

SINN FÉIN RESPONSE TO THE DRAFT PFG, ISNI & BUDGET

(January 2008)

Introduction

Sinn Féin's response to the Budget, ISNI and PFG¹ is not and cannot be made in isolation from the political and financial realities that confront the Executive and the Assembly.

We welcome the statement in the draft PFG that the watchwords for all of the Executive's policies will be fairness, inclusion and equality.

Notwithstanding that, there are a number of major obstacles to the progressive development and delivery by the Executive of a new social economic and political reality. These include the fact that taxation and public expenditure policy are all set in London. The Union with Britain is damaging to the Six Counties.

At an overarching level, Sinn Féin believes that there must be a redistributive dynamic within the Executive's financial and political policies, which recognises that economic sovereignty, economic prosperity and economic equality are all inextricably linked.

As well as excluding the Six Counties from the economic advances of the 26 Counties, the British government has ignored repeated cross-party representations to make special provision for the Six Counties as a society emerging from conflict, with all the attendant social and economic disadvantages. Instead we are faced with an unfair Barnett settlement – the outworking of which can be seen in the Budget; and a drive to privatise public services.

As republicans, Sinn Féin believes that the only context which will truly deliver the sustainable economic and social progress, to which the people of the North are entitled, is within a United Ireland. In the more immediate period, however, we are faced with the challenge of achieving the best possible outcomes within the economic and political realities of the here and now.

Economic Reality

The "Block Grant" from the British Government still remains woefully inadequate and does not permit the Executive to fully rectify the years of under-investment by successive British Governments. Notwithstanding the context of this financial shortfall, as well as the absence of a developed all-Ireland economy, and the failure of some of the political parties to support the need for the full range of fiscal powers (including tax-varying powers) for the Executive, we will continue to carry the burden of trying to match limited resources with increasing needs.

We will continue to press for the full range of fiscal powers to be made available to the Executive and the Assembly which are required to facilitate the delivery of high quality public services, the development of the economy, the building of prosperity, and the redressing of the inequalities and disadvantage which afflict substantial portions of our society. Sinn Féin will seek to ensure best use and allocation of resources in the short-term towards the same ends.

¹ Reference throughout this consultation response to the PfG should be taken to include the PfG, ISNI and Budget collectively unless otherwise stated.

This is a collective responsibility. A united response from all the political parties to the economic realities and financial limitations which confront us, some of which we have outlined above, will have much more effect on the national and international stage than narrow political posturing at this time.

Use of PFI/PPP

Sinn Féin has a policy which is opposed to PFI. Our primary opposition to PFI is that it involves the introduction of market forces into Public Sector provision (i.e. privatisation and liberalisation). Our concerns, however, range far beyond this ideological opposition.

A considerable weight of evidence confirms Sinn Féin's belief that PFI/PPPs represent poor value for the Public Sector. Examples include the car park project at the Royal Victoria Hospital and Balmoral High School.

Public service provision under PFI will create problems in future years. The net result of setting PFI/PPP contracts will be that the Executive will progressively take on more and more long-term debt, and a greater proportion of the total Budget available to Ministers in the future will be taken up by the repayments for PFI/PPP deals which have been struck today. One project alone – the Workplace 2010 proposals worth an estimated £1.5 bn – will double the value of PFI deals used by the Executive and the consequent 'unitary' charges will impact on Budget allocations for a generation.

Ministers should make clear that PFI/PPP contracts are not the preferred option and should instruct their civil servants and others responsible for designing projects that they must put equal or greater effort into alternative funding models to PFI/PPP projects. Project schemes should encourage incentives for managers to supply better services at lower cost to the public and in no case should they reward managers for providing greater profit to a private provider at the expense of the public.

Further, those who manage or benefit from PFI/PPP must be made to follow transparent practices, be open to public inspection of their activities and be held strictly accountable for any irregularities that are uncovered.

Sinn Féin has a policy to prevent PFI/PPP in education and healthcare. Private partners can have no say in the management of schools or hospitals, and have no power to affect levels of public service provision.

