

Post-election policy priorities for Northern Ireland



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Introduction

The return of the Northern Ireland Executive in January 2020 put local Ministers back in charge of decision-making ahead of the challenging Covid period. Ongoing political differences now mean there is a serious risk that no Executive will be established after the May Assembly election, despite the numerous issues that require local leadership. A new Assembly mandate offers a fresh opportunity to work together on the issues that impact on people's day-to-day lives. Another prolonged period without government would leave Northern Ireland without direction as it tries to navigate huge health waiting lists, the cost of living crisis and economic recovery from Covid.

After its return in January 2020, the Executive had some notable achievements. Its work was dominated by tackling the impacts of Covid on the health service, the economy, education and other public services. Nevertheless, important steps forward were taken on issues like climate change, mental health and skills. Progress on these areas has demonstrated the value of a functioning Executive.

However, despite some successes, government in Northern Ireland has continued to be characterised by instability and strained relationships. Tackling Covid was at times a unifying factor, but in this and other areas there has been tension and a lack of common purpose. Opposing views on the Northern Ireland Protocol in particular have impacted on all political debate and threatened the continued existence of the institutions. There have been frequent warnings of the Executive's collapse, culminating in the First Minister withdrawing from post in early February this year.

Meanwhile, Northern Ireland still faces a range of pressing policy issues that require immediate attention. Most need a combination of mitigations that can help immediately, and long-term strategic plans to address the underlying problems. These include health waiting lists, the cost of living crisis, economic recovery from Covid, boosting the skills base, improving creaking infrastructure and addressing climate change.

Continued political disagreements mean there is a serious risk that no government will be formed after the May election. This would mean a period without an Executive, since no First and deputy First Minister would be in place, so new significant, cross-cutting or controversial decisions could not be made. Previous Ministers in other departments would remain in 'caretaker' roles, but would be very limited in what they could do. All this adds up to a wholly inadequate form of government.

This paper sets out some of the most pressing policy issues facing Northern Ireland in health, education, climate change, environment, economy and infrastructure, including a data annex of some headline indicators. It looks back at what the Executive has achieved and what the priorities should be for the new Assembly and Executive mandate. In so doing, it highlights what could be lost if an Executive is not formed after the May election.

Northern Ireland needs proper government

Continued political disagreements may mean no Executive is formed after the May Assembly election, risking another prolonged period without government here.

After three years without an Executive in place, having devolved government in Northern Ireland during the Covid crisis was widely welcomed, given it allowed decisions to be made by Executive Ministers here based on local health and economic data.

As well as tackling the huge impacts of Covid across public services and the economy, the Executive made some progress on *New Decade, New Approach* (NDNA) commitments, including in mental health, educational underachievement, skills and climate change. A long-awaited apology was given to survivors of historical institutional abuse. Alongside that, the Assembly saw encouraging cross-party working on private member's bills, for example on integrated education, autism and period products.

Unfortunately the two years since January 2020 have also seen significant instability in the Executive, despite the Covid crisis having a unifying effect at times. Disagreements about the Northern Ireland Protocol grew to overshadow all of politics and now threaten the continued existence of the institutions.

Such constant tension made providing effective government extremely difficult. It led eventually to the resignation of the First Minister in February this year. Without a First Minister and deputy First Minister, the Executive could not function, leaving other Ministers in post but unable to make any decisions that required agreement from the Executive as a whole. Examples of this include the failure to agree the anticipated three-year Budget and the inability to allocate £300 million of additional funding for 2022-23.

There is a significant chance that a new Executive will not be formed after the May Assembly election, given political

positions on the Protocol in particular. This would mean that the previous set of Ministers would remain in post in 'caretaker' roles, assuming the five parties choose to participate.

Ministers would only be able to make decisions that were in line with previously agreed policies, similar to the situation in February and March this year. Single-year budgets for departments would be rolled forward flat, preventing any additions or re-allocations between different spending priorities. The newly elected Assembly would meet, but its legislative work would be hugely restricted given the inability of Ministers to enact any significant new policies. Changes to the law passed in Westminster in February mean that this partial form of government could remain in place for up to 24 weeks without another election being called, to provide more time for a new Executive to be established.

