, relies heavily on the ability of producers and processers to keep costs to a minimum. As stated earlier, historically speaking, costs directly linked to the price of oil such as fuel, energy, fertiliser and pesticides have been largely stable and easy to project for much of the last century. This somewhat luxurious position is no longer the case, however, and many producers, processors, hauliers and exporters are increasingly referring to the fact that their business models are no longer sustainable due to the rising costs of products derived from oil. The potential loss of jobs and damage to our local economy in these instances would be keenly felt.

Rising costs for our food are also increasingly being passed on to consumers, a situation which has potentially negative connotations both in terms of the health of the general population and with regard to demand for many local food products, which people may increasingly be unable to afford either locally or abroad. In this regard the relative cheapness of food, which has enabled many to enjoy a varied diet, may well become a feature of the past.

Challenges

It seems clear that if our local agri-food sector is to continue to exist and prosper, it will need to wean itself off oil given that production, processing and distribution methods that rely heavily on cheap oil will become increasingly unsustainable. In such circumstances the key challenge will be to reduce the use of oil-derived products and their associated cost wherever possible by both developing and widely adopting alternatives. Actions such as the greater use of renewable energy have the potential to provide relatively quick wins here in terms of cost reduction.

On a longer-term basis, however, more work needs to be done in relation to the development of agriculture methods and processes which require lower levels of input from oil-derived products but which still maintain high yields. There may also be a need to restructure the very nature of our agri-food sector in terms of the types of products that it produces and processes.

In addition, a growing emphasis on achieving ‘food security’ may well present both challenges and opportunities for our local agri-food industry. A growing need for local, affordable, and sustainably grown food may well open up new markets and products for our farmers and processors, but for this to happen it will likely require the development of both new skills and infrastructure, which will itself require capital investment.

The Northern Ireland Marine Bill

Dr Kevin Pelan

Will a new Northern Ireland Marine Bill address the competing interests of stakeholders, contribute to national objectives and meet EU obligations?

Background

Following consultation in 2008 the UK Government, the Welsh Assembly Government, Scottish Government and the Northern Ireland Executive published High Level Marine Objectives for the UK marine area in *Our seas – a shared resource: high level marine objectives*. It is the intention of government that these objectives will contribute to the overall vision of '*clean, healthy, safe, productive and biologically diverse oceans and seas.*'

These high level objectives are set within the context of five sustainable development principles, broadly outlined below:

- **Achieving a sustainable marine economy** – focus on marine businesses operating within sustainable limits, being competitive, socially acceptable and with the appropriate infrastructure to underpin these;
- **Ensuring a strong, healthy and just society** – equal access for all to ensure that society as a whole can potentially benefit from a wide range of marine resources;
- **Living within environmental limits** – protection and conservation of biodiversity to support biological communities and the function of healthy, resilient and adaptable marine ecosystems;
- **Promoting good governance** – takes account of the different management systems in place due to political, administrative or international boundaries and gives input to decision-making to those with a stake in the marine environment. An ecosystem approach will include marine, land and water management mechanisms working together; and
- **Using sound science responsibly** – sound evidence and monitoring underpins effective marine management and policy development. A Precautionary Principle is applied in accordance with the UK Government and Devolved Administrations' sustainable development policy.

What is the relevant legislation?

These objectives underpin the Marine Policy Statement which is provided for in the *Marine and Coastal Access Act 2009*. This Statement is central to three pieces of legislation that provide the framework for management of the seas around Northern Ireland:

- *The UK Marine and Coastal Access Act 2009* (the UK Act);
- UK-wide *Marine Strategy Regulations 2010* transpose the *Marine Strategy Framework Directive* (2008/56/EC) which requires the UK to achieve or maintain good environmental status in the marine environment by 2020; and
- The *Northern Ireland Marine Bill* (which should be introduced to the Northern Ireland Assembly in 2011).

It is anticipated that a *Northern Ireland Marine Bill* will be introduced in 2011 and will receive Royal Assent in 2012.

The Northern Ireland Marine Zone

The marine area around the UK coast is divided into different zones. The Northern Ireland Zone comprises the territorial sea adjacent to Northern Ireland and an area of the Irish Sea west and south of the Isle of Man territorial Sea.

Chart showing the Northern Ireland Zone

Source: DOE

In accordance with the *Belfast Agreement* there are joint management arrangements for Carlingford Lough and Lough Foyle under the auspices of the Foyle, Carlingford and Irish Lights Commission.

What has the NI Executive done so far?

The *Marine Policy Statement* was published jointly on 18 March 2011 by all the UK administrations and is intended to apply to the whole of the UK. The Statement aims to support and facilitate the formulation of Marine Plans to ensure that marine resources are used in a sustainable way in accordance with the high level marine objectives. The marine plans are being introduced through primary legislation, i.e. in NI through the *Marine Bill*.

To this end, the NI Executive launched a consultation titled *A Northern Ireland Marine Bill – Policy Proposals,* on 13 April 2010. The Minister for the Environment stated that this would be another major step in the process of founding a *Marine Bill* based on the principles of sustainable development. The consultation closed on 10 July 2010.

What are the key issues to be addressed in the Marine Bill?

At a high level, the consultation document proposes a new framework for Northern Ireland's seas based on:

- Marine planning that balances conservation, energy and resource needs;
- Further streamlining of marine licensing beyond that required by the UK Act; and
- Improved management for marine nature conservation based on a new national designation regime with designated areas to be known as Marine Conservation Zones.

The overall objective is to establish this framework on the principles of sustainable development, better regulation and modern government. In doing so the Bill will seek to address the management of competing marine interests and will therefore need to consider the marine environment much more strategically.

The complexity of the current management regime for example, with many departments and agencies being involved, has been highlighted by the Northern Ireland Marine Taskforce, a coalition of eight environmental NGOs, which considers this a key issue to be addressed by the Bill; possibly by a newly established Marine Management Organisation.

The consultation document also states that the case for a more integrated approach is 'compelling'.

Tourism

Aidan Stennett

The tourism industry adds value to the Northern Ireland economy, but could it contribute more?

Introduction

During the previous Assembly mandate tourism strategy was steered by targets outlined in the *Programme for Government* 2008–2011, namely:

- PSA 5 Objective 1: Enhance Northern Ireland's tourism infrastructure; and
- PSA 5 Objective 2: Promote the growth of the tourist sector.

Available information on future strategy suggests that similar principles will guide policy over the next mandate and beyond to 2020.

Performance and potential

In the ten years between 1997 and 2007 the number of visitors to Northern Ireland increased by 65%, supporting 40,000 jobs and contributing 3.5% to economic output.

The Department of Enterprise, Trade and Investment's (DETI) tourism strategy, in draft form at the time of writing, suggests the sector could offer even greater benefits. The strategy aims to increase earnings from £536m to £1bn by 2020 and to grow visitor numbers from 3.2m to 4.6m in the same period.

Our resource – What does Northern Ireland have to offer?

Northern Ireland is far from a tropical paradise, but it is home to a unique set of assets, which, if correctly managed and marketed, could make it a very attractive destination. Key to the region's tourism base are the five signature projects – the Titanic Quarter, the Giant's Causeway, the Walled City, the Mournes, and St Patrick and Christian Heritage – which are viewed as flagship attractions, acting as visitor entry points that will *'provide new reasons to visit and encourage year round tourism'*.

Beyond the five signature destinations, a variety of indigenous attractions are on offer across the whole of Northern Ireland. DETI's strategy refers to these attractions as market segments, and draws up a list of existing and potential market segments, which they intend to focus on in the short- and medium-term respectively.

Existing short-term market segments: City Breaks; Cultural and Heritage; Activity and special interest breaks; and Business visitors.

New medium-term market segments: Food; Health and Wellbeing; Ecotourism; and Extended family groups.

Strategy

Mapping out how these ambitious targets are to be met, DETI suggests action across a number of areas:

- **Earning more from visitors** – the strategy suggests that more revenue might be earned from visitors by creating more opportunities for visitors to spend, improving skill levels across the tourist industry, developing quality produce and products, encouraging entrepreneurship and innovation, and by focusing marketing efforts on sub-sectors of the industry with the greatest potential;

- **Investing in development** – the focus here is the short- and medium-term. In the short-term consideration will be given to developing Signature Projects, conference facilities and events programmes, as well as improving access to the region, training and development, and use of new media. In the medium-term policy will focus on adding to available accommodation, improving use of the food and drink industry, bringing storytelling to life in destinations, identifying and developing industry talent and improving the industry's image;
- **Targeted marketing** – in addition to identifying the short- and medium-term market segments outlined above, future policy will also seek to improve marketing infrastructure by implementing a new branding strategy, investing in technology to improve marketing reach, researching the needs of visitors, and improving visitor surveys; and
- **Industry leadership** – policy will be supported by encouraging the industry to organise and speak with a unified voice.

Cross-departmental roles

Tourism is a cross-departmental policy area, spanning a number of executive departments and local authorities, as follows:

- **DETI**: sponsor body of Northern Ireland Tourism Board, supports work of Invest NI, manages delivery of visitor targets and integrated tourism priorities into policy;
- **DARD**: responsible for rural tourism and self-catering rural areas, developing supply chains for produce and supporting recreational activities;
- **DSD**: responsible for ensuring residents' needs are met alongside visitors and facilitating regenerations;
- **DEL**: responsible for tourism education and careers programmes, attracting course entrants and encouraging training to improve standards;
- **DoE**: responsible for protecting, managing and enhancing the natural environment, developing PPS16 and the rural design guide;
- **DCAL**: responsible for culture and arts strategy, upgrading museums, increasing leisure use of waterways and support of cross-border angling;
- **DRD**: responsible for the Regional Development Strategy and the Regional Transport Strategy; and
- **Local authorities**: responsible for investing in tourism, Tourism Area Plans, and opening access to natural environment.

Conclusion

Tourism contributes significantly to the Northern Ireland economy. DETI's tourism strategy, although only in draft form at present, outlines ambitious targets and plans to increase the level of this contribution to add further value to Northern Ireland as a whole. Over the next mandate the Assembly will have a role in scrutinising the implementation of this strategy and in ensuring that all relevant departments work together to enhance our tourism industry.

What do the arts do for Northern Ireland?

Dr Dan Hull

Northern Ireland has a strong tradition of participation in the arts, but to what extent should government be responsible for its provision?

Policy context

Throughout the 2010 Spending Review and the UK Government's review of public bodies, funding for culture and the arts has been scrutinised closely. While traditionally the arts have been viewed as a 'soft target' for budget cuts in tough times, strong arguments have been articulated about their positive economic and social effects.