All employees of PFI/PPP projects should be retained in the public sector. Civil servants should be instructed to find appropriate ways to retain staff in the public sector (for example, by defining them as 'clinical staff').

All PFI/PPP contractors must fully comply with and promote equality. We will insist on the fullest and deepest application of the Section 75 Equality duty by the Executive in relation to any PFI projects from the very outset.

Investment

Sinn Féin welcomes many of the commitments contained within the draft PFG, Budget and ISNI 2. However it will be important that commitments are turned into reality and that they deliver for the most disadvantaged within our society.

We note that Invest NI has a target of attracting 75% of all first time inward investment projects to locate in disadvantaged areas. With that in mind, we are calling for 75% of the proposed 6,500 new and higher value jobs by 2011, to be located within the areas of greatest disadvantage as evidenced by NI Multiple Deprivation Indicators 2005.

We welcome the £18 billion to be spent on investment over the next ten years, and we particularly welcome the explicit commitments to promote social inclusion and equality in the procurement of infrastructure programmes. Sinn Féin will work to ensure that equality and social requirements are built into every project so that the Executive can deliver tangible change on the ground.

In that context we welcome the £5.6 billion to be spent on infrastructure projects in the next three years, specifically the investment in schools and health, major increases in tourism targets and projections and an enhanced focus on social issues, such as programme priorities aimed at eradicating child poverty.

Furthermore the reviews into Water Reform, Domestic and Industrial Rates, Civil Service Reform and systemic efficiency programmes across all departments and agencies will, we intend, demonstrate the benefit of a locally accountable Assembly and Executive.

Sinn Féin however has a number of issues and concerns with the PFG, ISNI 2 and the draft Budget.

Regional Disparities

Sinn Féin is concerned that the commitment within ISNI 2 to promote regional balance does not go far enough and will not effectively address the legacy of the past which has led to institutionalised disadvantage in Derry, West of Bann, and in other deprived areas such as north and west Belfast.

In that context, the Executive must ensure that tackling regional disparities is a cross-cutting objective of ISNI 2. It is vitally important that any future capital asset realisation, land and buildings sell off, is not added to the excuses of the past when it comes to considering investment West of the Bann. Moreover, Sinn Féin is opposed to the selling of public assets to the private sector where those assets could be used to meet social housing need.

Sinn Féin will be pressing the Executive and the Assembly to ensure that a commitment to eradicate structural regional inequalities over a timetabled period is explicitly stated in the final draft documents. SF wants to see the decentralisation of public sector jobs to redress historical disparities and imbalance, and to support balanced regional development.

Sinn Féin is demanding the full implementation and resourcing of the West Belfast and Greater Shankill Taskforce recommendations. The transport and infrastructure development along the entire border corridor, specifically for the North West, must be a vital component of the Executive's final plans.

We believe that the Executive, and in particular the Department for Social Development, should give a commitment to finance and implement Neighbourhood Renewal Action Plans.

The shape and objectives of the upcoming Investment Conference, which the PfG states is intended to position the Six Counties as "a competitive business location for US companies", must also be used to deliver on the Executive's watchwords of fairness, inclusion and equality by actively and effectively challenging the existing patterns of socio-economic disadvantage and using increased prosperity to tackle ongoing poverty. Future Foreign Direct Investment must not be at the expense of workers' rights, environmental sustainability and taxation justice.

Anti Poverty

Sinn Féin has concerns about the overall resources available for the anti-poverty strategy and the lack of clarity regarding how this money will be utilised across the various Departments in order to meet the stated aims.

Had the relevant Equality Impact Assessments been carried out in the developmental stage of this process, we would now be in a better position to judge the anti-poverty spending plans of each department against the potential outcomes.

Furthermore, there needs to be much more detail, plus a strategic Delivery Plan, in relation to the goals of eradicating child poverty by 2020.