While this represents some improvement on the three years between January 2017 and January 2020 after the previous Executive collapsed, there would be similarities given that new significant, controversial or cross-cutting policies could not be progressed. The then Head of the Civil Service described the previous period as "stagnation and decay" in public services, due to the absence of ministers and inability of civil servants to take forward any new policies. During that time, the UK Government stepped in to put through some essential legislation, for example passing budgets, setting property rates and some public appointments, but this was only on unavoidable issues. The UK Government was, and looks likely to remain, very reluctant to intervene on devolved matters.

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These challenges need to be tackled in both the immediate and longer-term. They cut across health, education, climate change, environment, the economy and infrastructure. The best way to take these on is through an agreed Programme for Government (PfG), setting out government's priorities for the coming years. Such a Programme for Government would provide a framework of outcomes of agreed short, medium and long term goals, and would go some way to assisting with joint decision-making and prioritisation.

Any new Executive should ensure the early agreement of a PfG. One particular concern is that there is no PfG in place at present, meaning that if no new Executive is formed after the May election, there is not even an agreed previous PfG in place for 'caretaker' Ministers and civil servants to follow.

Another much-discussed requirement for effective government is multi-year budgets. Allocating funding over several years allows departments, agencies and other bodies that use public money time to plan for investment and reform rather than just operating on a 12-month cycle. It also allows the Executive as a whole to make more strategic decisions about funding priorities across different areas of spending. The last multi-year budget in Northern Ireland was set for 2011-15. A planned three-year budget was out for consultation when the Executive collapsed, although the parties were still disputing its provisional allocations. The agreement of a multi-year budget should be an urgent priority for a new Executive.

The process for making Budget decisions also needs reform. The new Fiscal Council has provided very useful independent scrutiny and expertise on these issues. Its [assessment of the draft Budget for 2022-25](#) raised concerns about a lack of evidence of long-term strategy or reform in the allocations, with spending on health being clearly prioritised above other departments, but little explanation of the rationale behind this. While health waiting lists are clearly an urgent issue, the

continual growth in the share of total Northern Ireland spending going to health is not sustainable. Again, a more strategic long-term approach is needed, particularly reform of how health and other public services are delivered.

Post-election policy priorities

- **Establish an Executive quickly so that effective government is in place to address immediate and longer term policy challenges**
- **Agree a Programme for Government setting out joint priorities**
- **Agree a three year Budget focussed on investment and reform**

Health

Executive's achievements since 2020



Managing impact of Covid and roll-out of vaccination programme



New Elective Care Framework to reduce waiting lists



Mental Health Champion and mental health strategy

Covid has clearly dominated the health service for the last two years, meaning waiting lists have deteriorated further. Latest data show almost 355,000 people in Northern Ireland are waiting for a first consultant-led appointment and nearly 187,000 (52.6%) of them have been waiting for more than one year (see Chart 1). The target is that no one should wait for more than one year.

Waiting times in England have also worsened because of Covid, but in contrast only 5.1% of people waiting there have been on a list for more than a year.

Waiting lists for specialisms vary, but of particular concern is that none of the targets for cancer referrals or treatment start times have been met in recent years.

The Health Minister and Executive as a whole have acknowledged the unacceptability of all waiting times and have committed to addressing them. However, funding for this has not been agreed due to the failure to approve the Budget for 2022-25.

It is important to note that the health service was already struggling before Covid, with waiting lists reaching record levels in late 2019. [Several external reports](#) in previous years made a clear case for transformation in how, when and where health services are delivered. Four key elements have been identified: shifting care out of hospital; more work on prevention

Post-election policy priorities



Reduce waiting lists to an acceptable level



Reform of how health services are delivered in line with Bengoa and other reviews



Address health inequalities to tackle underlying causes of poor health

and early intervention; support for people to live independently; and rationalisation of acute services.

As the share of overall spending taken up by health continues to grow, there remains an overwhelming need for politicians to take the difficult decisions needed about how health services are provided. A three-year budget to allow proper planning for reform is essential for this to happen.

While much of the focus is on the immediate pressing problem of waiting lists, the Executive would benefit from giving greater consideration to the underlying issues that drive poor health outcomes. A greater focus on prevention and early intervention could reduce the need for later treatments and improve quality of life.

