

Written Ministerial Statement

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Department of Finance

PUBLIC EXPENDITURE: 2020-21 JANUARY MONITORING

Published on Thursday 21 January 2021.

Mr Murphy (The Minister of Finance): I wish to update the Members on the Executive's agreement to the January Monitoring Round for 2020-21. As with earlier monitoring rounds this year, has taken place alongside decisions taken to provide support in view of the COVID-19 restrictions now in place.

This is being done by written statement in order to confirm the relevant allocations for immediate use and provide members with as much notice as possible of the changes to public spending for the remainder of the financial year. However, I will make an oral statement to the House next week which will provide the opportunity for Members to ask questions and raise specific issues.

COVID-19 Response

COVID Funding Available

The Treasury has announced an increase in the amount of Covid funding guaranteed to the Executive in 2020-21 to £3 billion, providing an additional £200 million Resource DEL. While discussions with Treasury continue on flexibility to carry this forward to next year this amount has not been allocated as part of this round.

Departments have declared reduced requirements against previously announced allocations and details are provided in the tables accompanying this statement. This provides £219.2 million Resource DEL for allocation. £10.5 million Financial Transactions Capital reduced requirements were also declared, however as this allocation had been provided from Executive funds this is dealt with outside of COVID-19 support.

Allocations made to departments previously included amounts which have now been provided to the Executive from other sources, as such £66.6 million Covid funding can be returned to for reallocation. Latest forecasts of Regional Rate income show that £46.4 million previously provided for rate relief measures will not now be required, reflecting a reduced cost rather than a reduction in the support being provided.

My statement on 23 November noted that £150 million was set aside for longer term rates support, in view of the additional £200m now available, which the Executive should be able to carry forward to next year, I have made the £150 million available for allocation now.

The total amount of Covid Funding available for allocation now is £509.8 million.

COVID Bids

Departments have submitted Covid-19 Bids totalling £215.6 million Resource DEL, details are provided in the tables to the statement. In addition the Department for the Economy and the Department for Infrastructure have confirmed that they will require the amounts previously held centrally for support to business and the transport sectors.

While these bids factored in restrictions that came into effect on 26 December, Ministers are considering what further support can be provided to those most in need. While further proposals are developed it is important that the Executive provides the immediate support needed by businesses and individuals and has therefore moved to agree allocations to all bids submitted so far.

COVID Allocations

Allocations announced today are shown in Table F to the statement.

The Department for the Economy will receive £94.5 million for Research and Development, replacement of European Social Fund funding in this year and various schemes supporting Tourism and hospitality, small businesses and Company Directors.

This along with the £60 million previously held centrally provides the Economy Minister with £154.5 million to provide much needed support to individuals and businesses in this financial year.

The Department of Education will receive £7.5 million to continue the response to Covid 19 in schools, to extend the Lost Learning Programme to special schools.

The Department of Finance will receive £101.6 million, £100 million will extend the Financial Assistance Scheme in view of the new restrictions, and to help the newspaper sector £0.6 million will provide rate relief.

The Department for Infrastructure will receive £12.1 million for COVID support including DVA lost income

Non-COVID Transactions

Departments have identified £93.9 million Resource DEL, £55.7 million Capital DEL and a total of £12 million Financial Transactions Capital reduced requirements.

Factoring in changes to centrally held funding there is £110.7 million Resource DEL, £46.4 million Capital DEL and £55.7 million FTC of non-Covid funding available for allocation in January Monitoring.

Departments bid for £98.2m Resource DEL, £24.2 million Capital DEL of non-COVID related pressures in January Monitoring.

Treasury has provided funding in relation to Protocol costs, Expected Credit loss, Accrued Annual Leave and Project Stratum so bids for these will be met from additional funding from Treasury.

The remaining pressures of £58.4 million Resource DEL, £18.1million Capital DEL and £0.004 million Financial Transactions Capital will be met in full. Details of these allocations are shown in Table G to the statement.

Allocations include £9.7 million to DfE for Higher Education Quality Research and FE colleges pay remit and £45 million to DfI to support the Driver and Vehicle Agency and Translink.

Outcome

After meeting all departmental bids and amalgamating COVID and non-COVID funding, £346.4 million Resource, £28.3 million Capital and £55.7 million FTC remains unallocated.