Northern Ireland has a varied and active arts scene consisting of arts centres, music foundations, film makers, the visual arts, and performance groups of various kinds. It is estimated that around 33,000 individuals work in the creative industries, and that 73% of the adult population attend at least one arts event a year. Recent survey work has provided useful evidence of the levels – and kind – of participation in the arts, the contribution which such activities make to the economy, as well as their 'softer' social role in providing opportunities for community cohesion, personal development and social interaction.

Funding the arts

In Northern Ireland, £9–10 of government money is spent per head on the arts – somewhat lower than Wales, Scotland or the Republic of Ireland. Achieving the right funding 'mix' for the arts in a climate of economic difficulty will be a challenge for both government and arts organisations in the years ahead. For the 143 organisations which received core-funding from Arts Council Northern Ireland (ACNI) in 2007/08, such funding represented just 18% of their total income. Other funding sources included the Lottery, Arts Council Ireland, local authorities, various other government departments, and the European Commission. Around 2.3% was provided in sponsorship, and just 1% in donations.

The UK Department for Culture, Media and Sport has indicated a policy of switching away from central government funding and encouraging greater use of private sector funds and the 'Big Society'. Some commentators have expressed caution at this approach, suggesting that philanthropic giving favours some art forms and geographical areas over others. For example, festivals are the most successful in attracting private sector contributions, while disability arts organisations attract the least. Arts and Business, which fosters partnerships between arts organisations and private companies, report that for 2008/09, private investment in the arts in Northern Ireland was down 24% on the previous year, compared with a 7% reduction across the UK as a whole.

Most government funding for the arts in Northern Ireland is distributed via DCAL and its arms-length bodies, primarily ACNI. For 2008/09, the total grant-in-aid provided to ACNI was £13m, a real terms increase of

27.4% since 2001/02. However, all other areas of the UK and Ireland have seen somewhat higher real terms increases, with Arts Council Wales seeing a 51.4% uplift in government funding, and An Chomhairle Ealaíon/Arts Council Ireland up 46.9% over the same period.

Around £5m of funding comes to Northern Ireland each year from the National Lottery for arts projects. This figure has fallen since 2004/05 when £10.8m of Lottery funding was distributed by ACNI, though such funding is set to rise again with new legislation that will increase the proportion of funding allocated to the arts from 16% of Lottery funds at present, to 20% by 2012.

Economic contribution

In terms of economic contribution, analysis of the ‘creative industries’ – which includes occupations like the performing arts, design, architecture and computer games – shows that in 2007 they contributed 3.7% to the Northern Ireland economy. This compares with 6.2% for the UK as a whole, and 3.5% for the Republic of Ireland. In terms of employment, almost 33,000 people were employed in the creative industries in Northern Ireland in 2007, accounting for around 4.2% of the regional economy. This compares, for example, with agriculture which contributes 4.0%.

The arts play an important role in attracting tourists to Northern Ireland, with 182,400 visitors stating that they participated in cultural activities or a festival of some kind in 2009, although this compares with over 206,000 for 2001. Some important opportunities to attract tourists are likely to come with the completion of significant projects like the Metropolitan Arts Centre and the Lyric Theatre in Belfast, and Derry/Londonderry’s status as the first UK Capital of Culture in 2013.

Participation in the arts

Audiences NI has reported that despite the recession, the number of households attending an arts event rose by 7% in 2009, with households on a low income making up 29% of the total. Such attendance generated £16.2m, an increase of 11% on the previous year. Student enrolments also showed an increase, with 7,400 students taking up an arts, media or publishing course at higher or further education level in 2008/09. A major challenge in the years ahead will be sustaining this level of public involvement in the arts in a tough financial climate.

New Mossley, Newtownabbey – the new mural, right, was painted by Michael Dunn as part of the Re-imaging Communities programme (ACNI)

Before

After

Protecting Northern Ireland's historic environment

Dr Dan Hull

There are social and economic benefits to protecting Northern Ireland's heritage, but the challenges of doing so could be acute.

Contribution to society

Historic buildings and archaeological sites have a role to play in economic and social development. Heritage tourism contributes £7.4bn per year (GDP) to the UK economy, and 157,300 visitors engaged in cultural or historical visits in Northern Ireland in 2009, accounting for 36% of all tourism here. Restoring, maintaining and presenting archaeological sites and historic buildings is often perceived to be costly, but the return on investment can be rewarding. The process of conservation sustains jobs, skills and knowledge, and significant funds are invested in the historic environment every year. The Northern Ireland Environment Agency's listed building grant scheme leverages on average £5.70 for every £1 invested. Examples such as the Derry/Londonderry Regeneration Plan indicate that heritage can provide focus for, and add value to, development schemes. Social benefits can result from the fact that museums and heritage sites often represent shared spaces where identities can be informed and explored within a 'safe' environment.

Protecting the resource

There is a complex range of threats to the historic environment, including new housing developments, road schemes, urban renewal projects and agricultural work, as well as everyday pressures such as climate, vandalism and theft. Such threats can diminish the ability of heritage to attract tourists and enhance our quality of life. Northern Ireland has an estimated 35,000 archaeological sites and historic buildings, of which over 10,000 are protected on a statutory basis as scheduled monuments, listed buildings, or sites within conservation areas. The rest of the known sites have no such protection.

Recent surveys highlight the rate of loss of Northern Ireland's historic environment. A survey of all archaeological sites found that only 4% are in good condition and almost 86% have suffered damage. There are currently 445 buildings and sites classified as 'at risk', and a target to reduce this by 200 structures by 2016 is proving difficult to meet. At the height of the construction boom, around 300 listed buildings per year were subject to alteration or demolition.

The likelihood of built heritage sites surviving into the future depends on their setting. The worst survival rates are on arable land where deeper ploughing can damage submerged features, but areas of improved grassland and built development also have a poor record of conservation. However, the protection of heritage sites by taking them into state care, subjecting them to 'scheduling', or including them within agri-environment schemes has been shown to be effective, with over 90% of sites in these categories surviving well.

In 2010 and 2011, England, Scotland and Wales have sought to improve heritage protection further through measures such as unifying the various classifications of protection into a single, easier to understand list of 'heritage assets', and enhancing planning guidance for historic sites. In Scotland, greater powers of entry to sites at risk have been secured and larger fines can now be imposed.

In the last five years, there have been just five convictions for the illegal demolition of a listed building, with fines as low as £100. There have been no successful prosecutions under the Treasure Act, and none under the Historic Monuments and Archaeological Objects Order.

Challenges ahead: finding the right balance

The most obvious challenge in protecting Northern Ireland's built heritage is slowing the rate of damage to both protected and unprotected historic sites. The loss of historic, but unlisted, structures is especially acute, particularly in the context of PPS21 which can make it harder for historic buildings to be defended from demolition. Protecting Northern Ireland's cultural objects from theft and sale through illegal metal detecting, and improving the reporting of archaeological finds under the obligations of the *Treasure Act*, will also be a challenge.

Secondly, securing a future for Northern Ireland's historic environment places responsibilities on a number of different bodies. For the Department of the Environment and the Department for Social Development, finding the right balance between the renewal of housing stock and the nurturing of traditional settlement patterns and historic buildings will be important. The roll-out of *The Planning Act* and its associated guidance, and the arrangements for local council control of planning decisions, will set the course by which built heritage is either nurtured or neglected in the future. Consistent observance of planning guidance at local level is likely to be a key factor in slowing the rate of decline of historic buildings and archaeological sites.

The Department of Agriculture and Rural Development has a role to play through the inclusion of heritage sites in agri-environment programmes, which currently only include around 5% of all archaeological sites. Finally, the Department of Culture, Arts and Leisure is relevant through its museum provision and support for cultural events, both of which are often inspired by, and located in, sites of historical interest.

Dunluce Castle – site of a recent excavation and survey project by the University of Ulster and Queen's University, funded by the Northern Ireland Environment Agency.

What is happening to our libraries?

Dr Dan Hull

Northern Ireland spends less on its libraries than the UK average, and has falling levels of library members. Reversing this trend in a tough financial climate presents many challenges.

A smaller proportion of the population holds a library card, and there are fewer public libraries, than four years ago. In 2007, there were 111 libraries in Northern Ireland with 49% registered as a member, compared with 101 libraries and a 37% registration level in 2011. However, official statistics released by the Department of Culture, Arts and Leisure (DCAL) indicate a 3% rise in library use over the last year.

With the rise and rise of online sales sites such as Amazon and the proliferation of ebooks, some commentators have questioned the future of libraries. However, libraries can and do pursue a number of different approaches to the services they offer, with some acting as a community hub offering a wide range of services, and others choosing to focus on the core resources of books, DVDs and other materials. Recent research has shown that the social contact, events and wider services offered by libraries are valued highly by users, especially those from vulnerable groups and disadvantaged communities. Use of libraries by children is particularly high.

Recent changes

The libraries infrastructure in Northern Ireland is provided by Libraries NI, overseen by DCAL. This body was set the task of conducting a review of Northern Ireland's libraries, ensuring that they are *'effective, efficient and affordable'*. However, concerns have been expressed by both community groups and MLAs about this consultation in two main respects. Firstly, the nature of the exercise has been viewed by some as containing a presumption for library closure, and that the 'real' purpose is to shrink the number of library sites and concentrate services into a smaller number of large centres. A second concern has been that the impact of library closure on local communities, particularly those with a high level of deprivation or those which are geographically isolated, will not factor in the decision-making process.

This review is partway through, with two of the three consultation stages completed. The first consultation, in 2010, focused on libraries in the Greater Belfast area, with ten of the 14 consulted on closed. The second stage focused on libraries outside the Greater Belfast area, and involved consultation on ten libraries which had been identified for potential closure – the results of this are currently awaited. A third stage, on mobile libraries, is to follow.

Funding our libraries

Libraries NI was awarded £30.52 million for 2010/11, around 27% of DCAL's overall budget, though this allocation is likely to fall in cash terms over the next four year spending period. Northern Ireland spends below the UK average on its library provision, and has a markedly lower proportion of active borrowers than England, Scotland or Wales. It also has fewer libraries per person than anywhere else in the UK. It would be easy to conclude from this that a low number of libraries results directly from decreased spending, which in turn leads to low levels of use. However, Wales spends the least per head in the UK and yet achieves the greatest levels of provision and use, prompting questions about whether a tradition of under-investment in Northern Ireland has led to a 'critical mass' of users not being established, or whether alternative service delivery and governance models need to be considered.

The four years ahead are likely to be tough for libraries everywhere. Heavily reliant on public funding, they will have few opportunities to diversify income streams. Approaches to this problem being advocated in England, where libraries are largely managed and funded by local authorities, include merging library authorities and setting up commercial ventures to supply back-office services to other areas.