As an example, Chart 2 shows that healthy life expectancy here is 13.5 years lower for males (15.4 years lower for females) in the most deprived areas compared to the least deprived. An individual's future health is hugely impacted by factors like poverty, low quality housing and poor diet and exercise. A long-term focus on addressing these drivers of poorer health outcomes would make an important contribution to reducing ever-increasing demand for health services.

Education

Executive's achievements since 2020



Independent review of education launched



Expert review of educational under-achievement published



New legislation on flexible school starting age

Post-election policy priorities



Sustainable school budgets including dedicated funding to tackle educational under-achievement



Improved assessment and support for children with Special Educational Needs



Renewed focus on investment in early years to support children's development and address inequality

New Decade, New Approach promised a sustainable core budget for every school, but school leaders continue to report serious financial pressures. The proposed funding for the Department of Education in the Executive's draft Budget would have created **further funding stress**. Evidence shows reductions in school spending per pupil in the last ten years have been higher in Northern Ireland than others parts of the UK. Spending per pupil here now is 20% below the level in Scotland, and 5% below England and Wales.

Numerous **reports** have pointed to the impact of school closures during Covid on children's social, emotional and cognitive development, especially children facing particular disadvantages. As more regular school life returns, the Executive should ensure that those most affected by school closures are properly supported.

In June 2021, an expert panel provided a comprehensive **report and action plan** on educational under-achievement and its links to social background. Meanwhile, a recent **Public Accounts Committee report** concluded there is a lack of evidence that previous funding for this issue had actually been spent on its target disadvantaged groups. Given Northern Ireland's long-standing problem with educational under-achievement (see Chart 5), it is vital that sustained funding is put in place together with proper accountability for improved outcomes.

Chart 6 shows that most Special Educational Needs (SEN) statements are not finalised within the 26 weeks limit, a situation that has persisted for several years. The recent new Special Educational Needs framework must bring about a step-change improvement in assessment and support for children with SEN.

The new Independent Review of Education (another NDNA commitment) has a wide and ambitious remit and offers an opportunity to fundamentally improve Northern Ireland's education system. But there is a long history of reports about education here not leading to significant change. An incoming Executive should make sure that this Review's recommendations are used to address the inequalities that exist in education at present.

There is compelling evidence about the importance of children's early years in determining life outcomes. High quality early years provision, with a clear focus on supporting the most disadvantaged children, can ensure that children are more ready for school and so contribute to improved future outcomes. An ambitious incoming Executive could take the transformation of early years provision as a unifying priority for action, helping to improve life chances and reduce inequality right across Northern Ireland.

Climate change & environment

Executive's achievements since 2020



Climate change legislation passed



Consultation on energy action plan and green growth strategy



Consultation on environment strategy

Post-election policy priorities



Meaningful action plans to ensure delivery of climate change strategy and targets



Action on environmental protection and biodiversity loss



Independent regulation of environmental issues

In the last two years the Assembly has had a welcome and overdue focus on climate change. Two competing climate change bills were progressed, one introduced by the Green Party Leader and the other by the DAERA Minister. In the end, it was the DAERA bill that passed, after considerable debate and amendment.

The new legislation commits to net zero greenhouse gas emissions by 2050, but with a less challenging target for methane emissions. The bill also contains commitments to the appointment of an independent climate change commissioner, soil quality and biodiversity targets, renewable energy goals and spending on active travel.

Chart 3 shows that greenhouse gas emissions have fallen by only 18% here since 1990, compared to a 44% fall in the UK as a whole. How different sectors have contributed to this fall is shown in Chart 4, with the biggest percentage reductions being from energy supply, industry, waste management and the public sector. Over the same period, emissions from agriculture, land use and transport have actually increased. So although there was some disappointment about the softening of the ambition in the final climate change legislation, without a doubt significant change will be needed across all sectors to meet the targets in the bill.

This is only just the beginning of a very challenging journey of change in every sector of the economy and in every area of

life. The legislation needs now to be followed by meaningful action plans with proper reporting and accountability. Building consensus will be key to ensuring the legislation and targets translate into the scale of reductions in emissions needed.