I have encouraged Executive Ministers to continue to work on further ways to utilise additional funding in this financial year and further allocations are anticipated next week.

In addition I have requested increased flexibility to carry forward COVID funding from Treasury and await the outcome of that request.

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ANNEX A

TABLE A

JANUARY Monitoring COVID Reduced Requirements (£ millions)

| DEPARTMENT | DESCRIPTION | Non Ring Fenced Resource | FT Capital |
|---|---|--------------------------|--------------|
| DfC | Discretionary Support Grant | -2.0 | |
| | Homelessness | -0.3 | |
| TOTAL DfC | | -2.3 | |
| DfE | Air Access | -1.2 | |
| | Apprenticeship Incentives | -0.5 | |
| | Assistance to Tourism | -0.3 | |
| | Holidays at Home Vouchers | -2.0 | |
| | Hydrogen Economy | -1.0 | |
| | Apprenticeships | -3.1 | |
| | Invest NI - Assistance to Business | -93.0 | |
| | Invest NI - Early Stage Companies | | -0.5 |
| | Retain your Apprentice | -0.9 | |
| | Skills & Youth Training | -0.6 | |
| | Teaching Grant QUB/UU | -2.8 | |
| | Tourism NI - Game of Thrones | | -10.0 |
| TOTAL DfE | | -105.4 | -10.5 |
| DE | Response - Education Authority | -0.2 | |
| | Response - Children & Learning | -0.3 | |
| | Response - Free School Meals | -2.8 | |
| | Response - Lost Income | -0.1 | |
| | Response - Pathway Fund | -0.1 | |
| | Response - School Meals Loss of Income | -0.1 | |
| | Response - Schools Maintenance | -0.2 | |
| | Restart - Free School Meals | -2.7 | |
| | Restart - Grounds Maintenance | -1.1 | |
| | Restart - PPE | -8.1 | |
| TOTAL DE | | -15.7 | |
| DoH | Health Support Services | -47.9 | |
| | Hospital Services | -42.1 | |
| | Ophthalmic Services | -0.0 | |
| | Social Care Services | -0.0 | |
| TOTAL DoH | | -90.0 | |
| DOJ | Northern Ireland Courts and Tribunal Services | -0.5 | |
| | Police Service Northern Ireland | -4.0 | |
| | Prison Service | -1.2 | |
| | Safer Communities | -0.1 | |
| TOTAL DOJ | | -5.8 | |
| TOTAL COVID REDUCED REQUIREMENTS | | 219.2 | 10.5 |

Total may not add due to roundings

ANNEX A

TABLE B

JANUARY Monitoring Reduced Requirements (£ millions)

| DEPARTMENT | DESCRIPTION | Non Ring Fenced Resource | Capital | FT Capital |
|------------------|--|--------------------------------|--------------|---------------|
| DAERA | EU Exit | -6.9 | | |
| DfC | Casement Park Capital IT CFER | | -2.7 | |
| | Casement Park Redevelopment | | -1.7 | |
| | Housing Benefit Rates Rebates | -8.0 | | |
| | HMO database costs | -0.0 | | |
| | Housing Association receipts | | -2.6 | |
| | Information Technology | | -3.6 | |
| | Local Government Boundary Commission | -0.2 | | |
| | Local Government Services De-Rating Grant | -2.1 | | |
| | Northern Ireland Housing Executive Voluntary Exit Scheme | -0.1 | | |
| | Recruitment Delays | -3.5 | | |
| TOTAL DfC | | -13.9 | -10.5 | |
| DfE | EU Exit | -1.5 | | |
| | Insolvency Service CFERS | -0.1 | | |
| | Invest NI - FTC - Growth Loan Fund | | | -1.2 |
| | Invest NI - FTC - Seed Fund | | | -0.4 |
| | PMS - Capital Receipts | | -7.8 | |
| | Small Business Research Initiative | | -0.2 | |
| | Tourism Development | | -1.0 | |
| TOTAL DfE | | -1.7 | -9.1 | -1.5 |
| DE | Excess GMI Capital Receipts | | -0.3 | |
| | Excess VGS Capital Receipts | | -1.0 | |
| | Schools' Surpluses | -16.2 | | |
| TOTAL DE | | -16.2 | -1.3 | |
| DoF | Accommodation | -1.7 | | |
| | Bad debt | -0.3 | | |
| | CENSUS | -1.3 | | |
| | Change controls | | -0.1 | |
| | Consultancy | -0.1 | | |
| | Digital Transformation Service Contact Centre | -0.9 | | |
| | EU Exit | -0.1 | | |
| | ITAssist Contract | -0.8 | | |
| | Project delays | | -1.7 | |
| | Rate relief refund | -10.9 | | |
| | Vacancies | -1.2 | | |
| TOTAL DoF | | -17.2 | -1.8 | |
| DoH | Agenda for Change Pay | -0.7 | | |
| | Bright Start Approved Home Childcare (DSC) | -0.1 | | |
| | Business Service Organisation - ICT | | -19.1 | |