Challenges ahead

Challenges to the library closure decisions are likely to increase as the second stage of the consultation concludes and the third stage gets underway. Such challenges have become protracted and high profile elsewhere in the UK. For example, in England the campaign to keep local libraries open has attracted a number of famous authors and other figures, and led to tensions between central and local government. It has also involved legal challenges, where opponents have, in the case of one local authority, argued successfully that the closure of their local libraries was in breach of library legislation which states a duty to *'provide a comprehensive and efficient public library service'*.

A recent survey of library professionals has highlighted a perception that they are under increasing pressure with a smaller budget and reduced staffing levels. This research also noted the pace of change in libraries, with most librarians expecting their working environment to evolve significantly over the next ten years, particularly with demand for digitised resources and ebooks.

DCAL's policy framework for public libraries, *Delivering Tomorrow's Libraries*, is now six years old, and this framework may now need to be revisited in order to tackle the challenges ahead.

Profile of library use and expenditure

	Active borrowers	Active borrowers per 1000 population	Revenue spending per capita	Population per public library
Northern Ireland	296,597	169	£16.28	17,414
England	10,619,110	208	£17.03	15,458
Scotland	1,053,683	205	£22.18	9,509
Wales	638,344	214	£15.55	9,312
UK	12,607,734	207	£17.37	14,289

Crime statistics and trends

Dr Gareth Mulvenna

How do trends in recorded crime in Northern Ireland compare with England, Wales, Scotland and the Republic of Ireland?

Recorded crime in Northern Ireland

Population: 1.8 million
Recorded crime total: 109,139 (2009/10)
Crime Rate: 6,063 recorded crimes per 100,000 of the population of Northern Ireland in 2009/10

Notable statistics from the 2009/10 PSNI *Annual Statistical Report* included:

- Overall violent crime in Northern Ireland rose by 406 (1.2%) from 32,694 to 33,100, in the previous 12 months;
- Overall burglary offences increased by 110 (0.9%); and
- Offences against the State increased by 83 (5.9%).

Key recorded crime trends since 2001/02

Some of the most notable trends which emerged when analysing the statistics contained in the PSNI's reports from 2001/02 until 2009/10 (most recent) have included the following:

Offences against the person constituted the largest category of recorded offences in 2009/10 and numbered 29,880, (1,660 offences per 100,000), an increase of 13% from 26,104 in 2001/02 (1,450 per 100,000). This is slightly higher than the equivalent category in England and Wales and much higher than in Scotland and the Republic of Ireland.

The number of cases of **criminal damage** recorded in 2001/02 was 39,953 (2,220 per 100,000). By 2009/10 this figure had dropped to 26,450 (1,469 per 100,000), a decrease of 34%.

There was a significant decrease in the number of **theft** offences with 26,605. There were 1,478 per 100,000 in 2009/10, down from 41,720 (2,318 per 100,000) in 2001/02, a decrease of 36%.

England and Wales

Population: 54.4 million
Recorded crime total: 4.3 million (2009/10)
Crime rate: 7,904 recorded crimes per 100,000 of the population of England and Wales combined

Violence against the person made up 20% of the total police-recorded crime in England and Wales in 2009/10 (1,581 per 100,000). In Northern Ireland the most similar category, **offences against the person**, constituted 27% of recorded crime in 2009/10.

Criminal damage represented 24% of overall recorded crime in 2009/10 while in England and Wales the same category constituted 19% of total recorded crime (1,502 per 100,000) of police recorded crime.

Thefts constituted 24% of overall recorded crime in Northern Ireland in 2009/10 and **Other thefts** made up the same figure (24%)

in England and Wales: approximately 1,897 thefts per 100,000 people compared with 26,193 per 100,000 in Northern Ireland.

Scotland

Population: 5.2 million
Recorded crime total: 338,028 (2009/10)
Crime rate: 6,500 recorded crimes per 100,000 of the population in Scotland

In 2009/10 the number of **non-sexual crimes of violence** recorded by the police was 215 per 100,000 people. This category is similar to **offences against the person** in Northern Ireland and **violence against the person** in England and Wales. It constituted 3% of crimes recorded by police in Scotland in 2009/10. This smaller percentage figure is due to crime categories in Scotland including fewer subcategories than in Northern Ireland, England and Wales.

Offences which are included under the category of criminal damage in Northern Ireland are spread throughout various categories in Scotland, making comparison difficult. In Scotland thefts are included within the category **crimes of dishonesty**. In that respect the subcategory **other theft**, of which there were recorded in 2009/10 (1,173 per 100,000 people), constituted 18% of total recorded crime in Scotland, less than the 24% seen in Northern Ireland, England and Wales.

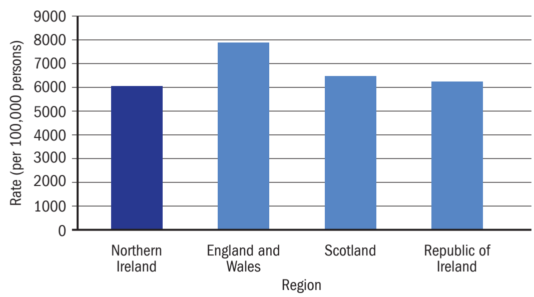
Republic of Ireland

Population: 4.38 million
Recorded crime total: 270,449 (2010)
Crime rate: 6,175 recorded crimes per 100,000 of the population

There is no single category to provide fair comparison with NI's **offences against the person** or similar categories in England and Wales, and Scotland. An aggregate of similar offences in the Republic of Ireland presents an annualised total (for 2010) of 395 per 100,000. However in 2009/10 there were 18 murders recorded in Northern Ireland; and 54 recorded in the Republic of Ireland.

Damage to property and the environment includes arson and other criminal damage. It saw an annualised total of recorded offences in 2010 (895 per 100,000).

Theft and related offences constituted an annualised total of 76,755 in 2010 (1,752 per 100,000).



Conclusions

- Overall crime rates in the UK jurisdictions and the Republic of Ireland are generally similar. England and Wales are highest with 7,904 recorded crimes per 100,000 of the population compared with Northern Ireland, the lowest, with 6,063.
- The largest category in Northern Ireland, **offences against the person** was of a comparable rate to that in England and Wales.
- Different styles of categorisation in Scotland and the Republic of Ireland meant that it can often be difficult to draw fair or accurate comparisons between Northern Ireland and those countries.

Is imprisonment appropriate for offenders with mental health problems?

Fiona O'Connell

Do mental health problems in prisons suggest a need for more diversion schemes?

Context

It is widely accepted that mental health problems in prisons are prevalent. There are concerns that imprisonment may not be an appropriate response as it can exacerbate mental health problems and increase the likelihood of reoffending. A number of reports suggest that there is a need for more schemes to divert offenders from prison to appropriate services in the community.

Key statistics relating to the extent of mental illness in the criminal justice system

- In the UK, 70% of sentenced prisoners suffer from two or more mental health problems;
- 64% of sentenced male prisoners and 50% of female prisoners have personality disorders. 78% of male prisoners on remand are personality disordered. This is estimated to be three or four times greater than the general population.
- 16% of individuals arrested into custody meet one or more of the assessment criteria for mental disorder.
- 700 out of 850 prisoners in Maghaberry Prison are on medication (mainly tranquilisers) and it is estimated that around half of all prisoners in Magilligan Prison are prescribed psychotropic medication.

There is evidence that there are few opportunities to divert offenders from prison to mental health services in Northern Ireland.

The Department of Justice in its *Strategy for the Management of Women Offenders (2010)* has acknowledged the need to improve the system for diverting women offenders with mental health problems and personality disorders away from prisons.

Current diversion methods for mentally disordered offenders

In Northern Ireland the Mentally Disordered Offenders Scheme has been identified as a model of good practice. The scheme was established in 1998, is based in Musgrave Street police station and involves two psychiatric nurses who undertake risk assessments and make referrals to mental health services. Recent Criminal Justice Inspection reports have identified some limitations; particularly that the service is limited to daylight hours and alternate weekends and that there appears to be some uncertainty about the future of the scheme. Furthermore, it has been reported that the scheme is limited as it is only available in four Belfast custody suites and it has been recommended that this is extended to custody suites across Northern Ireland.

There are diversion schemes in other jurisdictions, including England, the Republic of Ireland and the United States which may offer useful insights. These include mental health courts and liaison and diversion schemes in police stations, courts and prisons.

Mental health courts

Mental health courts are the main form of diversion used in most American states and have also been piloted in England, in Brighton and Stratford magistrates' courts in 2009.

> **Case Study**
> **Brooklyn Mental Health Court – The United States**
> The Brooklyn Mental Health Court is a specialised court that seeks to provide responses to dealing with defendants with mental health problems. The aim of the court is to address the needs of the defendant with mental health problems and public safety concerns. An onsite clinical team assesses defendants referred to the courts and the information enables judges to make decisions regarding the nature of the defendant's illness and the risks they pose to the public. The information also supports the development of plans for each defendant. Judicial monitoring is an important part of the initiative as each defendant is required to return to court to meet with case managers who report to judges on progress of treatment.
>
> ***Source**: Center for Court Innovation*

Other liaison and diversion schemes

The Prison In-reach and Court Liaison Service in Cloverhill Prison in the Republic of Ireland was established in 2006 by specialists from the Central Mental Hospital; the scheme is based on-site at the prison. One of the core aims of this service is to identify mental health issues amongst the remand population speedily, provide reports in a timely manner to courts and provide solutions such as appropriate mental health care. A recent report indicates that in 2008, the service diverted 91 offenders to community based mental health services, up from 19 referrals in 2005.

Diversion schemes in England and Wales were established following the *Reid Report* in 1992 and mainly take the form of nurse-led liaison, based at magistrate court level, with the purpose of directing people towards the available mental health services in the community and prisons. The Ministry of Justice is currently consulting on proposals to ensure effective punishment and rehabilitation of offenders. It is proposed to pilot and roll out liaison and diversion services nationally by 2014 for mentally ill offenders. These liaison and diversion services involve health staff placed at either police stations or courts to screen and assess people for mental health problems.

Summary

It is widely accepted that imprisonment may not be suitable for offenders with mental health problems and that there need to be more mechanisms to divert offenders from the criminal justice system to appropriate community services. Recent reports indicate that diversion schemes in Northern Ireland are under-developed and it may be useful to look to models in other jurisdictions.

Sentencing consistently to ensure punishment fits the crime

Fiona O'Connell

Is there a need for a sentencing guidelines body?

A recent consultation paper on a sentencing guidelines mechanism for Northern Ireland indicates that public confidence in criminal sentencing is low.

Recent media reports have highlighted controversial sentencing decisions in Northern Ireland. These include incidents such as a three month sentence for theft of a pair of jeans. At the other end of the spectrum there was public debate over a 12 month custodial sentence handed down for manslaughter. Incidents such as these may raise questions about consistency in sentencing.

