

From the Minister of Finance



Mervyn Storey

*Room 242
Parliament Buildings
Ballymiscaw
Stormont
BT4 3XX*

Private Office
2nd Floor
Clare House
303 Airport Road West
BELFAST
BT3 9ED

Our reference: *CORR-1229-2021*

Date: *22 September 2021*

Dear Mervyn

DAMAGES (RETURN ON INVESTMENT) BILL

Thank you for your letter of 15 September 2021 regarding the Damages (Return on Investment) Bill.

In your letter, the Committee has asked whether funding would be available from Treasury to cover some or all of the costs of a state backed GP indemnity scheme if one was introduced locally. Further information is sought as to whether the Executive has received a Barnett consequential from the introduction of the state backed GP indemnity scheme in England and Wales.

On this issue, I can confirm that the Executive will have received Barnett consequentials on all changes to the Department of Health and Social Care (DHSC) DEL budget including that associated with the introduction of the new state backed GP Indemnity scheme. As this Barnett consequential was calculated based on the overall DHSC Spending Review settlement, it is not possible to determine the specific amount associated with the scheme. As you will be aware Barnett consequentials are unhypothecated and as such, the funding received would have been utilised according to the Executive priorities given the financial pressures faced at that time.

Treasury have confirmed that no further funding would be provided should the Minister for Health wish to introduce a state backed GP indemnity scheme in the North of

Ireland. The costs of a local scheme would therefore have to be funded from the DoH Budget settlement.

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CONOR MURPHY MLA MINISTER OF FINANCE



**NORTHERN IRELAND
ASSEMBLY
COMMITTEE FOR JUSTICE**

**Conor Murphy MLA
Minister of Finance
Clare House
303 Airport Road
Belfast
BT3 9ED**

15 September 2021

Dear Minister of Finance

Damages (Return on Investment) Bill

The Committee for Justice is currently undertaking the Committee Stage of the Damages (Return on Investment) Bill and organisations have raised a number of issues and concerns in the written and oral evidence provided relating to the increase in indemnity costs for GPs in Northern Ireland and the implications as a result of the discount rate.

The Committee for Justice wrote to the Minister for Health regarding these issues and in his response dated 18 August the Minister outlined that the issue of future GP indemnity arrangements is under consideration by the Department of Health and future options for GP indemnity provision are under active review.

The Committee had also asked whether funding would be available from the Treasury to cover some or all of the costs if a state backed GP indemnity scheme is introduced and whether Northern Ireland gets any sort of Barnett consequential funding as a result of the state backed indemnity scheme that was introduced in England and Wales when the discount rate changed in that jurisdiction, and if so, how that money was allocated in Northern Ireland. The Health Minister indicated that he was unable to advise on this as it would be for the Department of Finance to liaise with HM Treasury on any funding and it could also answer the question regarding receipt of Barnett consequentials.

The Committee for Justice therefore agreed at its meeting on 9 September to write and ask you for this information.

I would appreciate a response at your earliest convenience.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Mervyn Storey', written in a cursive style.

Mervyn Storey, MLA
Chairman, Committee for Justice

Room 242, Parliament Buildings, Ballymiscaw, Stormont, Belfast, BT4 3XX
Telephone: (028) 9052 1629
E-mail: committee.justice@niassembly.gov.uk