

Written Ministerial Statement

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Department of Finance

2020-21 COVID-19 ALLOCATIONS

Published on Thursday 24 September 2020.

Mr Murphy (The Minister of Finance):

INTRODUCTION

This statement sets out further allocations aimed at addressing the evolving COVID-19 situation and the Executive's response to recovery

FUNDING AVAILABLE

Since the Statement to the Assembly on June Monitoring, further funding of £762.2 million has been made available to the Executive as a result of the COVID-19 response in England. This includes funding made available through the Barnett formula as well as £600 million which formed the UK Government's guarantee announced on 24 July 2020. This guarantee provides a minimum of £2.2 billion to the Executive for 2020-21 for its COVID-19 response and is provided now to avoid a drip-feed of further Barnett and the associated planning difficulties such a drip-feed would produce. Full details of Barnett funding is set out at **Table A**.

The Department for Communities has surrendered £4 million of COVID-19 funding in relation to its Supporting People programme. In addition, as a result of recent departmental assessments some £30.9 million Capital DEL has been made available for reallocation.

The Executive had previously held £2.2 million for its contribution to a Ferry Operator scheme run by the Department for Transport in England. Latest indications are that the cost will be £0.35 million, thereby releasing £1.85 million for reallocation

FURTHER ALLOCATIONS

13 August

Due to the evolving situation and the need to provide support as expediently as possible the Executive allocated £123 million of funding on 13 August. This set of allocations included funding to enable schools and Further Education facilities to safely reopen, provide apprenticeship places and support social enterprises. A full list of August allocations is set out at **Table B**.

11 September

Further limited allocations were made on 11 September, reflecting the urgency of providing support for Higher Education places and additional PPE for the education sector as schools re-opened. Details of these allocations are set out in **Table C**.

24 September

Further allocations have now been agreed by the Executive after considering its COVID recovery plan.

Given the concerns around waste management and the need to meet pressures resulting from increased landfill and waste management costs DAERA have been allocated £11.4 million to support these key services.

Local councils have been at the forefront of vital recovery services despite being placed into financial stress by income reduction. Councils will also play a key role in economic recovery and in recognition of that £40 million has been allocated to the Department for Communities to support key local council service provision.

Given the severe impact on the arts sector and the need to provide appropriate support for the reopening of venues, and introduction of Covid measures, in the face of dramatic losses of revenue £29 million has been allocated to the Department for Communities for cultural recovery. This is in addition to £4 million which was previously allocated for the Cultural Resilience Fund and means that an additional £33 million has been allocated to the sector which plays a key part in economic recovery.

The Executive recognises the need for further support for businesses and in recognition of the ongoing hardships faced the Department for the Economy has been allocated £8.5 million for assistance to business, £8.4 million for skills and youth training, £9.9 million for tourism support, £5.8 million to University R&D, £1.9 million for air route support and £1.4 million for Energy. These should all help spur the economic recovery.

The Executive has allocated £8.0 million to schools with a further £1.0 million for pre-schools, enabling them to maintain safe practices and £0.2 million in respect of Special Education Need mainstream and pupil support.

Given the winter pressures identified by the Department for Infrastructure and the need to ensure that key transport corridors are accessible during the winter months the Executive has allocated £5 million for this important economic support network.

FTC funding of £80 million has also been agreed for the Ulster University Belfast campus project.

Full details of allocations are set out in **Tables D&E**.

CENTRAL FUNDING

Following the allocations set out above £54.8 million of the funding previously set aside for Transport and PPE remains. Departments have not identified any further PPE requirements therefore it is proposed to combine the Transport and PPE funding, along with £0.4 million of general funding into one pot of £55.2 million. This will be held pending proposals from the relevant departments on support for sectors which have so far fallen through the gaps.

The additional £600 million that formed part of the UK guarantee is held centrally pending the Department of Health's assessment of costs for 2020-21.

OUTCOME

The outcome of these sets of allocations is that the Executive retain £55.2 million for further sectoral support and £600 million pending the Health assessment. There is also a small Capital overcommitment of £0.5 million which will be managed as part of the monitoring process.

Further decisions on funding will be made following the Department of Health assessment of need and proposals from departments on further sectoral support.

Full details are included in the tables provided with this Statement.