Northern Ireland has a poor record on environmental protection, ranking amongst the worst in the world for [biodiversity loss](#). While the draft environment strategy begins to recognise the challenges, its targets are less specific and less ambitious than elsewhere in the UK and Ireland in areas like woodland cover, peatlands conservation, water quality and waste recycling. [Environmental leaders have called for more challenging targets](#), proper implementation of actions and effective monitoring of progress.

NDNA promised an independent environment protection agency for Northern Ireland, rather than the current position where regulation is the responsibility of a part of DAERA. This commitment has not been pursued, and the DAERA Minister has said this role will be fulfilled by the Office for Environmental Protection (OEP) in England. It will be essential to ensure that OEP provides independent, robust and effective regulation that recognises Northern Ireland's own circumstances.

Economy & infrastructure

Executive's achievements since 2020



High street voucher scheme to support economic recovery



10X economy strategies for skills and innovation



Infrastructure Commission to be established



Some cost of living mitigations

Post-election policy priorities



Support for households through cost of living crisis



Improve skills especially for those with no/low qualifications



Develop a regionally balanced economy



Prioritise essential infrastructure through a multi-year investment programme

The Protocol will sit right at the centre of political debate in the election campaign, yet views on its economic impact differ. Some businesses welcome the opportunities to access both EU and UK markets, and the increased attractiveness of Northern Ireland to investors. Other organisations have highlighted problems sourcing products from suppliers in Great Britain, resulting in higher costs for consumers. Businesses are agreed on the need for early progress on the issues around goods coming from GB, given the instability created by uncertainty about future trade arrangements.

The most immediate issue for many households is the cost of living crisis. Chart 7 shows that home energy prices in Northern Ireland are 46% higher than a year ago. The UK Consumer Price Index rose 6.2% in the 12 months to February 2022, the fastest for 30 years. While these price increases affect everyone, they are most acutely and painfully experienced by those on the lowest incomes. The Assembly took some steps to offer financial support through two recent grant schemes to help with energy costs. However, pressures on budgets are set to continue with further energy and food price rises expected.

Most welfare policies in Northern Ireland are set by the UK Government, but the Executive has the ability to adjust or mitigate them if it bears the costs from within the block grant (as has been done with the 'bedroom tax'). Whether through

varying benefits or via grants schemes, many vulnerable households will be looking to the Executive for recognition of their growing financial stress.

While short-term help with the cost of living is vital, longer term interventions need to address the prevalence of low paid, low skill jobs in Northern Ireland (see Chart 8). As increasingly jobs require higher level qualifications, the Executive should re-double its efforts to increase skills across the population (see Chart 9) so that more people can benefit from current and future job opportunities. [Ulster University Economic Policy Centre's Spring Outlook](#) points to access to talent being a key issue for employers at present, both through skills shortages and a lack of available people.

The Executive needs to ensure economic growth benefits people right across Northern Ireland. NDNA contained a commitment to a regionally balanced economy, but there has been limited evidence in economic strategies so far of what this means in practice.

To support economic growth and wellbeing, major investment is needed in transport, water and sewage infrastructure. Lack of adequate water infrastructure is preventing much-needed housing and commercial development in some areas. Three year budgets are needed to enable proper planning for infrastructure projects. An independent Infrastructure Commission should be established to provide expert external advice on future needs.

Post-election policy priorities

The long list of pressing policy priorities in Northern Ireland emphasises the importance of having proper government in place. After the election, the political parties should quickly

establish an Executive, including agreeing a multi-year Programme for Government focussed on immediate and long-term economic and social challenges.



How government works

Establish an Executive quickly so that effective government is in place to address immediate and longer term policy challenges

Agree a Programme for Government setting out joint priorities

Agree a three year Budget focussed on investment and reform



Climate change & environment

Meaningful action plans to ensure delivery of climate change strategy and targets

Action on environmental protection and biodiversity loss

Independent regulation of environmental issues



Health

Reduce waiting lists to an acceptable level

Reform of how health services are delivered in line with Bengoa and other reviews