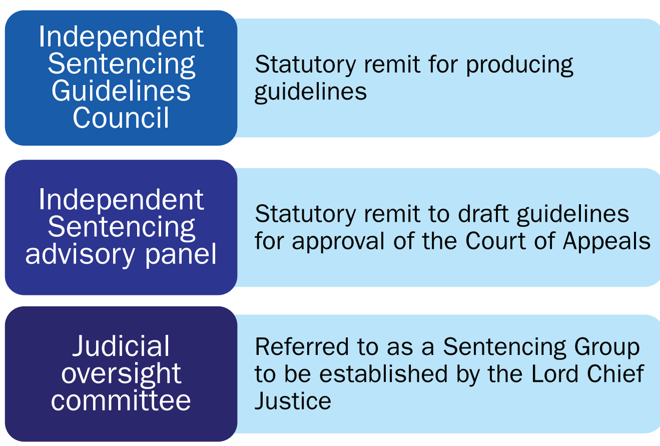
Sentencing in Northern Ireland

Judges may rely on several factors in sentencing decisions including: the seriousness of the offence; the maximum and minimum penalties set out in criminal law; the range of available disposals; the offender's circumstances and previous convictions; the impact of the offence on the victim; protection of the public; and aggravating or mitigating factors. Judges also rely on Court of Appeal guideline judgments.

Northern Ireland does not have a sentencing guidelines body unlike other jurisdictions such as England and Wales, the US and Australia. Professor of Criminal Justice, Martin Wasik notes that an independent guidelines body has some advantages over courts. It can work more systematically; devote more time to the task; and develop guidelines which are less case driven. He also comments that creation of a sentencing body independent of the legislature insulates sentencing from political pressure and the need to win elections. A contrasting opinion emphasises the desirability of judicial autonomy in sentencing. Article 6 of the *European Convention on Human Rights (ECHR)* emphasises judicial independence stating that everyone has a right to be tried by an *'independent and impartial tribunal.'*

Proposals for a sentencing guidelines mechanism

The Department of Justice has published a consultation paper on a sentencing guidelines body for Northern Ireland.



Source*: Options set out in Department of Justice Consultation on a sentencing guidelines mechanism for NI.*

Issues from a comparative survey

In considering the DOJ proposals, it may be useful to consider some of the issues that emerge from a survey of sentencing guidelines bodies in other jurisdictions including England and Wales, the United States and Australia. Scotland has also recently legislated for a sentencing guidelines council. Some of the issues include:

Function and format

The question as to the primary function of a sentencing guidelines body is an issue for consideration. The sentencing bodies in England and Wales and the United States have responsibilities for developing guidelines, however some of the bodies in Australia act in an advisory capacity.

The format of sentencing guidelines is an issue for consideration. There are two main types of guidelines: narrative guidelines (used in England and Wales) and numerical guidelines (used in the US). Numerical guidelines use a table; the point where the offence level and criminal history intersect determines the range for the sentence. The Sentencing Commission Working Group in England and Wales concluded that the numerical model excessively restricted judicial discretion.

Roles and responsibilities

The membership of a sentencing body also needs to be considered. This would include such questions as to how many members there should be, the presence of judicial and non-judicial members, the balance between judicial and non-judicial members and the expertise required from the non-judicial members.

A key consideration is who should have the final decision on the guidelines. In some models, guidelines bodies simply propose guidelines for the approval of the legislature or the courts. In other models, the guidelines body itself approves the guidelines after consultation with the legislatures or the courts.

Application of guidelines

It is also important to clarify whether courts may depart from guidelines. In Northern Ireland, the DOJ proposes that courts must have regard to the guidelines and a judge must state reasons for departure from these. Other models have what appear to be stronger duties to follow guidelines unless there are special reasons not to.

Alternatives to guidelines bodies

A key issue is whether it is necessary to have a sentencing guidelines body to promote consistency. Canada and the Republic of Ireland do not have a sentencing guidelines body but both jurisdictions have mandatory minimum sentencing in legislation for a number of offences. Furthermore the judiciary in the Republic of Ireland has developed a pilot project, the Irish Sentencing Information System which provides information to judges on sentencing practices in criminal proceedings.

Challenges

Recent media reports have raised concerns about consistency in sentencing. Sentencing guidelines may have value in promoting consistency. It is vital if a sentencing body is developed that judicial independence in sentencing is maintained. It may be useful to examine to what extent lessons can be learnt from other jurisdictions in promoting consistency.

A new standards regime for the Assembly

Ray McCaffrey

New legislation has changed the way members' salaries will be set and standards of conduct enforced in the Assembly.

Background

The Assembly recently passed legislation to create a new way of determining and setting members' salaries and ensuring high standards of conduct. A new independent financial review panel will look at the issue of members' salaries and allowances and will decide how much MLAs should be paid. In addition, the appointment of a new Standards Commissioner will create a robust and independent mechanism for investigating complaints about the conduct of members.

Setting members' salaries

An independent review panel consisting of a Chair and two other members will look at the issue of members' pay and allowances. The panel will make one decision in each mandate (unless exceptional circumstances require it to make more) and its decisions will be binding on the Assembly.

The move to create an independent mechanism for setting salaries dates back to shortly after the restoration of devolution in 2007. However, issues around transparency and integrity in politics came to the fore as a result of the Westminster expenses scandal in 2009 and gave the issue a greater sense of urgency. Although the Assembly was not directly implicated in the controversy, there was nevertheless a clear perception that public confidence in politics and politicians had been significantly damaged. To combat this, Assembly members expressed a desire to distance themselves from deciding their own salaries and financial support arrangements.

The review panel will take the power away from the Assembly to decide how much MLAs should be paid and is a positive step in enhancing the transparency and independence of the process. It brings the Assembly into line with other legislatures such as the House of Commons and National Assembly for Wales, both of which have decided that it would be better if their members did not set their own salaries. But what are some of the potential challenges facing the panel?

Although the establishment of the panel is aimed at removing the politics from the process of determining members' salaries, its decisions will nevertheless attract considerable comment and scrutiny from both the public and media. This will be particularly so if and when the panel decides to increase the pay of members, especially against the backdrop of the ongoing economic downturn. Furthermore, experience with the new salaries regime at the House of Commons has shown that the panel will not be immune from political criticism from those affected by its decisions. The review panel will need to ensure its decisions are to ensure transparency and based on sound evidence and comparisons with other legislatures.

Ensuring high standards of conduct

The appointment of a standards commissioner means that for the first time the Assembly will have a dedicated, independent mechanism to investigate complaints about the conduct of members. The role of the Commissioner will be to investigate alleged breaches of the Assembly's Code of Conduct, which all members must abide by. When someone makes a complaint about an MLA, the Commissioner will look at the information and decide whether an investigation needs to be carried out. He or she will have significant powers including the right to demand to see papers and other documents relating to a case and to call for witnesses. However, when reporting on a case, the Commissioner will not be able to recommend that a sanction should be imposed. This will remain the responsibility of the Assembly. In addition, the Assembly does not have to accept the facts presented or conclusions reached in the report.

One of the most interesting things about the legislation is that it gives the Commissioner the power to start an investigation in circumstances where they have not received a complaint. This makes the Northern Ireland model distinct to, for example, the situation in the Scottish Parliament and National Assembly for Wales, where the commissioners have to be in receipt of a complaint before they can start an investigation. Indeed, the Committee on Standards in Public Life recommended that standards commissioners should have this power.

There are both advantages and disadvantages to this approach. It clearly strengthens the remit of the office because it gives the Commissioner the power to act in circumstances where an issue might be receiving media coverage but no complaint has been made directly to the office. However, it also raises the issue of how and when the Commissioner might choose to exercise this power and that by giving the office this power of discretion it could call into question the Commissioner's judgement – for example, why start an investigation into one issue but not another? What are the criteria the Commissioner will apply when determining whether or not to act on their own initiative?

Such issues are especially sensitive given the political nature and make-up of the Assembly; any use of this provision will be watched closely by members.

A new political landscape for the Assembly?

Ray McCaffrey

A reduction in the number of MLAs and speculation about the formation of an opposition mean that the 2011–15 mandate could be the final Assembly elected in its current format.

Recent legislation in the UK Parliament and ongoing speculation about the formation of an official opposition mean that the 2011–15 mandate could well be the final Assembly elected in its current format. This article looks at the potential impact of the changes on the operation of the Assembly.

Fewer MLAs

The *Parliamentary Voting System and Constituencies Act*, passed in February 2011, has significant implications for the Northern Ireland Assembly. The Act contains two major provisions – it allows for a referendum on the voting system to be used at UK Parliamentary elections and reduces the number of MPs in the House of Commons from 650 to 600.

The aim of the reduction in MPs was to create more equal constituencies across the UK. The Boundary Commissions in England, Scotland and Northern Ireland have commenced work on reviewing and re-drawing the parliamentary constituency boundaries. In March 2011 the Boundary Commission for Northern Ireland announced that Northern Ireland will lose two constituencies, reducing the number from 18 to 16. This will have a direct impact on the Assembly, because Section 33 of the *Northern Ireland Act 1998* provides that each Westminster constituency in Northern Ireland will return six members to the Assembly. Therefore, a reduction of two constituencies would reduce the number of MLAs from 108 to 96 from the 2015 Assembly elections.

A reduction in the number of MLAs will have implications on the operation of the Assembly and work will need to commence in the current mandate to prepare for the new arrangements in 2015.

One of the key areas that will be affected will be the Committees. The 12 statutory committees of the Assembly currently have 11 members each, as do four of the six standing committees. The other two standing committees have ten and five members. 90 MLAs are members of at least one committee, 72 sit on two committees, 24 are members of three, and four MLAs have membership of four committees. The reduction from 108 MLAs to 96 will mean increased pressure on the committees to scrutinise the work of the Departments. It is worth noting that Ministers and junior Ministers will be drawn from those 96 MLAs, thus further reducing the number of members eligible to carry out the necessary scrutiny work. That said, a reduction in the number of

Executive departments could reduce the number of Assembly committees and the number of Ministers and junior Ministers.

Opposition

There was speculation in the final months of the previous mandate that one or more of the parties represented in the Executive may decide to enter into opposition. But what would such a move mean for the Assembly and how could it be achieved?

The *Northern Ireland Act 1998* provided for a specific arrangement – the d'Hondt method – whereby parties are automatically entitled to seats in the Executive based on party strength, without the need to negotiate or enter into political bargaining. This was seen as necessary to accommodate competing political views in a divided society. This system has both its critics and supporters. Those in favour argue that participation is not mandatory as parties may decide not to nominate under d'Hondt and that no party is required to enter government (although this means a ministerial position will go to another party). Those opposed suggest that it has led to Ministers operating in silos and a lack of collective responsibility. There has also been criticism that the two major parties push ahead with their agenda without due regard to the other parties represented on the Executive, a charge which is rejected by the parties in question. The debate over the Budget Bill brought to the fore these disagreements, with the two UUP Ministers voting against the Bill and the SDLP Minister choosing to abstain.