ANNEX A

| DEPARTMENT | DESCRIPTION | Non Ring Fenced Resource | Capital | FT Capital |
|-----------------------------------|--|--------------------------------|--------------|---------------|
| | GovTech | | -0.1 | |
| | Health and Social Care Services | -23.0 | | |
| | Northern Ireland Ambulance Service | | -1.5 | |
| | Northern Ireland Fire and Rescue Service | | -0.2 | |
| | Trusts ICT | | -4.1 | |
| TOTAL DoH | | -23.8 | -25.0 | |
| DfI | A5 Western Transport Corridor | | -1.5 | |
| | DVA Capital Grant | | -1.0 | |
| | Planning | | -0.6 | |
| | Roads CFER | -0.3 | | |
| | TENS Income | | -0.1 | |
| | TENS receipts | | -0.1 | |
| | Trust Port Loan | | -1.0 | |
| TOTAL DfI | | -0.3 | -4.2 | |
| DOJ | Access to Justice | | -0.1 | |
| | EU Exit | -0.3 | | |
| | Legal Services Agency | | -0.0 | |
| | Northern Ireland Prison Service | | -1.5 | |
| | Police Service Northern Ireland | | -0.7 | |
| | Police Ombudsman | | -0.3 | |
| | Safer Communities | | -0.8 | |
| | Youth Justice Agency | | -0.0 | |
| TOTAL DOJ | | -0.3 | -3.4 | |
| TEO | Administration | -0.6 | | |
| | Community Relations Council | -0.0 | | |
| | Historical Institutional Abuse | -7.0 | -0.2 | |
| | Historical Institutional Abuse Redress | -1.3 | | |
| | Population Survey 20-21 | -0.0 | | |
| | Recruitment delays | -0.8 | | |
| | Renewable Heat Incentive | -0.1 | | |
| TOTAL TEO | | -9.9 | -0.2 | |
| FSA | Return of Executive NI Protocol funding | -2.6 | | |
| NIA | CFER Receipts | -0.0 | | |
| | Recruitment delays | -0.9 | -0.1 | |
| TOTAL NIA | | -0.9 | -0.1 | |
| NIAO | Administration | -0.1 | | |
| NIAUR | Administration | | -0.0 | |
| | Renewables Buy Out Fund | -0.0 | | |
| TOTAL NIAUR | | -0.0 | -0.0 | |
| NIPSO | Recruitment delays | -0.1 | | |
| | Delay in Capital Projects | | -0.0 | |
| TOTAL NIPSO | | -0.1 | -0.0 | |
| TOTAL REDUCED REQUIREMENTS | | 93.9 | 55.7 | 1.5 |

ANNEX A

| DEPARTMENT | DESCRIPTION | Non Ring Fenced Resource | Capital | FT Capital |
|-------------------|--------------------|---|----------------|-----------------------|
|-------------------|--------------------|---|----------------|-----------------------|

