

Written Ministerial Statement

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Department of Finance

PUBLIC EXPENDITURE 2021-22 FURTHER ALLOCATIONS

Published at 12.00 noon on Thursday 3 March 2022.

Mr Murphy (The Minister of Finance): In my Oral Statement to the Assembly on 15 February, I notified the House of my intention to make further allocations to ensure optimal use of the funding available and minimise the risk of losing funding to Treasury.

I wish to update Members on the current financial position and provide details of further funding allocations that I am making.

2021-22 Available Resources

Following January monitoring, there was £70.5 million Resource DEL, £35.9 million Capital DEL and £1.6 million Financial Transactions Capital unallocated.

At its meeting on the 27 January, the Executive agreed a further allocation of £5.5 million Resource DEL to the Department of Finance to extend the Omicron Hospitality Payment to include hotels and sports clubs. This brought the available Resource DEL down to £65 million.

I noted at the time of January monitoring that Barnett consequentials had yet to be confirmed by Treasury. These have now been confirmed and the unallocated resources stood at £95.2 million Resource DEL and £1.4 million FTC with a small over-commitment of £1.6 million Capital DEL.

Further Allocations

At January monitoring, the Executive agreed that I would keep the in-year position under review and revisit potential allocations towards the end of the year once Barnett consequentials had been confirmed.

The Executive also wished to carry forward Resource DEL to supplement the budget position in 2022-23 through the Budget Exchange Scheme (BES). The permitted carry forward under BES for Resource DEL is £104.3 million.

Given historic levels of departmental underspends that typically emerge at year-end, my intention is to bring the available resources down to around £50 million to minimise the risk that we exceed this limit and have to return money to Treasury. This means making £45 million of allocations in 2021-22.

The actions of the First Minister mean that the Executive cannot meet to agree allocations. I have considered this matter at some length and, while it steps outside the normal processes to allocate funding without Executive approval, I feel it would be unforgivable if funding that could be used to support local people and services was returned to the Treasury because of the political situation.

Having received legal advice on the options available to me to address the unallocated funding and sought the views of Ministers, I intend to allocate £45 million to the departments that had sought further funding – the Department of Education, Department for Communities and Department for Infrastructure.

I can now confirm that the following allocations have been made to departments:

The Department for Communities receives £16.0 million for the Housing Executive for the implementation of the Tower Block Action Plan and Thermal Insulation Programmes.

The Department of Education receives £13.0 million, meeting their request in full, for teaching pay pressures.

The Department for Infrastructure receives £16.0 million to provide additional funding for Translink and address increased energy costs and a reduction in testing income for DVA.

There is also a small allocation for a central adjustment of £0.1 million for the salaries of statutory office holders including the NI Public Service Ombudsman, the Comptroller and Auditor General, the Lands Tribunal and Judicial salaries.

Outcome

As a result of these further allocations there remains £50.2 million Resource DEL eligible for carry forward under BES into next year. This is in addition to the £100 million Barnett consequential relating to the Council Tax rebate which Treasury has agreed can be carried forward outside the Budget Exchange Scheme. We will also receive £150 million in 2022-23 in relation to the repayable energy discount the British Government recently announced. This means there will be at least £300 million of additional funding next year, over and above the draft Budget position

The £1.4 million unallocated FTC will be carried across in full to 2022-23, whilst the small over-commitment of £1.6 million Capital DEL is expected to be addressed as departmental underspends emerge at year-end.

The departmental spending table accompanying this statement has been revised to reflect the changes outlined in this statement and has been updated from tables previously published which reflected January Monitoring 2021-22 outcome.

INDEX OF TABLES

2021-22 January Monitoring:

Annex A	Further Allocations
Annex B	Spending Area tables

Further Allocations (£ million)

Department	Description	Non Ring Fenced Resource DEL
DoF	Omicron Hospitality Payment Scheme Extension	5.5
DfC	Housing Executive Tower Block and Insulation	16.0
DfI	DVA Lost Income	8.0
	DVA Increased Energy Costs	0.4
	Translink Subsidy	7.6
DE	Teaching Pay Pressures	13.0
NIAO	Statutory Salary	0.1
Total Allocations		50.6

2021-22 Departmental Outcome by Spending Area - Resource DEL (£ millions)