Sinn Féin is seeking:

- A fundamental review of the Tax Credit system
- The harmonisation of benefits and the minimum wage for all young people
- DSD intervention on the 'benefits gap' to ensure that low-income families do not have shortfalls between benefits and rent
- Action to ensure full uptake of benefits payments
- Tighter regulations on money lending institutions
- DLA claims and appeals prioritized for children and the backlog addressed
- Increased affordable childcare

- The establishment of a Cross-Departmental Ministerial Task Force on Fuel Poverty charged with allocating additional resources to support energy efficiency solutions for fuel poor homes

Anti-poverty is a strong theme of the PfG and one that can only serve to benefit public confidence in the Assembly and the Executive if we can actually deliver on it. Therefore Sinn Féin strongly endorses that commitment and would urge the implementation of monitoring arrangements to ensure such delivery.

An Ghaeilge

Sinn Féin has been to the forefront on the need for Irish language legislation and a proper DCAL budget for an Ghaeilge.

It is Sinn Féin's firm view that the Foras na Gaeilge budget should be increased in line with the relative increase given to the Arts Council in the Budget allocation². This would be a significant and proper increase.

The lack of proper funding has a knock on effect in that the Department of Community, Rural and Gaeltacht Affairs is limited in the amount that it can contribute as match funding.

Sinn Féin believes that 10% of the Foras budget should be available for use in capital expenditure.

Sinn Féin will demand that the Irish Language Broadcast Fund is continued and enhanced after the first five year tranche ends in 2009.

Central to our overall position on the Irish language is our demand for an Irish language Act.

Social Economy

Sinn Féin is concerned that there is no commitment to supporting the Social Economy as a priority.

There are no priorities, targets or actions in any of the PSAs around the social economy and further consideration must be given to ensure that adequate resources are put in place in the draft budget to address the shortfall to support and develop local economic development and the social economy.

We need to recognise the important and significant contribution of such local economic activity that promotes social objectives and sustainable community development. This is an industry which has already created sustainable jobs: the development of the Social Economy should be actively promoted by the Assembly and Executive.

² Notwithstanding that, analysis suggests an overall net decrease for the Arts Council when considered in the context of arts lottery funding having been lost, even though there is a *prima facie* increase in the actual Budget allocation: see Page 9 – section on the Arts

The PfG/Budget/ISNI should be a vehicle to empower communities through economic initiatives and Departments should commit to building social capital through funded participative community-level initiatives leading to sustainable economic projects, which are beneficial to the community.

Tourism

Sinn Féin believes there is a clear need to develop an effective tourism strategy. We note the emphasis on the signature projects in the Investment Strategy. We also believe that there is a need for a signature project in Fermanagh. Sinn Féin would have concerns about any shortfall in the Titanic Quarter signature project being funded from other priorities. The nature of the Giant's Causeway project needs to be monitored very closely with a view to getting the visitor centre completed in line with the local community taking the lead.

There needs to be the recognition that many people come to the North for the curiosity factor. Political Tourism is a Unique Selling Point for many visitors from around the world and therefore needs to be properly funded and resourced. NITB and Tourism Ireland have an important role in promoting tourism, particularly in relation to availing of the 'curiosity factor' which the ending of the conflict has presented.

There are many historical attractions and living history attractions all over the North that need to be recognised for the importance that they have, and for how they will contribute to the overall tourism product. An agenda for cultural, heritage and community tourism should be included as areas of interest for the visitor. Areas such as the Gaeltacht Quarter in West Belfast need to be recognised as a visitor attraction anchored in culture and language diversity.

There are no bids made to support the Regional Tourism Partnerships (RTPs), therefore it is not clear what allocation they will receive. The RTPs should have the responsibility to ensure a more effective and efficient use of public sector resources to provide a more co-ordinated and cohesive approach to tourism development throughout the North within both the public and private sectors.

Community & Voluntary Sector

The Draft PFG contains no specific commitment from the Executive to put in place financial support for the Community and Voluntary Sector. Currently the Community and Voluntary Sector is starved of funding. This difficulty is being exacerbated by many groups losing Peace II funding with no ameliorative measures to sustain their projects, even though these have been central to delivering opportunities for community training and development, education, promotion of good relations, and initiatives for children and young people. Sinn Féin believes that the Executive needs to be creative and imaginative about resourcing and retaining the skills and expertise that have been acquired within this sector, and which have helped to promote and sustain citizenship and peace.