Total may not add due to roundings

TABLE C

JANUARY Monitoring COVID BIDs Submitted (£ millions)

| DEPARTMENT | DESCRIPTION | Non Ring Fenced Resource |
|-----------------------------------|--|---------------------------------|
| DfE | Assistance to Tourism | 5.0 |
| | Business Support Scheme | 7.0 |
| | Catalyst Projects | 0.6 |
| | Company Directors | 20.0 |
| | Displacement of European Social Fund (ESF) Funding | 18.7 |
| | ESF Apprenticeships | 7.8 |
| | Loss of Commercial Research Income | 7.2 |
| | R&D Scheme Grant | 16.0 |
| | Small Business Grant & Hospitality Schemes | 1.1 |
| | Tourism & Hospitality Scheme | 11.1 |
| TOTAL DfE | | 94.5 |
| DE | Response - Educating through COVID-19 | 4.6 |
| | Response - Entitlement Framework | 0.4 |
| | Response - Lost Learning Programme | 0.3 |
| | Response - St John Baptist Contingency | 0.2 |
| | Restart - Schools | 2.0 |
| TOTAL DE | | 7.5 |
| DoF | Desktop Disposals | 1.0 |
| | Financial Assistance | 100.0 |
| | Newspaper Rate Relief | 0.6 |
| TOTAL DoF | | 101.6 |
| DfI | DVA Lost Income | 10.0 |
| | DVA PPE | 0.2 |
| | Roads Lost Income | 1.9 |
| TOTAL DfI | | 12.1 |
| TOTAL COVID BIDS SUBMITTED | | 215.6 |

Total may not add due to roundings

ANNEX A

TABLE D

JANUARY Monitoring Reclassifications (£ millions)

| DEPARTMENT | DESCRIPTION | Non Ring Fenced Resource | Capital |
|---|--------------------|---------------------------------|----------------|
| PPS | IT Costs | -0.0 | 0.0 |
| Movements between Ring Fenced and Non Ring Fenced Resource DEL reflected in TABLE H | | 0.4 | |
| TOTAL PROPOSED RECLASSIFICATIONS | | 0.4 | 0.0 |

ANNEX A**TABLE E****JANUARY Monitoring Non-COVID BIDs Submitted (£ millions)**

| DEPARTMENT | DESCRIPTION | Non Ring Fenced Resource | Capital | Financial Transactions Capital |
|-----------------------------|--|---------------------------------|----------------|---------------------------------------|
| DAERA | Financial Discipline Reimbursement due from EU | 3.5 | | |
| DfE | Annual Leave Accrual | 1.1 | | |
| | FE Colleges Pay Remit | 1.6 | | |
| | Higher Education Quality Research | 8.1 | | |
| | Invest NI Expected Credit Loss | 12.7 | | |
| | Presbyterian Mutual Society Expected Credit Loss | 18.5 | | |
| | Project Stratum | | 6.1 | |
| TOTAL DfE | | 42.0 | 6.1 | |
| DE | Annual Leave Accrual | 4.3 | | |
| | Education Authority - ICT | | 3.0 | |
| | Education Authority - Minor Works | | 9.0 | |
| | Voluntary Maintained Schools - Minor Works | | 4.8 | |
| | Voluntary Maintained Schools - Minor Works - Primary | | 1.3 | |
| TOTAL DE | | 4.3 | 18.1 | |
| DfI | Annual Leave Accrual | 2.6 | | |
| | DVA Reinstatement of Reserves | 10.0 | | |
| | Translink | 35.0 | | |
| TOTAL DFI | | 47.6 | | |
| PPS | Annual Leave Accrual | 0.5 | | |
| | Dilapidation Costs | 0.3 | | |
| TOTAL PPS | | 0.8 | | |
| TEO | Annual Leave Accrual | 0.0 | | |
| | Capitalised FTC Loan Interest | | | 0.0 |
| TOTAL TEO | | 0.0 | | 0.0 |
| TOTAL BIDS SUBMITTED | | 98.2 | 24.2 | 0.0 |

Total may not add due to roundings

January Monitoring COVID-19 Allocations (£ millions)

| DEPARTMENT | DESCRIPTION | Non Ring Fenced Resource |
|-----------------------------------|--|--------------------------|
| DfE | Assistance to Tourism | 5.0 |
| | Business Support Scheme | 7.0 |
| | Catalyst Projects | 0.6 |
| | Company Directors | 20.0 |
| | Displacement of European Social Fund (ESF) Funding | 18.7 |
| | ESF Apprenticeships | 7.8 |
| | Loss of Commercial Research Income | 7.2 |
| | R&D Scheme Grant | 16.0 |
| | Small Business Grant & Hospitality Schemes | 1.1 |
| | Tourism & Hospitality Scheme | 11.1 |
| TOTAL DfE | | 94.5 |
| DE | Response - Educating through COVID-19 | 4.6 |
| | Response - Entitlement Framework | 0.4 |
| | Response - Lost Learning Programme | 0.3 |
| | Response - St John Baptist Contingency | 0.2 |
| | Restart - Schools | 2.0 |
| TOTAL DE | | 7.5 |
| DoF | Desktop Disposals | 1.0 |
| | Financial Assistance | 100.0 |
| | Newspaper Rate Relief | 0.6 |
| TOTAL DoF | | 101.6 |
| DfI | DVA Lost Income | 10.0 |
| | DVA PPE | 0.2 |
| | Roads Lost Income | 1.9 |
| TOTAL DfI | | 12.1 |
| TOTAL COVID 19 ALLOCATIONS | | 215.6 |