Address health inequalities to tackle underlying causes of poor health



Economy & infrastructure

Support for households through cost of living crisis

Improve skills especially for those with no or low qualifications

Develop a regionally balanced economy

Prioritise essential infrastructure through a multi-year investment programme



Education

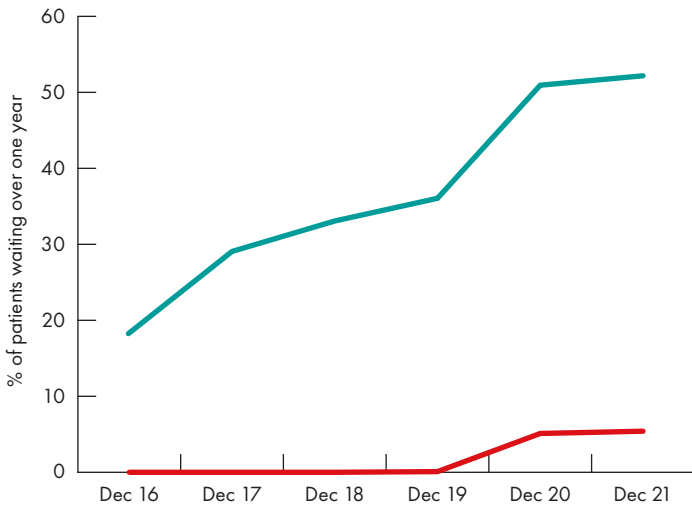
Sustainable school budgets including dedicated funding to tackle educational under-achievement

Improved assessment and support for children with Special Educational Needs

Renewed focus on investment in early years to support children's development and address inequality

March 2022 Data tracker

This short annex provides the latest data for a number of key economic and social indicators, highlighting some of the main policy challenges in Northern Ireland.

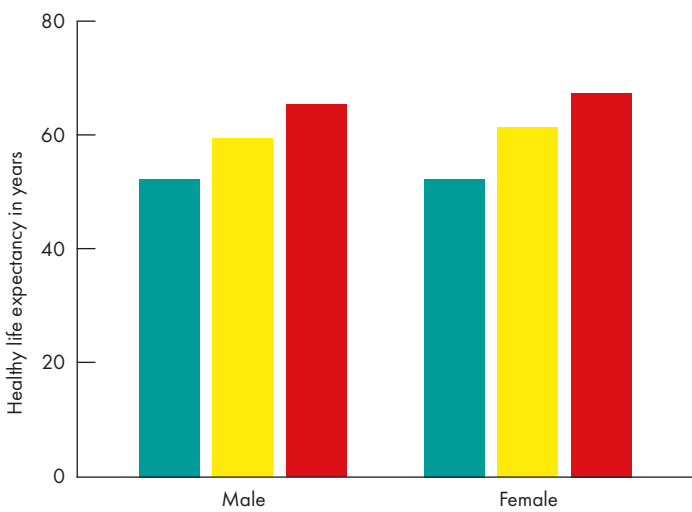


Health Chart 1
Percentage of patients waiting more than one year for planned care

Almost 187,000 people in Northern Ireland have been waiting more than one year for first outpatient appointment

● Northern Ireland ● England

Source A: England - Referral To Treatment (RTT) waiting times, incomplete RTT pathways, NHS England
Source B: Northern Ireland waiting time statistics, December 2021 - patients waiting more than one year for a first consultant-led outpatient appointment, DoH

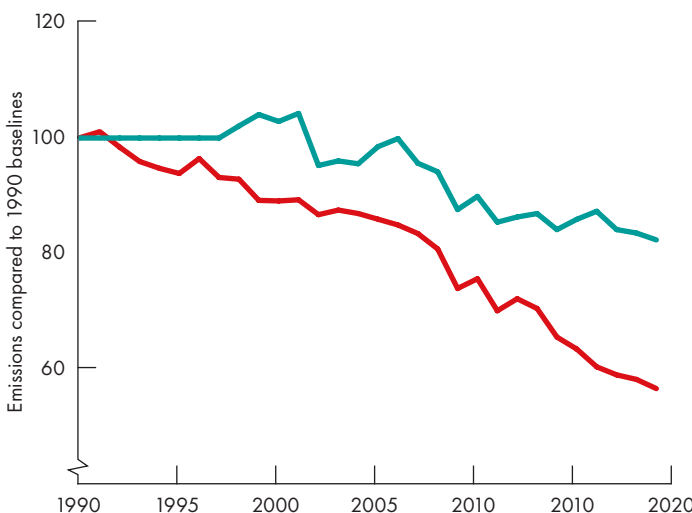


Health inequalities Chart 2
Healthy life expectancy in years

Healthy life expectancy in the most deprived areas is more than 13 years lower than in the least deprived areas