The formation of an opposition would potentially have a major financial and procedural impact on the Assembly. Although there is no uniform approach to how an opposition should be formed opposition parties enjoy certain rights and privileges, such as the following based on the Westminster model:

- **Opposition days** – the opposition can determine the business of the House for 20 days within each session. Seventeen are at the disposal of the Leader of the Opposition (who also receives a salary for this role) and three are reserved for the leader of the second-largest opposition party.
- **Agenda-setting** – the Opposition forms part of informal consultations in determining the business of the House.
- **Questions to the Government** – this includes questions to individual departments on a monthly basis and the weekly questions to the Prime Minister.

Opposition parties also receive financial assistance for policy development, carrying out Parliamentary business, travel and associated expenses and funding the Opposition Leader's office. These are just some of the key issues that would need to be explored if the current system of government is to be changed.

Any move towards the formation of an opposition would represent a significant departure from the *Belfast (Good Friday) Agreement* and the *Northern Ireland Act 1998* and as a result would involve significant political negotiation.

How much of our legislation really 'comes from Europe'?

Helena Maginness

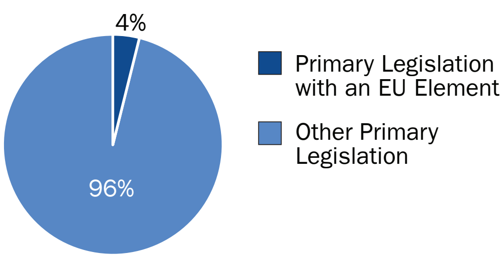
References are frequently made about the extent to which laws in member states come from Brussels. The most commonly quoted statistic is 70% – but is this accurate?

The House of Commons Library attempted to answer this question in October 2010 and, through a comprehensive and now frequently referenced piece of research, concluded that from 1997 to 2009 only 7% of primary legislation and 14% of secondary legislation had a European element. The European Commission Office in Dublin has also attempted to determine how much Irish legislation comes from Brussels. The Office looked at each piece of Irish legislation made between 1992 and 2009 and determined what proportion contained any reference to EU Law and found that 19% of Acts and 28% of Statutory Instruments had an EU element.

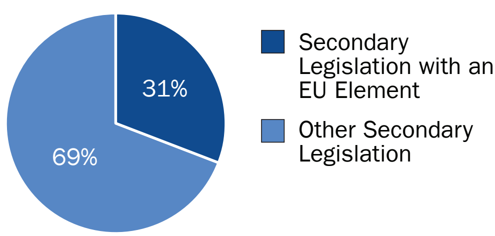
Given that the powers of a devolved legislature are different from those of a national parliament, the results from these studies may not be applicable to the situation here in the Assembly. In light of this and given the fact that the Assembly has now completed its first full mandate, it seems appropriate now to look at how much Assembly legislation comes from Europe. To undertake this analysis, a piece of legislation was considered to have a European element if at least one element of it was defined by an EU law. An example of this is the Unsolicited Services (*Trade and Business Directives) Bill* 12/09 which, as it implements part of an EU directive is considered European even though it also contains significant elements of local origin.

Perhaps surprisingly, given the frequent references to the impact of Brussels on locally made laws, the analysis indicated that only 4% of primary legislation made by the Assembly had a European element. EU law, however, does have a greater impact on secondary legislation passed by the Assembly. The analysis indicated that In the last mandate just under a third of all secondary legislation had a European element. As would be expected, secondary legislation in some committee areas was much more likely to have a European element than others.

Primary legislation passed in the 2007–2011 Assembly Mandate



Secondary legislation passed in the 2007–2011 Assembly Mandate



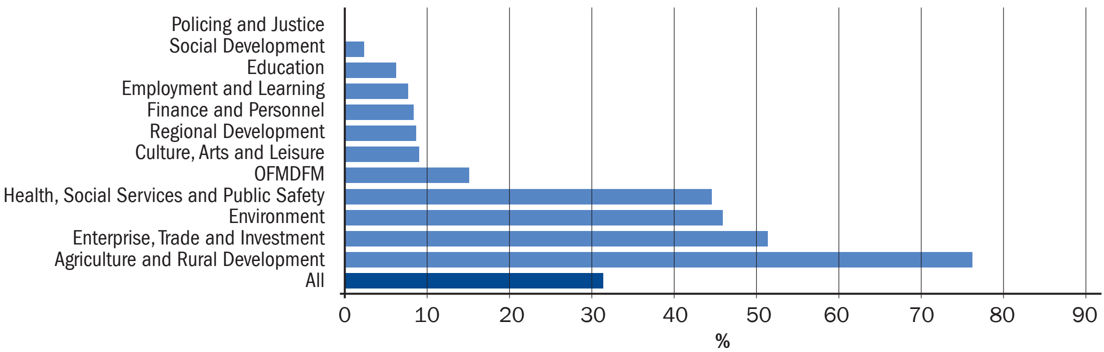
Agriculture and Rural Development had the highest number of Statutory Rules (SRs) influenced by Europe followed by Enterprise, Trade and Investment, and then Environment. What was less expected was that 44% of SRs relating to Health, Social Services and Public Safety have an EU element. This is largely a result of food regulations which make up over three quarters of these European influenced SRs.

The results of the analysis of legislation made by the Assembly in the last mandate add to the evidence from the House of Commons Library and the European Commission Office in Ireland to suggest that the frequently made claim that almost three quarters of legislation in Member States has an EU origin is not accurate. Determining whether or not a piece of legislation has an EU origin is not always easy and the results from our analysis of Assembly legislation are best seen as estimates; estimates which, nevertheless, are significantly below the 70% figure.

When considering these findings, however, it is important to bear a number of things in mind. Firstly, the EU makes laws which apply directly to Member States. Regulations are the most direct form of EU law and once a regulation is passed by the EU institutions it will have binding legal force throughout every Member State. Unlike the situation with EU directives, there is no need for national legislation to implement regulations. Taking Regulations into account, however, the European Commission Office in Dublin concluded that 43% was the maximum possible percentage of Irish law with an EU element. Secondly, it should be borne in mind that the extent of impact of EU law cannot be determined by the number of pieces of national law upon which it has an influence. Clearly, a single directive, transposed through a single piece of national law, may have greater impact than a number of pieces of legislation which are not influenced by European law. The reverse of course may also be true.

The importance of the European Court of Justice (ECJ) is also worth bearing in mind when considering the influence of the EU on domestic laws. The role of the ECJ is to ensure equal application of EU law across member states and interpret EU law. The judgements of the ECJ are binding on all member states of the EU. If the ECJ finds that a member state has not fulfilled an obligation, the state must immediately act to bring failure to an end. If a national authority does not comply with the ECJ judgment, the ECJ cannot hold national law to be invalid but can impose financial penalties on the member state.

Percentage of Statutory Rules with an EU element



Competitive EU funding – upping the game

Tim Moore

A recent report concluded that there was scope for Wales to 'up its game' to access EU funding, but what did the report reveal about performance here?

European and external affairs committee inquiry

Given the ongoing debate on the future EU budget and in advance of the European Commission bringing forward proposals for EU funding programmes after 2013, the European and External Affairs Committee in the National Assembly for Wales undertook to review Welsh involvement in programmes outside Structural Funds and the Rural Development Plan. The report, which contained information to benchmark Welsh performance against that of other parts of the UK and other comparable European regions, concluded that there was definitely scope for Wales to 'up its game'.

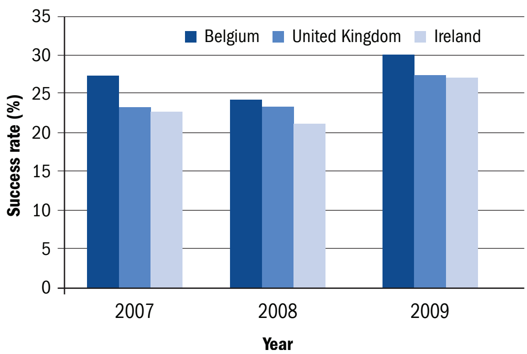
The inquiry focused on the three largest programmes outside Structural Funds and CAP, which are also directly relevant to the Europe 2020 Strategy and the research and skills agenda, and which have a combined overall budget of over €60bn. These programmes are the Framework Research Programme for Research and Technological Development (FP7); the Lifelong Learning Programmes (LLP); and the Competitiveness and Innovation Programme (CIP). Of these three programmes, the inquiry gave most attention to FP7, as it has the largest budget and clear links to the policy agenda to boost research and development in Wales.

FP7: Participations

	Total	% share of UK	% share of all	% of UK population
Wales	129	2.65%	0.32%	4.90%
Scotland	472	9.70%	1.16%	8.40%
Northern Ireland	83	1.71%	0.20%	2.90%
UK	4,867	100%	11.95%	100%
All countries	**40,729**		**100%**	

Whilst there are many reasons why it is difficult to make meaningful comparisons between regions, based on the relative number of participations in FP7, the inquiry report indicates that Scotland has performed better than Wales or Northern Ireland.

FP7 application success rate, 2007–2009



At the national level, the latest FP7 monitoring report identifies Belgium as the best performing member state in terms of success rate for applications.

The Belgian national performance is likely to reflect the performance of Flanders in accessing FP funding. Whilst information on FP7 at regional level was not available to the Committee inquiry, some information was obtained on participation of other EU regions in the previous Framework Research Programme FP6 (and in some cases FP5). Catalunya, Flanders and Brittany all performed proportionally better than Wales in FP6.

Upping the game

In order for Wales to 'up its game', the European and External Affairs Committee called on the Welsh Assembly Government to review its European strategy, taking into account good practice in other UK and EU regions and undertaking a systematic mapping of all EU funding opportunities to government priorities. In terms of good practice, whilst the Committee recognised that the context for the performance of other regions, such as Catalunya's, is different from that in Wales, it did nevertheless consider that there may be scope to share best practice with such high-performing European regions.

Barroso Task Force

The European Commission's Task Force on Northern Ireland, also known as the Barroso Task Force, which was established following the European Commission President's visit in 2007, has been described as providing Northern Ireland with a unique opportunity to shape European policy, to build cooperative working across Europe and secure funding. More specifically, it sought to look at how to improve Northern Ireland's access to, and participation in, EU policies and programmes.

Some commentators have suggested that the Northern Ireland Executive was slow to respond to the unique opportunity presented by the Barroso Task Force and failed to maximise the opportunities it presented. Recent visits by the Task Force to Northern Ireland, however, are evidence of its work entering a new phase and represent a further opportunity for Northern Ireland to 'up its game' and increase participation in EU programmes outside of the Structural Funds and CAP.