Department	Spending Area	October Monitoring Position	¹ Reduced Requirements	² January Allocations	³ Technical Adjustments	January Monitoring Position
DAERA	Food and Farming	418.2			-5.0	413.2
	Veterinary Service and Animal Health	68.8		4.0	8.7	81.5
	Rural Affairs	16.2			-0.9	15.3
	Foyle, Carlingford and Irish Lights Commission	2.1			0.3	2.3
	Environment, Marine and Fisheries	57.5			-0.7	56.8
	Forestry	5.0			-0.1	4.9
	Total DAERA		567.8		4.0	2.3
DfC	Welfare and Employment	392.6	-20.2	55.0	-13.9	413.4
	Local Government	64.6		18.2	-0.3	82.5
	Housing Benefit (Rates Element)	102.2	-1.4		-3.8	97.0
	Housing and Regeneration	174.0		16.0	1.5	191.5
	Culture, Arts and Sport	107.1			2.2	109.3
	Voluntary and Community Funding	57.3			5.5	62.8
	North South Language Body	6.8			2.7	9.5
Total DfC		904.6	-21.6	89.2	-6.2	966.1
DfE	Economic & Business Development	373.4	-33.9		-5.9	333.6
	Tourism	40.5	-0.6		0.2	40.1
	Employment and Skills	357.5	-18.8		2.6	341.3
	Student Support & Higher Education	341.0	-2.6		3.0	341.5
	Tourism Ireland Ltd.	17.2			5.0	22.2
	InterTradeIreland	7.1			0.1	7.2
	Representation & Regulatory Services	29.1	-2.4		-0.4	26.3
Total DfE		1,165.8	-58.3		4.7	1,112.1
DE	Pre-school, Primary School & Post Primary Education	2,212.3	-41.1	53.9	3.0	2,228.1
	Youth and Other Children's Services	44.3	-0.0	0.0	0.2	44.5
	Activities to Support Education	243.3		2.4	-3.6	242.1
Total DE		2,499.8	-41.1	56.3	-0.4	2,514.7
DoF	Finance, Procurement & Policy	21.5	-1.2		0.3	20.5
	NICS Shared Services	66.7	-3.4		-0.6	62.8
	NI Statistics & Research Agency	18.9	-0.3		-0.0	18.5
	Land & Property Services	107.7	-6.7	46.3	3.5	150.8
	EU Programmes	0.7	-0.1		-0.1	0.6
	Special EU Programmes Body	1.4				1.4
	NICS Accommodation Services	43.6	-0.5		-0.1	43.1
Total DoF		260.6	-12.1	46.3	3.0	297.8
DoH	Hospital Services	4,161.7			283.3	4,445.0
	Social Care Services	1,320.8			-15.8	1,305.0
	FHS - General Medical Services	331.4			-2.9	328.5
	FHS - Pharmaceutical Services	556.7			-2.6	554.1
	FHS - Dental Services	129.1			-2.8	126.3
	FHS - Ophthalmic Services	25.6			-0.4	25.2
	Health Support Services	171.9			-186.1	-14.2
Public Health Services	94.9			1.3	96.2	

	Paramedic Services	110.2			-3.2	107.0
	Food Safety Promotion Board (N/S Body)	1.6			0.5	2.1
	Fire & Rescue Services	87.4			1.1	88.5
Total DoH		6,991.4			72.3	7,063.7
DfI	Roads, Rivers and Waterways	209.4	-0.1	8.3	2.1	219.7
	Waterways Ireland	3.6			-0.0	3.6
	Bus, Rail and Ports	120.2	-0.3	55.4	-2.9	172.4
	Road Safety Services Including DVA	13.0	-0.1	10.4	-1.3	22.0
	Planning and Legacy Sites	5.2			-0.2	5.1
	Water and Sewerage	133.9		13.8	2.7	150.4
Total DfI		485.4	-0.4	87.9	0.3	573.2
DOJ	Access to Justice	174.7	-0.4	3.5	1.1	179.0
	Safer Communities	75.7	-0.5		-0.1	75.1
	NI Prison Service and Youth Justice Agency	137.4	-0.9		-1.4	135.0
	Police Service of Northern Ireland	791.1		8.8	1.8	801.8
Total DOJ		1,178.9	-1.9	12.3	1.5	1,190.8
TEO	Executive Support	118.4	-10.5		3.7	111.6
	Good Relations	17.6	-0.1		1.0	18.5
	North-South Ministerial Council	1.8			-0.4	1.3
	Attorney General for Northern Ireland	1.4				1.4
Total TEO		139.1	-10.6		4.3	132.8
FSA	Food Standards Agency	14.3	-1.0			13.3
NIA	Northern Ireland Assembly	44.6	-1.0			43.7
NIAO	NI Audit Office	8.0	-0.4	0.1		7.7
NIAUR	NI Authority for Utility Regulation	0.1	-0.0		0.0	0.1
NIPSO	NIPSO	3.6				3.6
PPS	Public Prosecution Service	37.2	-0.4		0.0	36.9
Total		14,301.2	-148.8	296.1	81.9	14,530.5

Totals may not add due to roundings

1 No adjustment has been made since the previous published table in Written Ministerial Statement 2021-22 January Monitoring - 20-01-22

2 See Annex A for breakdown of further allocations that have been made since the previous published table in Written Ministerial Statement 2021-22 January Monitoring - 20-01-22