■ Most deprived areas in NI
■ NI average
■ Least deprived areas in NI

Source: Health Inequalities Annual Report 2021, Department of Health

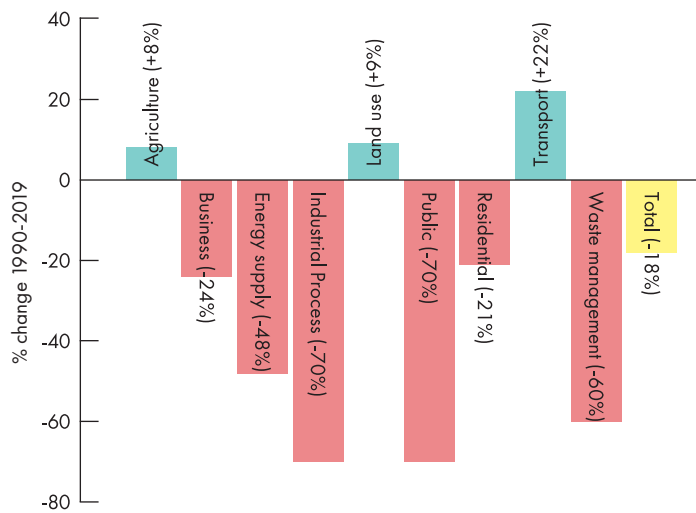


Climate change Chart 3
Greenhouse gas emissions (1990 = 100)

Greenhouse gas emissions in Northern Ireland have decreased by just 18% since 1990, compared to a 44% reduction in the UK as a whole

● Northern Ireland ● United Kingdom

Source: Northern Ireland greenhouse gas inventory 1990-2019, DAERA and UK greenhouse gas emissions national statistics 1990 to 2019, UK Government

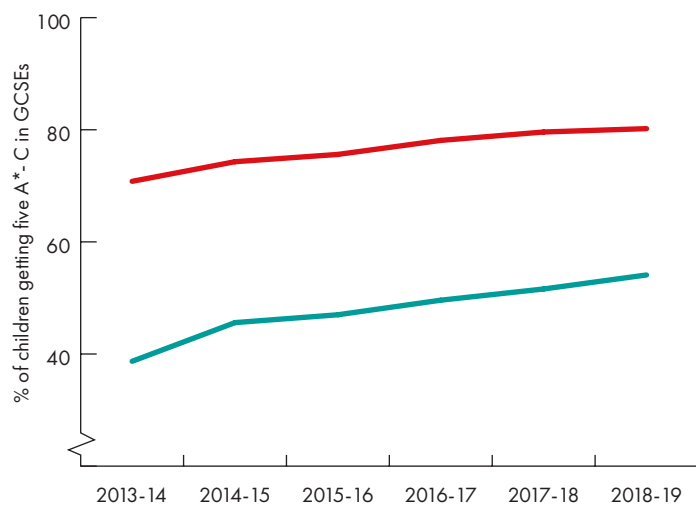


Climate change Chart 4

Change in greenhouse gas emissions by sector 1990-2019

While emissions from some sectors have fallen significantly since 1990, emissions from others sectors have increased

Source: Northern Ireland Greenhouse Gas Projections Update, DAERA, March 2022



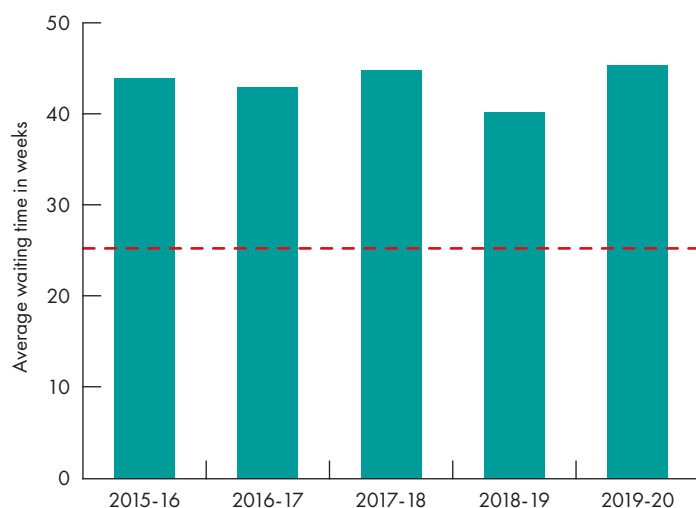
Education Chart 5

Percentage of children getting five A*-C GCSEs including English and Maths by Free School Meal Entitlement