Total may not add due to roundings

ANNEX A

TABLE G

JANUARY Monitoring Allocations (£ millions)

| DEPARTMENT | DESCRIPTION | Non Ring Fenced Resource | Capital | Financial Transactions Capital |
|--------------------------|--|--------------------------------|-------------|--------------------------------------|
| DAERA | Financial Discipline Reimbursement due from EU | 3.5 | | |
| DfE | FE Colleges Pay Remit | 1.6 | | |
| | Higher Education Quality Research | 8.1 | | |
| TOTAL DfE | | 9.7 | | |
| DE | Education Authority - ICT | | 3.0 | |
| | Education Authority - Minor Works | | 9.0 | |
| | Voluntary Maintained Schools - Minor Works | | 4.8 | |
| | Voluntary Maintained Schools - Minor Works - Primary | | 1.3 | |
| TOTAL DE | | | 18.1 | |
| DfI | DVA Reinstatement of Reserves | 10.0 | | |
| | Translink | 35.0 | | |
| TOTAL DfI | | 45.0 | | |
| PPS | Dilapidation Costs | 0.3 | | |
| TEO | Capitalised FTC Loan Interest | | | 0.0 |
| TOTAL ALLOCATIONS | | 58.4 | 18.1 | 0.0 |

Total may not add due to roundings

TABLE H

2020-21 Ring-Fenced Resource DEL (£ millions)

| DEPARTMENT | OCTOBER MONITORING POSITION | CHANGES | JANUARY MONITORING POSITION |
|------------|-----------------------------------|---------|-----------------------------------|
| DAERA | 25.3 | -5.0 | 20.4 |
| DfC | 12.4 | -1.1 | 11.4 |
| DfE | 117.9 | 139.2 | 257.0 |
| DE | 0.9 | 0.1 | 0.9 |
| DoF | 36.4 | -0.0 | 36.3 |
| DoH | 158.4 | -5.0 | 153.4 |
| DfI | 116.2 | 0.0 | 116.2 |
| DOJ | 76.9 | 0.0 | 76.9 |
| TEO | 1.2 | -0.4 | 0.8 |
| FSA | 0.1 | 0.0 | 0.1 |
| NIA | 3.3 | -0.5 | 3.3 |
| NIAO | 0.2 | -0.0 | 0.1 |

ANNEX A

| | | | |
|--------------|--------------|--------------|--------------|
| NIAUR | 0.1 | -0.0 | 0.0 |
| NIPSO | 0.1 | -0.0 | 0.1 |
| PPS | 2.0 | 0.2 | 2.2 |
| TOTAL | 551.1 | 127.9 | 679.0 |

Totals may not add due to roundings

TABLE I**2020-21 Administration Costs (£ millions)**

| DEPARTMENT | OCTOBER POSITION | JANUARY MONITORING POSITION | % Change |
|-------------------|-------------------------|------------------------------------|-----------------|
| DAERA | 73.8 | 69.2 | -6.3 |
| DfC | 52.6 | 52.9 | 0.6 |
| DfE | 62.1 | 59.9 | -3.6 |
| DE | 16.9 | 16.7 | -1.3 |
| DoF | 161.1 | 157.6 | -2.2 |
| DoH | 31.8 | 32.8 | 3.1 |
| Dfi | 87.5 | 91.7 | 4.7 |
| DOJ | 42.8 | 38.8 | -9.5 |
| TEO | 18.0 | 16.3 | -9.2 |
| PPS | 2.1 | 2.1 | 0.0 |
| TOTAL | 548.7 | 537.9 | 2.0% |

Totals may not add due to roundings