Health

The health budget in particular has been the subject of much debate. We have previously stated that we are faced with a number of financial realities and constraints. This is again highlighted in relation to our health services which have suffered from underinvestment for decades under successive British Direct Rule administrations.

The Health Minister has challenges ahead, as do all Ministers, but those challenges must be met in a constructive and innovative manner in partnership with patients, health professionals and Trade Union representatives.

Sinn Féin will support further investment in the health service throughout the lifetime of the Executive. Such investment must be targeted at frontline services including community and primary care services.

The health profile of the Six Counties is a disgrace: a legacy of consecutive British Direct Rule administrations policies of discrimination, poverty and social exclusion.

However to bring an end to our unacceptable ill-health statistics we must reach a balance in how we invest in and deal with ill-health, and how we invest in the eradication of the social and economic causes of so much ill-health.

During her tenure as Health Minister, Bairbre de Brun faced these same realities. She introduced a radical, far-thinking policy, “Investing For Health”, in a bid to tackle the root causes of ill-health. The long term improvement of the population’s health must and can only be achieved if we tackle those root causes of discrimination, poverty and social exclusion. Investing for Health ensured for the first time that the health and well-being of the population became the responsibility of the entire Executive.

Sinn Féin therefore insists that all Departments set about ensuring Investing for Health becomes a cornerstone of their work. Failure to do so will condemn future generations to a continued environment of ill-health.

Health is an area of cooperation under the Good Friday Agreement. This is to the benefit of the people of the island. This must be exploited to its maximum potential especially for those communities straddling the border. Running two health services back to back is in itself a waste of limited resources.

Sinn Féin will continue to demand equitable health service provision across the full range of services. All areas of health services are worthy of mention but we do however wish to emphasis a number:

- The publication of the Bamford Review highlighted the need to invest in mental health care and support services. Sinn Féin will continue to support increased investment in mental health services. We note again the need to enshrine Investing for Health across departments.
- Sinn Féin demands that there is proper funding for suicide awareness alongside family and community support services.

- Sinn Féin has concerns surrounding the PfG's statement that the HPV immunization programme will not start until 2009. In June 07, the Health Minister stated that this programme could begin in autumn 08. Sinn Féin will demand that commitment with regard to HPV immunisation is delivered by the Health Minister.
- Sinn Féin believes that it is now time for the role of carers in our society to be recognised and calls for action to be taken now to allow for Carers Assessments to be carried out and resourced as outlined in the relevant 2002 Act.
- Sinn Féin believes that there is an urgent and compelling case for the development of a North West cross border Cancer Care Radiotherapy facility to be established in conjunction with the Department of Health and Children.

Sinn Féin will continue to engage with the various health sectors and to demand the delivery of these services through our membership of the Health Committee in the Assembly.

Social Housing

The social housing budget has been the subject of much debate. The facts are however, the social housing crisis reflects the financial realities of the 'Block Grant' and the lack of fiscal independence placed on the Executive. Sinn Féin nevertheless believes that even within the current financial restraints, which must be removed, action can be taken to meet the commitments of the PfG in regards to the provision of social housing.

The provision of social housing has been earmarked as a priority by the Executive, a priority that Sinn Féin will demand is delivered.

We still await the DSD Minister's proposals on how to tackle the social housing crisis, and we expect proposals to be brought forward which will tackle the crisis in that sector.

Sinn Féin will support additional funding for social housing throughout the lifetime of the current Executive and beyond. We note the additional funding made available as a result of the October and December spending reviews.

We welcome the fact that all Departments have agreed to urgently examine how they can fully utilise their asset base in order to support the delivery of services. Where a capital fund is developed for the benefit of priority spending Sinn Féin will demand that social housing is one of the priorities to benefit from this Executive innovation.

We note with concern the continued payment of tens of millions of pounds annually from the public purse to private sector landlords. Any investment in social housing should see any return on the monies invested back into the public purse which, in turn, should be used for further social housing. This massive financing of private landlords and developers with public funds should form part of DSD's review into social housing.

Disability

There needs to be ongoing commitment within the Assembly and the Executive to delivering equality for people with a disability, in addition to European and domestic legal requirements.

