

DRAFT BUDGET 2022-25 – SUMMARY OF PROPOSALS FROM THE EXECUTIVE OFFICE

Return to the Committee for Finance by the Committee for the Executive Office

February 2022

Overview

The TEO budget proposals for 2022-25 are summarised in the following table.

	Opening position 2021-22	2022-23	2023-24	2024-25
Resource DEL	£120.5m	£210.7m	£231.4m	£230.7m
Capital DEL	-	£15m	£15m	£15m

The significant increase in allocation is due to the requirement to administer three areas of funding:

- Historical Institutional Abuse redress payments
- Victims Payment Scheme (Troubles Permanent Disablement Payment Scheme)
- Truth Recovery Programme (Mother baby homes and Magdalene laundries)

Proposed resource allocations in detail are:

	Opening position 2021-22	2022-23	2023-24	2024-25
Baseline	£60.7m	£72.5m	£72.5m	£72.5m
Ring-fenced (HIA, VPS, TRP)	£58.9m	£126.2m	£146.9m	£146.2m
Shared Future/good relations	-	£12m	£12m	£12m
Total	£120.5m	£210.7m	£231.4m	£230.7m

The apparent increase in baseline funding incorporates a £1.2m cut, but also an additional £13m to cover the Financial Transaction Capital of which the Department can no longer avail, which formerly was directed to baseline funds.

Ring-fenced allocations such as Peace Programme match funding, funding for the Dedicated Mechanism (for independent oversight of Article 2 of the Ireland/Northern Ireland Protocol) and funding for Tackling Paramilitary Activity/Communities in Transition are to be held centrally. The Shared Future funding is a recurring allocation from central funds to cover the end of Fresh Start funding in March 2021.

Capital spend is mostly associated with Urban Villages projects.

Concerns and Comments

The Department has become responsible for a number of new programmes, either directly or in a co-ordinating role. On top of the HIA redress programme and the VPS, the Department is responsible

for the implementation of the report of the Truth Recovery Design Panel, which includes redress arrangements, and the development of the strategy for ending violence against women and girls. The need to build new teams around programmes requires additional resource to ensure effective programme management. The real term reduction in the baseline allocation will therefore remain a challenge.

There has been significant variation in projected and actual expenditure on HIA and VPS redress payments, with underspends in both areas reported in successive monitoring rounds. As there is no evidence of a decrease in demand, increases in spending pressures in these areas can be expected.

Capital projects continue to be a challenge for the Department, the Committee noting delays to projects (such as Meenan Square) and areas of considerable potential investment (such as Maze Long Kesh).

Items missing from the budget include:

- Implementation of the report of the Flags, Identity, Culture and Traditions report
- Implementation of outstanding elements of New Decade New Approach, such as new language and identity structures

Summary

TEO is a minor spender in the overall budget, but short term spending needs can be volatile. In particular, variations can be expected in redress payments in respect of HIA, TPS and TRP. The Committee has welcomed the start of redress schemes for victims and survivors of the conflict and of historical institutional abuse and looks forward to the timely implementation of the recommendations of the Truth Recovery Design Panel for victims and survivors of mother and baby homes.