3 No adjustment has been made since the previous published table in Written Ministerial Statement 2021-22 January Monitoring - 20-01-22

2021-22 Departmental Outcome by Spending Area - Capital DEL inc FTC (£ millions)

Department	Spending Area	October Monitoring Position	¹ Reduced Requirements	² January Allocations	³ Technical Adjustments	January Monitoring Position
DAERA	Food and Farming	54.0	-7.6		-0.6	45.8
	Veterinary Service and Animal Health	6.3			6.2	12.5
	Rural Affairs	18.1			-6.7	11.5
	Foyle, Carlingford and Irish Lights Commission	0.7				0.7
	Environment, Marine and Fisheries	16.4	-3.0		0.6	14.1
	Forestry	3.0			-0.1	3.0
	Total DAERA		98.5	-10.6		-0.5
DfC	Welfare and Employment	9.2			-0.8	8.4
	Local Government					
	Housing and Regeneration	231.6	-1.8		12.2	242.1
	Culture, Arts and Sport	19.8	-0.8		-0.5	18.5
	Voluntary and Community Funding	5.5			-0.0	5.5
Total DfC		266.2	-2.6		10.9	274.5
DfE	Economic & Business Development	83.1	-17.7	2.2	-23.1	44.5
	Tourism	5.3			9.5	14.8
	Employment and Skills	26.2			-2.1	24.1
	Student Support & Higher Education	25.0			7.3	32.3
	Tourism Ireland Ltd.	0.5				0.5
	InterTradeIreland	0.0				0.0
	Representation & Regulatory Services	0.5	-0.0		-0.3	0.2
Total DfE		140.7	-17.8	2.2	-8.7	116.4
DE	Pre-school, Primary School & Post Primary Education	161.7	-0.1	0.5	6.2	168.3
	Youth and Other Children's Services	8.4			-1.4	7.0
	Activities to Support Education	38.4			-0.6	37.8
Total DE		208.4	-0.1	0.5	4.2	213.0
DoF	Finance, Procurement & Policy	0.9	-0.1		-0.2	0.6
	NICS Shared Services	10.6	-0.3		0.7	11.0
	NI Statistics & Research Agency	1.9	-0.3			1.6
	Land & Property Services	4.5	-2.1			2.5
	Special EU Programmes Body	0.0				0.0
	NICS Accommodation Services	23.4	-3.9		0.2	19.7
Total DoF		41.4	-6.7		0.7	35.5
DoH	Hospital Services	231.4	-7.4		7.9	232.0
	Social Care Services	0.0				0.0
	FHS - General Medical Services	16.7	-4.9		-0.3	11.5
	Health Support Services	72.6			-8.1	64.5
	Public Health Services	14.0				14.0
	Paramedic Services	8.2			1.5	9.8
	Fire & Rescue Services	9.3			-1.0	8.3
Total DoH		352.4	-12.3		0.1	340.2
DfI	Roads, Rivers and Waterways	255.6	-0.0	3.7	3.8	263.1
	Waterways Ireland	1.9			-0.0	1.9

	Bus, Rail and Ports	271.8			-17.2	254.5
	Road Safety Services Including DVA	2.9			8.5	11.5
	Planning and Legacy Sites	2.4			-1.0	1.4
	Water and Sewerage	218.2			4.1	222.3
Total DfI		752.8	-0.0	3.7	-1.8	754.7
DOJ	Access to Justice	7.2	-0.4		-0.0	6.8
	Safer Communities	4.8	-1.4			3.4
	NI Prison Service and Youth Justice Agency	14.4	-4.6			9.8
	Police Service of Northern Ireland	59.1	-1.6			57.5
Total DOJ		85.5	-8.0		-0.0	77.5
TEO	Executive Support	34.5	-1.4		-0.0	33.0
	Good Relations	2.9	-0.1		0.1	2.9
	Attorney General for Northern Ireland				0.0	0.0
Total TEO		37.4	-1.5		0.0	35.9
FSA	Food Standards Agency	0.1	-0.1			0.1
NIA	Northern Ireland Assembly	0.7	-0.2			0.5
NIAO	NI Audit Office	4.7		0.4		5.1
NIAUR	NI Authority for Utility Regulation	0.0				0.0
NIPSO	NIPSO	0.1	-0.0			0.0
PPS	Public Prosecution Service	0.6	-0.1			0.6
Total		1,989.4	-59.8	6.8	4.9	1,941.3

Totals may not add due to roundings

1 No adjustment has been made since the previous published table in Written Ministerial Statement 2021-22 January Monitoring - 20-01-22

2 No adjustment has been made since the previous published table in Written Ministerial Statement 2021-22 January Monitoring - 20-01-22

3 An adjustment has been made by DfE moving £10.0m from Economic & Business Development to Tourism since the previous published table in Written Ministerial Statement 2021-22 January Monitoring - 20-01-22