One in five people in the north of Ireland has some form of disability and one in four families are directly affected by disability. People with a disability still face major barriers across all sections of society, particularly in securing access to education, employment, housing, healthcare, transport etc.

The debate has yet to commence with the sector about how best their entitlements can be protected – whether that is through a Commissioner or through ministerial responsibility on a cross-departmental basis. We should now open up that debate.

Sinn Féin would propose that the Executive explores what steps should be taken in order to ensure that the rights and entitlements of disabled people are guaranteed and respected at every level of society.

Arts

Sinn Féin has concerns that the proposed arts settlement will result in serious under-funding for that sector. The proposals outlined in the Draft PfG will only increase available Arts Council funding by £4.25million - which fails to cover the £4.5million already lost from the arts lottery budget.

This means that arts spending here will continue to lag well behind our neighbours. Currently the North invests £6.13 per person, in comparison to England (£8.39); Wales (£9.17); Scotland (£11.93) and the 26 Counties (£12.61).

Sinn Féin believes that the arts need to be supported if we are to meet the proposed target of an extra half a million tourists. Given the relatively modest amounts involved Sinn Féin would propose additional funding for this sector in order to effectively address the enormous potential of the arts for the region.

All Departments should consider funding for the arts as an investment and consider the benefits in terms of health, community development, economic regeneration and tourism.

Sport

Due to the substantial amount of funding going from the Lottery Funding to the 2012 Olympics capital funding for sports projects has been frozen by Sport NI. Sporting activity addresses health issues and consideration should be given by other Departments to assisting with funding if we are to tackle such problems as obesity and heart and stroke ailments.

Moreover, Sinn Féin believes that the provision of sporting and recreation facilities, particularly in deprived and disadvantaged areas, should be increased and developed as part of a wider strategy for enhancing those communities. This would not just be focused solely on the health of citizens but could, for instance, also assist in contributing to longer-term community safety initiatives.

Libraries

The draft PfG increases for library services do not take account of the new additional costs associated with the establishment of the new Library Authority for the north and thus library services face significant service reductions in real terms for Public Library Services.

Environment

Climate Change - The Executive should commit to reducing our emissions by at least 30% from their 1990 level by 2020. The rate of reduction should be at least 3% per annum. There need to be periodic targets set by the Executive for the 12 year period leading up to 2020. There also appears to be very little substance with regard to how we are going to meet carbon emission targets and how this will affect policy in different departments such as DRD.

Under the priority of promoting tolerance, inclusion and health and well-being, there should be a specific target for low carbon, good quality, well-insulated, energy efficient, affordable housing. High building standards should be set in regard to building new homes, with energy efficiency at the core. The same high standards should apply to new public buildings and other structures. This is important for meeting our emissions targets as well as for tackling fuel poverty. There should be minimum standards for homes and a major programme of insulation and energy efficiency as a first step. Low Carbon Zones should be created, starting with areas where there is a concentration of fuel poverty. There are no targets set as to the number of low energy buildings which are to be built over the lifetime of the PfG nor are there any details as to how low energy building design will be progressed.

Waste Management – Treatment of waste must be carried out in a way that benefits the environment and prevents climate change. Incineration is not a viable option in this regard.

Transport - Sinn Féin is committed to promoting sustainable public transport in order to reduce traffic congestion, carbon emissions and the car dependency culture that exists amongst the travelling public.

We are committed to providing accessible, efficient and integrated public transport provision through increased investment in our roads but crucially in bus and rail network services in urban and rural communities across the north.

The draft PfG does not give any specific detail on how and where it will provide quality bus corridors on key arterial routes and park-and-ride facilities over the next 3 years.

Public Transport will get 25% of the total funding given to Roads and Public transport in 2008-11. In the period from 2011-18 public transport will receive just 17% of the total funding (20% excluding what Roads receives under additional funds). Larger funding streams for a wide range of public transport and zero and low carbon sustainable alternative fuels should be included in the PfG.

Independent EPA – There is no money set aside in the draft PfG for the creation of an independent Environmental Protection Agency. This needs addressed urgently.