FP6 Participations: comparison with other European regions

Region	Number of participations	Funding awarded (€m)	Population (m)	Funding per capita compared with (Wales=100)	Funding per capita (€)
Wales	229	48.6	2,999,319	100	16.20
Flanders	1,342	352.3	6,200,000	350	56.82
Catalunya	1,059	221	7,364,078	185	30.01
Brittany	374	110.2	3,120,288	218	35.32

Gold-plating: is the UK over-zealous in implementing EU law?

Tim Moore

It is often suggested that the UK is over-zealous in its transposition of EU directives into domestic law – but what evidence is there to support this assertion?

Gold-plating

The essence of gold-plating was summed up by an MEP who, giving evidence to a House of Commons select committee, commented that during the transposition of EU to domestic law *'…it is quite possible for departments to hang all sorts of their own decorations onto the Christmas tree before it arrives as a statutory instrument'*. More specifically, the following four elements of gold-plating have been identified:

Scope

Extending the scope, adding in some way to the substantive requirement, or substituting wider national legal terms for those used in the directive.

Derogations

Not taking full advantage of any derogations which keep requirements to a minimum (e.g. for certain scales of operation, or specific activities).

Sanctions

Providing sanctions, enforcement mechanisms and matters such as burden of proof which go beyond the minimum needed.

Implementation

Implementing early, before the date given in the directive.

The evidence

In 2006, a review by Lord Neil Davidson QC examined whether the gold-plating or over-implementation of EU law was adding to the administrative burden for UK businesses. In addition to gold-plating, the review considered over-implementation to include:

- Double-banking, i.e. failing to streamline the overlap between existing legislation in force in the UK and new EU-sourced legislation; and
- Regulatory creep, such as uncertainty created by lack of clarity about the objectives or status of regulations and guidance, or over-zealous enforcement.

The review, which was designed to provide an opportunity for businesses, trade associations, voluntary bodies and other stakeholders to submit evidence to back up general claims of over-implementation, found that properly assessing whether a particular piece of European legislation has in fact been over-implemented and whether that over-implementation is justified is not straightforward. Recognising this difficulty together with the difficulty of drawing conclusions based upon examination of a limited number of case studies, the review nevertheless concluded that *'…a number of factors indicate that inappropriate over-implementation may not* *be as big a problem in the UK – in absolute terms and relative to other EU countries – as is alleged by some commentators'*.

The report did, however, note that the stock of existing UK legislation derived from the EU included examples of legislation that had not been brought into effect in the least burdensome way possible. In response, the Government's guidance on how to implement European directives was revised to incorporate Lord Davidson's recommendations.

New principles

The Conservative and Lib-Dem Coalition Government was quick to address the issue of gold-plating and late last year set out a series of new principles that it intends to use when introducing European measures into UK law. The key elements of the principles, designed to end gold-plating and ensure that businesses in the UK are not put at a disadvantage relative to their European competitors, were that:

- Work on the implementation of an EU directive should start immediately after agreement is reached in Brussels. By starting implementation work early, businesses will have more chance to influence the approach, ensuring greater certainty and early warning about its impact;
- Early transposition of EU regulations will be avoided except where there are compelling reasons for early implementation;
- European directives will normally be directly copied into UK legislation, except where it would adversely affect UK interests e.g. by putting UK businesses at a competitive disadvantage; and
- A statutory duty will be placed on Ministers to conduct a review of domestic legislation implementing a European directive every five years. This will allow businesses to influence any necessary improvements based on their own practical experience of applying the rules.

Better regulation

The European Commission itself sees gold-plating as a risk to its *Better Regulation* policy and has noted that, whilst not illegal, gold-plating is bad practice because it imposes costs that could have been avoided. The Commission, therefore, has taken measures to help proper implementation of EU legislation which include: 'preventive action' – paying greater attention to implementation and enforcement in impact assessments when designing new legislation; support to member states during implementation to anticipate problems and avoid infringement proceedings later on; transposition workshops for new directives; and guidelines to help member states implement new legislation.

The devolved administrations

The transpostion into UK law of many directives falls to the devolved governments. The devolved legislatures, therefore, have an opportunity to play a key a role in preventing gold-plating and identifying potential over-implementation through careful consideration of secondary legislation, which is the legislative vehicle most frequently used to implement EU law domestically.

The future of Cohesion Policy and EU funding in NI

Tim Moore

Given that Structural Funds are a key mechanism for distributing Cohesion Policy investment across EU member states, how important is the ongoing debate on the future of cohesion policy?

Cohesion Policy

The aim of the *Cohesion Policy* is to reduce regional and social disparities within the European Union. In terms of financial resources, the policy is second only to the *Common Agricultural Policy*. For the 2007–2013 financial period, *Cohesion Policy* amounts to 35.7% of the total EU budget (€347bn).

NUTS 2 regions used in EU Cohesion Policy for the effective allocation of Structural Funds

The current programming period for *Cohesion Policy* will end in 2013 and with it the current round of funding. As long ago as 2007, however, the Commission launched a public consultation into *Cohesion Policy* post-2013 and encouraged member states, members of the various European institutions and European citizens to participate. The results of the consultation are contained in the Commission's fifth progress report on economic and social cohesion adopted in June 2008. The outcome of the debate around future *Cohesion Policy* will identify the key priorities for the next period including how cohesion funding should be allocated and distributed across the EU.

UK Government position

The UK Government has stated that it believes that wealthier member states have both the ability and capacity to finance their own regional development policy and hence do not require Structural Funds. The Government has, however, also recognised, that richer member states will need time to adjust to withdrawal of Structural Funds, and has accepted, therefore, that wealthier member states should continue to receive funding during the 2014–20 programming period.

Contributing to the debate on the future of cohesion policy, the UK Government has highlighted the benefits of the *PEACE III Programme* in helping to consolidate the region's devolved institutions, and to address the legacy of decades of conflict and has expressed the view that given the unique nature of the programme, further assistance would be highly desirable – whether as a fourth stand alone PEACE Programme or cross-border programme with an additional social dimension.

NI Executive position

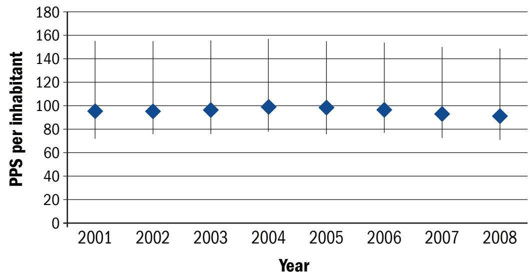
Retaining access to cohesion funding is a key objective for the Northern Ireland Executive, which has welcomed the support for continuation of structural funds in some form in all (including the wealthier) member states.

Within that objective, however, the Executive does recognise that the suggestion that all regions and member states should remain eligible for cohesion support runs the risk of spreading available funds too thinly. In this context, the Executive argues that greater creativity in the use of available funding might be possible if the differing regional impacts arising from the current economic crisis were considered. This approach, the Executive suggests, might allow funding to target those regions, rather than member states, experiencing greatest current need.

One of the key issues for the cohesion policy debate is whether there should be two categories of regions as at present (the poorest 'convergence' regions, defined as those where the GDP per person is less than 75% of the EU average, and all the remaining 'competitiveness' regions) or three. The Commission is considering the creation of a third category for regions that are poorer than average, but not poor enough to qualify as 'convergence' regions. It is being suggested that the new category would apply to regions with a GDP per person that falls between 75% and 90% of the EU average.

Whilst Northern Ireland's GDP has been falling relative to the EU average in recent years, latest figures available from Eurostat (2008) put it at 91%, just outside the 75–90% band.

Northern Ireland GDP relative to highest and lowest UK regions (EU-27 average=100)



In this context, the NI Executive questions the reliance on GDP per capita as the measure of economic development to identify regions in greatest need. In response to the question posed by the Commission, as to how a new intermediate category of regions could be designed to accompany regions which have not completed their process of catching up, the Executive has suggested that this could be achieved through the use of indicators other than GDP. A wealth of statistics could be analysed to show where resources still need to be targeted especially in so-called 'richer' societies.

To what extent in financial terms the outcome of the debate will impact on Northern Ireland remains to be seen. When asked at the Committee for Finance and Personnel as to whether Northern Ireland would be best placed to continue to seek cohesion funding from the EU or whether an alternative UK regional policy would be more beneficial, a DFP official, making specific reference to competitiveness funding, concluded that *'The numbers are tricky... but in my judgement it is probably about the same'*.

Subsidiarity – The Lisbon Treaty early warning system

Tim Moore

Does the subsidiarity early warning system really enhance the role of national parliaments in EU decision-making and what does it mean for regions with legislative power?

The Lisbon Treaty included an early warning system (EWS) that enables national parliaments to object to certain proposals from the European Commission on the grounds that they breach the principle of subsidiarity. The principal of subsidiarity means that, except in the areas where it has exclusive powers, the EU should only act where action will be more effective at EU rather than national level. Any national parliament may send a reasoned opinion to the Commission stating how it believes that a draft legislative act does not respect this principle. Receipt of a reasoned opinion triggers what are known as the yellow and orange card procedures.

In the context of the EWS, the Lisbon Treaty, for the first time in any EU Treaty, makes reference to the regional and local level. The treaty, however, does not oblige national parliaments to consult with regional legislatures, with the relevant provision in the treaty generally being accepted as a 'permissive' provision. Whilst national parliaments in some member states have adopted formal internal legislative provisions for such consultation, this is not

Yellow and Orange card Procedures

Yellow Card

If one third of national parliaments consider that the proposal is not in line with subsidiarity, the Commission will have to re-examine it and decide whether to maintain, adjust or withdraw it.

Orange Card

If a majority of national parliaments agrees with the objection but the Commission decides to maintain its proposal anyway, the Commission will have to explain the reasons, and it will be up to the European Parliament and the Council to decide whether or not to continue the legislative procedure.

currently the arrangement between the UK Parliament and the devolved legislatures.

The potential significance of the EWS for national parliaments has been the subject of considerable debate. Those who question the extent to which the EWS really enhances the role of national parliaments in the EU decision-making process draw attention to: the short eight week timescale for national parliaments to submit reasoned opinions; the limited scope of the EWS, which applies only to draft legislative proposals and only to the principal of subsidiarity (and not to the principal of proportionality, which states that the EU may only act to the extent that is needed to achieve its objectives, and not further); and the thresholds for the yellow and orange cards which, given the consensual way in which EU decisions are taken, are unlikely to be reached.