Latest data showed a gap of 26.1 percentage points in GCSE attainment between children entitled to Free School Meals and those not entitled

- Children entitled to free school meals
- Children not entitled to free school meals

Source: Examination performance at post primary schools in Northern Ireland, Department of Education



Special Educational Needs Chart 6

Average time waiting in weeks for a statutory assessment

26 weeks
85% of statement requests are not finalised within the 26 week limit

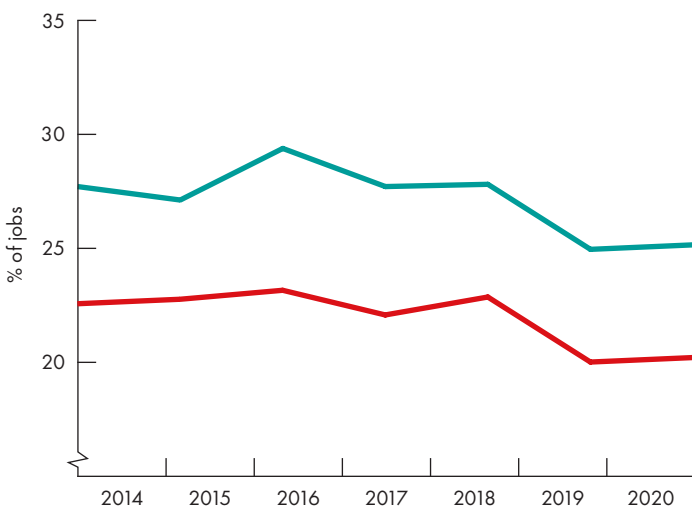
Source: NIAO based on Education Authority figures - NIAO Impact Review of Special Educational Needs (2020)



Cost of living Chart 7
Consumer Council Home Energy Price Index for Northern Ireland (Jan 2016 = 100)

Home energy prices are 46% higher than a year ago and are predicted to rise further

Source - Consumer Council Composite Energy Index for Northern Ireland

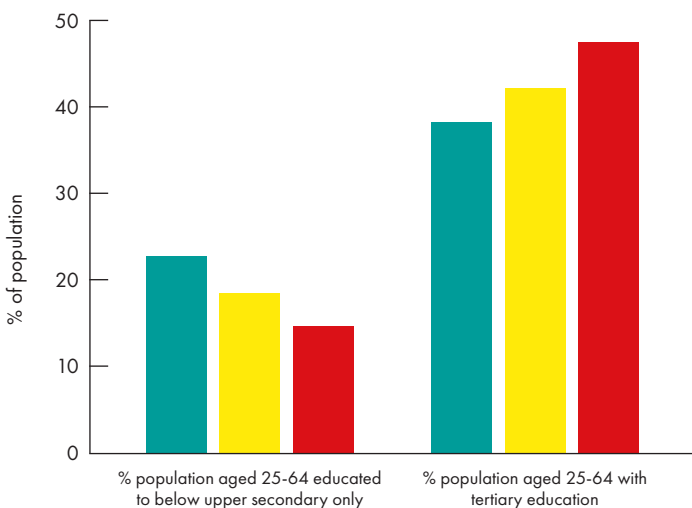


Economy Chart 8
Percentage of employee jobs with hourly earnings below living wage

Although the percentage of low paid jobs is falling, in 2020 one quarter of employee jobs in Northern Ireland earned below the living wage

● Northern Ireland ● United Kingdom

Source: NISRA Annual Survey of Hours and Earnings (ASHE) 2020



Skills Chart 9
Educational attainment level of population

Education and skills are improving over time, but skill levels still lag behind those in UK and Ireland

■ Northern Ireland ■ UK ■ Ireland

Source: OECD Regional Statistic

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