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Table A Barnett Consequentials / UK Guarantee

Executive Allocations

Table B August Allocations

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Table A – Barnett Consequentials / UK Guarantee

£million

England Only Measures	Resource	Capital	FTC
Budget20 LA hardship fund	16.4		
Business support grants (total cost)	406.9		
Business rates reliefs (total cost)	353.2		
Charity support - National Lottery Community Fund	10.2		
Charity support - direct grants (inc hospices)	8.5		
Fisheries Support	0.2		
Rugby League Support			0.4
Coronavirus Emergency Response fund			
Enhanced NHS discharge/suspension of means test	42.6		
Local Authority COVID support package	52.4		
Purchasing independent sector capacity	45.2		
Shielding - food packages	6.9		
Shielding - DHSC elements	9.6		
DfT - Emergency Management Agreements	95.0		
PPE procurement	3.3		
DWP additional funding for operational resilience	4.7		
Call centre for the National Shielding Centre	1.8		
NHS Workforce	48.6		
GP and Community Pharmacy Easter Bank Holiday Opening	2.9		
Emergency Management Agreement for railway services (19-20)	19.3		
Advance Ticket Refund	1.0		
Voucher scheme to replace free school meals	7.1		
Shielding - food packages	1.9		
Councils	52.4		
Shielding - food packages	19.7		

£million

England Only Measures	Resource	Capital	FTC
Shielding - DHSC elements	0.2		
DfT - Emergency Management Agreements	0.8		
PPE procurement	35.9		
MHCLG Homeless (Capital DEL)		3.1	
Test and Trace Funding	9.8		
NHS Workers	8.3		
GPs support in care homes	1.5		
Contact tracers	7.4		
Flu vaccines	6.5		
PPE (second tranche)	157.3		
Budget 2020-21 COVID-19 Capital		1.3	
Historic Royal Palaces	0.8		
Economically vulnerable food support	2.1		
Summer food fund	3.9		
Schools catch-up	16.4		
Community Pharmacy Support Fund	3.9		
Contact tracers	-7.4		
Test and Trace (LA element)	36.1		
Health and Safety Executive	0.4		
Telephony services	1.4		
Fire services	1.1		
Homelessness (resource)	4.2		
Local authority support package (2nd July)	16.4		
Prison service support	1.3		
Cultural Recovery Fund	32.6		
Large Zoo Support	2.8		
GP and Community Pharmacy Easter Bank Holiday Opening	0.0		
Summer Economic Update	46.2		

£million

England Only Measures	Resource	Capital	FTC
UKG Guarantee Announcement	600.0		
Totals	2199.5	4.4	0.4

Table B – 13 August 2020 Allocations

		£m
DFC	Safely re-open the Voluntary & Social Enterprise Sectors	2.5
	Social Enterprises	7.0
DfE	FE COVID-19 Related Additional Expenditure To Provide Safe Learning Environment	5.5
	Apprenticeships	17.2
	Free School Meals – Further Education	0.4
DE	Restart – PPE	6.4
	Schools Reopening	35.0
	Free School Meals	0.6
DfI	Translink	20.0
	Taxi and Bus Industry – statutory Licences	1.4
	NI Water	27.0
Total		123.0

Table C – 11 September 2020 Allocations

		£m
DfE	Higher Education Places	3.2
DE	Restart – PPE	19.2
Total		22.4

Table D – 24 September 2020 Resource Allocations

		£m
DAERA	Waste Management	11.4
DfC	Local Councils	40.0
	Culture Recovery	29.0
Total DfC		69.0
DfE	Assistance to Business	8.5
	Skills and Youth Training	8.4
	Tourism	9.9
	University R&D	5.8
	Energy	1.4
	PPE	3.5
	Air Route Support	1.9
Total DfE		39.2
DE	Schools	8.0
	Non-Statutory Pre-School Settings	1.0
	SEN	0.2
Total DE		9.2
DfI	Winter Service	5.0
Total		133.8

Table E – 24 September 2020 Capital Allocations

		£m
DoH	Track, Trace and Protect App	1.6
Dfl	A6 Flagship	14.8
	NI Water - Acceleration of Works	15.0
Total Dfl		29.8
Total Conventional Capital		31.4
TEO	Ulster University (FTC)	80.0
Total		111.1