Evidence from the first year's operation of the EWS could be seen as lending support to these concerns. Up until now, the yellow and orange card thresholds have not been met. Commenting on the opinions it has received, the Commission has noted that national parliaments usually distinguish very clearly their comments on subsidiarity matters and their more political comments on the content of a proposal. In terms of numbers, the Commission reports that from a total of almost 400 opinions received from national parliaments during 2010, only a small proportion raised the issue of subsidiarity; most opinions did though contain political comments on the content of proposals.

The European Commission, however, is keen to underline that the EWS should not be seen as an accounting exercise focused on the yellow and orange card thresholds. This point was underlined by a Commission official who, speaking at the recent Committee of the Regions Fifth Subsidiarity Conference, emphasised that the Commission takes all comments into account and replies to them in the context of an informal dialogue with national parliaments. This informal dialogue would also appear open to regions with legislative power, where proposals impact on their areas of competence.

We should perhaps be cautious in expecting too much of the fact that regions are now mentioned explicitly in EU treaties. However, the conference also heard that regions with legislative power do see the EWS as a developing process which could potentially bring both regional institutions and their citizens closer to the EU decision-making process. The challenges for regional parliaments in developing this role were identified as threefold. Firstly, there is a need for institutions to be aware in the first place of the importance of their role in subsidiarity scrutiny and in adopting new ways of handling EU affairs in line with this role. Secondly, it is important to ensure early examination of proposals due to the tight EWS timetable. Finally, there is a need to be selective in the choice of EU draft legislation to be checked. It has also been underlined that there is a potential role for the Committee of the Regions' Subsidiarity Monitoring Network, of which the Assembly is a member, in supporting regions with legislative power to address these challenges.

The Assembly Library – key services

As a key part of the Assembly's Research and Information Service we in the Library are acutely aware of the importance to Members and their staff of timely access to accurate information. In order to support Members in carrying out their parliamentary duties and to develop a well-informed democracy, the Assembly Library provides a vast range of services and resources. Our services are delivered by a professional team of qualified librarians in a timely, objective, non-partisan and confidential manner, using the most modern and innovative methods available.

Where is the library and who can use it?

The Library is located on the ground floor, just beyond the double doors to each side of the main staircase in the Great Hall. Elected Members and their staff, including those who carry out research at the Assembly, and those who provide direct support to constituents through constituency offices, are the core users of the Library. The Library also supports the Assembly Secretariat which facilitates the business of the Assembly and is responsible for the day-to-day running of the organisation and the building. We also engage with Government departments, other Legislatures and the public via the Library and Information Services Council, NI (LISC). LISC is part of a national programme to open up all library collections for reference purposes to learners of all ages.

Assembly Information Management System (AIMS) indexing

The AIMS portal is an internal website which allows Assembly Members, party support and secretariat staff to access information on MLAs and the procedural business of the Assembly in a user-friendly way. The Library is responsible for indexing all Assembly questions and plenary business on AIMS so that it can be searched by subject as well as by business type and date. Training on the use of AIMS is available: just contact the library and we can arrange a session for you.

The collection

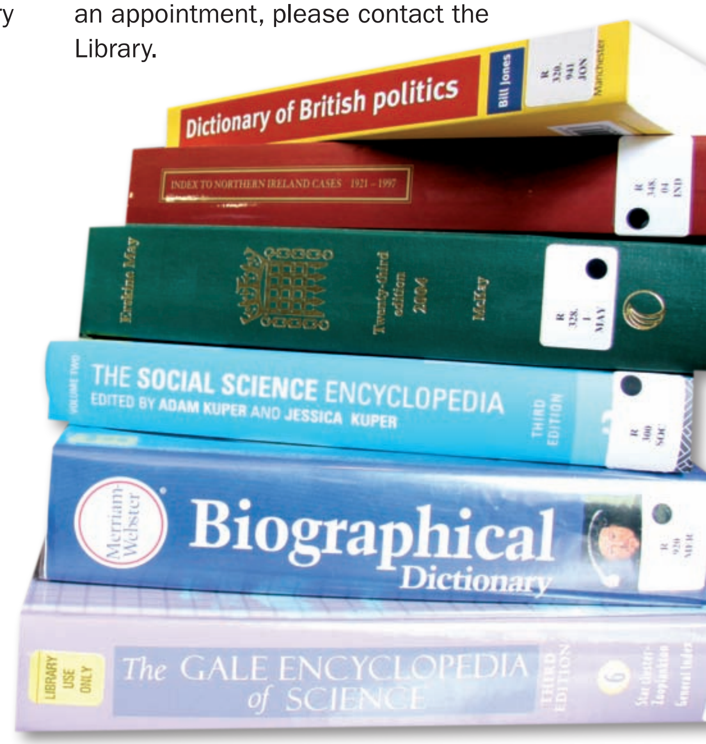
Books, reports and periodicals – the core collections are in the fields of government and politics, public administration and social policy, constitutional law, Irish and British history and the history and wider culture of Northern Ireland. The periodicals collection mirrors this subject coverage. There is as far as possible a complete collection of Northern Ireland legislation, and a very strong collection of Northern Ireland official publications. We also hold an extensive collection of reference books and statistical material. The statistics collection not only includes those relating to Northern Ireland but many EU and OECD statistical resources. Library staff welcome suggestions for resources which customers would find useful.

Constituency office visits

The programme of visiting all constituency offices began in the summer of 2009, and due to its success, librarians now visit all offices annually as part of a rolling programme. The purpose of the exercise is two-fold:

- to assess how we can better support office staff and their customers; and
- to promote research and library services in order to make staff aware of the resources available to them.

Library staff will embark on a further round of visits to all constituency offices during the coming mandate. The Northern Ireland Assembly Library is the first Legislature in the UK and Ireland to have completed such an exercise. For more details or to arrange an appointment, please contact the Library.



Enquiry service

The Library provides an enquiry service for all Members, their staff and staff of the secretariat. Requests for publications, fact checking, statistical or background information and legislation tracking are typical of the queries dealt with by our team of professionally qualified and experienced librarians. To answer enquiries we utilise reference and statistical material, parliamentary and official publications, electronic subscription databases and e-books, newspapers, journals and general loan stock. We also have access to resources from other libraries via our inter-library loans service.

E-services

The Library subscribes to a wide range of electronic resources including online databases, e-journals and e-books. The Library aims to extend its services beyond the confines of the Library building and to this end we have developed a very substantial collection of electronic resources. This includes approximately 60 online subscription databases, a collection of 130 e-journals and an increasing collection of over 400 e-books. The resources range across a variety of subject areas, reflecting the work of the Assembly and can be accessed by all staff directly from your desktop via AssISt, the Assembly intranet.

Library awareness sessions

Members and their staff are encouraged to attend Library awareness sessions which provide a comprehensive introduction to Library collections and services and include demonstrations of online resources such as the Assembly Information Management System (AIMS) database, Horizon and key electronic services and resources. These sessions can also be tailored to meet particular interests of groups or individuals. A presentation on the Research and Information Service is part of the induction programme given to all new Assembly staff.

Information packs

Information packs are prepared to inform debate on tabled private members' motions and selected committee motions. Content can be drawn from a wide range of sources, including government departments, the Assembly and other legislatures, interest groups and news media. The packs are available on AssISt, in the Library and e-mailed to Members, usually two Fridays before the debate in question.

Twitter

Electronic services maintain a Twitter page available at www.twitter.com/AssemblyLibrary. This is used as a vehicle to market Research and Information Service products and services.

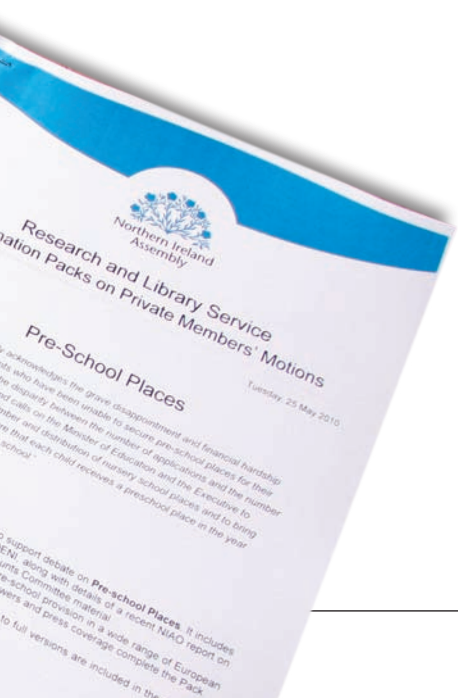
We produce research publications on topics relevant to Assembly business and also endeavour to anticipate future topics of interest. Our profile on Twitter allows you to access these publications as soon as they are online. From the Twitter site you can access:

- **Research briefings** – these are short papers which provide a brief overview on an issue;
- **Research papers** – these are longer papers that deal with an issue in greater detail with an emphasis on analysis;
- **Bill papers** – as part of the legislative process, bill papers are predominantly prepared for committees in order to inform committee members about the various elements of the proposed legislation; and
- **Deposited Papers** - these are unpublished Papers placed in the Library at the direction of the Speaker or a Minister in the Executive.

The Library is open Mon – Fri 9am – 5pm. On plenary days the Library will be open until half an hour after the Assembly rises, or until 5pm, whichever is later.

Telephone: 028 905 21250
Fax: 028 905 21922
E-mail: library@niassembly.gov.uk

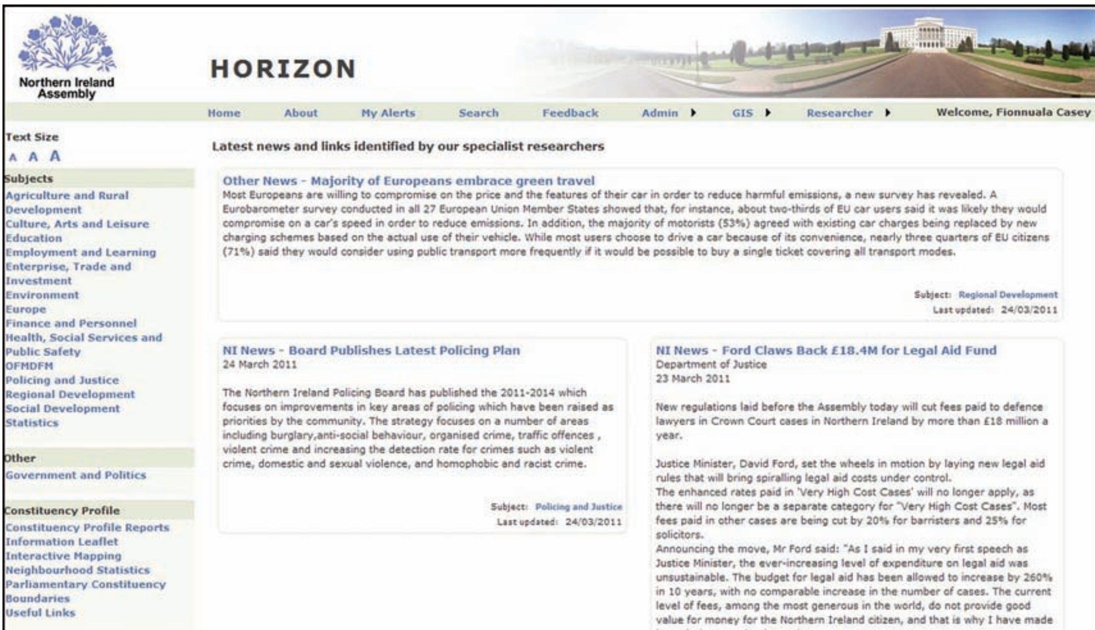
Members and their staff may also leave requests in with Thomas McCullough, Office Manager, room 139.



