Written Ministerial Statement

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Department of Finance

UPDATE ON 2021-22 FINAL BUDGET

Published on 31 March 2021.

Mr Murphy (The Minister of Finance): I had hoped to be provide a statement setting out a final Budget for 2021-22 today. Indeed I had hoped to do so at an earlier date.

Unfortunately despite my best endeavours the First Minister has not agreed to my Executive paper on the final Budget 2020-21 paper being tabled for Executive consideration.

Following the announcement of the draft Budget on 18 January there was a period of consultation that ended on 25 February 2021.

Following consideration of the response to that consultation I circulated a paper to my Executive colleagues on 15 March setting out my proposals for a final Budget 2021-22.

I have made a number of changes to those initial proposals to address issues raised by Executive colleagues. I fully anticipated that these relatively minor adjustments would be sufficient to achieve Executive agreement to the final Budget position.

However, although the paper has been agreed by the deputy First Minister, the First Minister has not agreed to the paper being tabled for Executive consideration.

I am of course extremely concerned that due to the decision not to allow this paper to be considered by the Executive I have, through no fault of my own, been placed in the position of breaching the requirement of the Section 64 of the Northern Ireland Act 1998 to lay a draft budget before the beginning of the financial year.

It is also of grave concern that the failure to agree a Budget before the start of the 2021-22 financial year will impact on departments' ability to plan effectively and will result in uncertainty for businesses and vulnerable people as proposed additional funding for Covid support measures is now delayed.

I will continue to work with Executive colleagues to agree a Budget for 2021-22 as quickly as possible.