Horizon – How we support Members' information needs

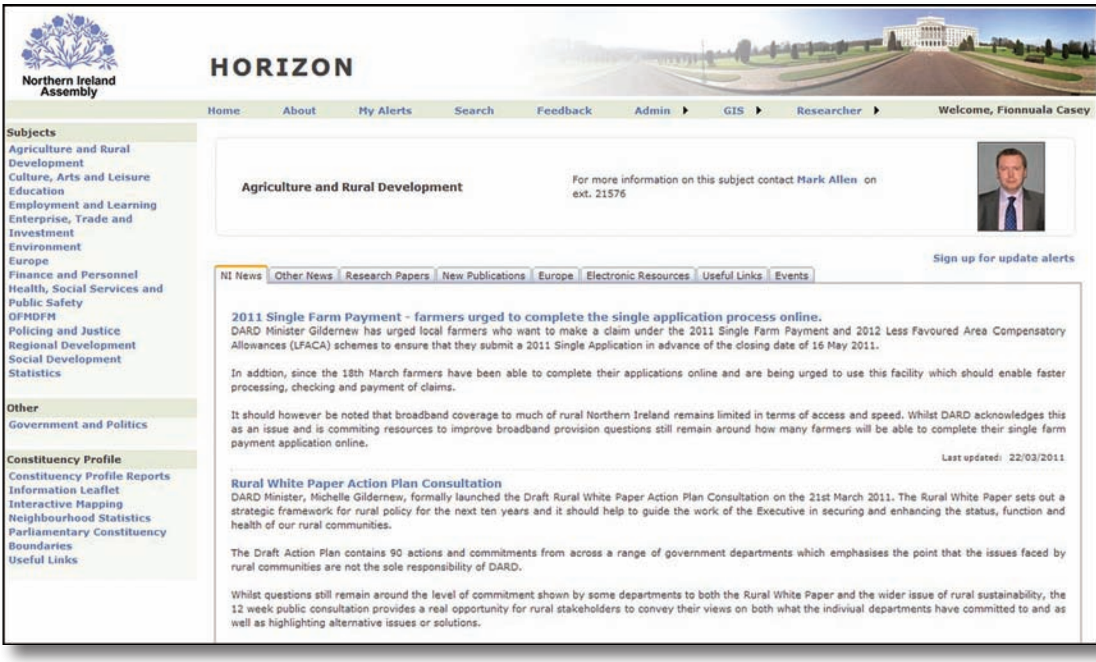
Horizon is an innovative electronic resource developed by the Assembly Research and Information Service. It has been designed to help you contribute to Assembly debates, scrutinise legislation, develop and analyse policy and keep you up to date with constituency issues.

Horizon can be accessed from your desktop at http://assist/horizon. It is linked from the home page of AssISt and also from the Research and Information home page. It is compiled and managed by experienced and specialised research and library staff. Using our subject knowledge and vast library resources you can stay well informed about topics relevant to Assembly business and future trends.



Information is organised by subject according to Committee area making it a quick and convenient way to find:

- Research Publications produced for Assembly Committees;
- New Research Papers from the House of Commons Library and the devolved legislatures;
- Press releases and news stories from government departments and other relevant bodies;
- New electronic publications and links to electronic and print resources; and
- Details of relevant conferences, seminars and events.



Horizon helps Members to keep abreast of constituency issues. It provides access to statistics and maps from Northern Ireland at both constituency and electoral ward area. This includes an interactive map and maps of the new Parliamentary Constituency Boundaries. Statistics covered include health, education, economy, employment and crime.

The Research and Information Service systematically monitors policy and legislative developments at the EU level. Information on these developments and related material on those issues identified as priorities for the Assembly is disseminated through Horizon, which not only contains a specific European section but also European sections for each committee area.

Scanning a cross section of recent publications can be time consuming. Signing up to email alerts can help make this process easier. By selecting My Alerts you can sign up to receive weekly email alerts notifying you of recent updates in your chosen subject area.

You are encouraged to attend one of the **library awareness sessions** which offer a comprehensive introduction to the resources and services provided by the library, including on Horizon. For further information please contact the Horizon editor Gerardine Berryman on 028 9052 1523 or email Gerardine.berryman@niassembly.gov.uk.

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the Northern Ireland Government departments (except for the Ministry of Commerce) moved in. The opening ceremony was performed by the Prince of Wales (later King Edward VIII) on 16 November 1932, the Parliament started to meet there on 22 November.

Throughout its life the Parliament had 78 Members in two houses, 52 in the House of Commons and 26 in the Senate, with a government elected from the majority party. Until 1969, Queen's University had four representatives in the Commons. 24 of the Senate Members were elected by proportional representation from the Commons and the Lord Mayors of Belfast and Londonderry were Members *ex officio*.

During the Second World War the Royal Air Force (RAF) took over part of Parliament Buildings. On 29 July 1941 the Senate agreed in secret session to hand over the Senate Chamber to the RAF to use as an operations room and from 25 September 1941 No. 82 Group, Fighter Command was based there. In October 1942 the Royal Air Force moved its Northern Ireland headquarters into Parliament Buildings. In February 1945 as the war in Europe drew to a close, they returned the Senate Chamber to the Parliament. During the war, Parliament Buildings was covered in dark camouflage paint.

The last Parliament was prorogued on 29 March 1972 before its final abolition on 18 July 1973. It was replaced by the Northern Ireland Assembly, elected on 28 June 1973. It also had 78 members, in one chamber and sat for the first time on 31 July 1973. An executive made up of Assembly members from the Ulster Unionist, Social Democratic and Labour and Alliance parties took office on 1 January 1974. The Assembly was prorogued on 29 May 1974 and dissolved on 28 March 1975.The Northern Ireland Convention, which followed, also had 78 Members. It was to consider what provision for the government of Northern Ireland was likely to command the most widespread support throughout the community. The report it produced was judged by the Westminster Government to have insufficient support to make implementation and the Convention was dissolved on 6 March 1976. The next Northern Ireland Assembly was elected on 20 October. It also consisted of 78 Members in one chamber. Its two main functions were to produce a scheme of devolution which could demonstrate cross-community support and to scrutinise the work of government departments through a series of committees. It met for the first time on 11 November 1982. It did not fulfil the first aim but carried out the second for over three years. It was dissolved on 23 June 1986.

The Civil Service soon grew beyond the capacity of Parliament Buildings, a tendency accentuated by the growth of the welfare state from the 1940s onwards. One or two departments, notably the Ministry of Finance (later the Department of Finance and Personnel) maintained headquarters in Parliament Buildings. This continued until the autumn of 1998, when the entire building was required for the Assembly.

By the late 1980s it had become obvious that a major programme of restoration was needed on the fabric of Parliament Buildings. Renovations had started in the mid-1990s when there was a major fire on 2 January 1995, leading to the destruction of the Assembly Chamber. As a result a far more extensive programme of renovation was undertaken and the building was evacuated from 1995 to 1997. From September 1997 the Northern Ireland Office and the Department of Finance and Personnel moved into the restored building. The Assembly elected under the terms of the April 1998 Belfast Agreement was located in Parliament Buildings from July of that year, re-establishing its use as a legislative headquarters.

Parliament Buildings:
A brief history

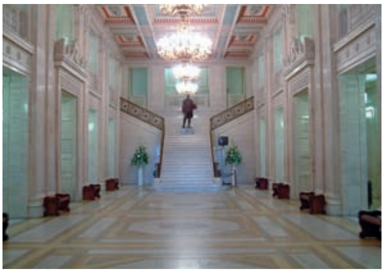
The Stormont Estate was created in the early nineteenth century by the Cleland family, who were the major landowners in the Dundonald area. Their house, built around 1830, was remodelled in the late 1850s in the Scottish baronial style and given the name 'Stormont Castle'. In 1893 the Clelands went to live abroad, letting out Stormont Castle. In 1921, after the death of the last tenant, it was placed on the market at the time when the Parliament and Government of Northern Ireland was looking for a permanent site. Other sites having been looked at and rejected, the Parliament of Northern Ireland voted its approval of the Stormont Castle Demesne as *'the place where the new Parliament Houses and Ministerial Buildings shall be erected and as the place to be determined as the seat of the Government of Northern Ireland as and when suitable provision has been made therefor.'* The Stormont Estate was purchased by the United Kingdom Government in December 1921 for £20,334.

The inauguration of the Parliament of Northern Ireland on 22 June 1921 and its initial sitting the following day took place In Belfast City Hall. For most of the time after this until Parliament Buildings was ready for occupation the Parliament met in Assembly's College (now Union Theological College) in Botanic Avenue, the main centre of training for the ministry of the Presbyterian Church in Ireland. On the Stormont Estate itself the original intention was to demolish Stormont Castle. A successful local campaign prevented this and it went on to become the official residence of the Prime Minister of Northern Ireland, later functioning mainly as government offices. Today it is the headquarters of the Office of the First and deputy First Minister.

The first architect commissioned to work on Parliament Buildings was Ralph Knott, the architect of County Hall in London. He designed Stormont House, the official residence of the Speaker of the Northern Ireland House of Commons. This later also housed government offices and now is the headquarters of the Secretary of State for Northern Ireland. He was replaced as the principal architect from 1922 by Sir Arnold Thornely of Liverpool. Work started on the preparation of the site in 1923. After economic considerations led to the scaling down of his original scheme for a parliament building with adjoining office blocks, he designed a four-story building to accommodate both the Parliament and the administrative headquarters of the Government of Northern Ireland. The foundation stone was laid by the Duke of Abercorn, Governor of Northern Ireland, on 19 May 1928. The building rests on a plinth of unpolished Mourne granite. It is 365 feet long, 164 feet deep and 70 feet high, rising to 92 feet at the centre of the main façade. In 1931 all

Front of Parliament Buildings

Senate Chamber



The Great Hall

by: George Woodman, Librarian

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