



Northern Ireland
Assembly

Research and Information Service Briefing Paper

Paper 03/16

6 January 2016

NIAR 728-15

Public Finance Scrutiny Unit

Executive Budget 2016-17: departmental allocations

Paper 3 of 4

Introduction

As part of a four-part series on the Executive Budget 2016-17, this Briefing Paper presents tables (Tables 1-3) and graphs (Figures 1-5) to illustrate departmental allocations outlined in the Minister of Finance and Personnel's Written Statement on 17 December 2015. Key observations about those tables and figures are noted as far as possible, given current unknowns arising from the departmental restructuring, which will reduce departments from 12 to 9. Amongst those unknowns are future decisions that are to be taken by the Executive, such as those relating to the total resources that are to be held in 'Central Funds'. For more information on departmental restructuring, refer to RaISe Briefing Papers NIAR 714-15, dated 6 January 2016 and [NIAR 780-12](#), dated 17 October 2012

Finally, this Paper also shows the extent to which funding Health and Social Care continues to place an increasing demand on the Executive's Budget.

Table 1: Non-ringfenced Resource DEL, Capital DEL and Financial Transactions Capital allocations for 2016-17¹

	£million		
	Resource DEL	Capital DEL	Financial Transactions Capital
Assembly Ombudsman/Commissioner of Complaints	2.3	0.0	-
Agriculture, Environment & Rural Affairs	197.9	48.8	-
Dept for Communities	871.2	148.7	11.0
Dept for Economy	790.0	60.1	30.8
Dept of Education	1,947.5	193.7	-
Dept of Finance	140.1	33.6	-
Dept of Health	4,880.1	222.6	10.0
Dept for Infrastructure	372.8	384.1	-
Dept of Justice	1,050.5	58.0	-
The Executive Office	59.1	5.0	6.0
Food Standards Agency	8.1	0.1	-
NI Assembly Commission	39.4	2.0	-
NI Audit Office	7.9	0.0	-
NI Authority for Utility Regulation	0.2	0.0	-
Public Prosecution Service	31.0	1.5	-
TOTAL	10,398.0	1,158.2	57.8

Observations:

- The new Departments of Health, Justice, and Education are not significantly affected by the reorganisation of Executive departments. The Executive proposes that the allocations to these three departments would follow a similar pattern to previous years, i.e. very close to the same percentage of the total Northern Ireland Resource DEL is allocated in the Executive Budget 2016-17, as was allocated in 2015-16;²
- The Executive proposes that the new Executive Office is to receive the smallest Resource DEL allocation to an Executive department, namely £59.1 million. The Office of the First and deputy First Minister (OFMdfM) received an allocation of £67.9 million in 2015-16. The proposed reduction appears to reflect the fact that the on-going governmental reorganisation is to require a number of existing OFMdfM functions transfer to other departments.³

¹ [Minister of Finance's Written Statement](#) 17 December 2015, Table 1, page 6

² Calculations by PFSU based on [Budget 2015-16](#) Table 4.1, page 39 and [Minister of Finance's Written Statement](#) Table 1, page 6

³ [Ministerial statement by OFMdfM](#), Monday 2 March 2015, pages 1-2

Table 2: Flagship Projects - Allocation 2016-17 to 2020-21⁴

	£million				
	2016-17	2017-18	2018-19	2019-20	2020-21
A5 Road	13.2	40.0	53.0	55.0	68.0
A6 Road	21.0	57.0	60.0	60.0	60.0
Belfast Rapid Transport	17.0	9.0	20.0	12.9	-
Belfast Transport Hub	5.8	16.0	40.0	60.0	-
Mother and Children's Hospital	16.0	29.3	62.8	73.0	61.6
Desertcreat	3.9	0.3	18.3	28.2	28.7
Regional & Sub Regional Stadia	9.8	27.0	30.0	15.0	9.0
Total	86.7	178.6	284.1	304.1	227.3

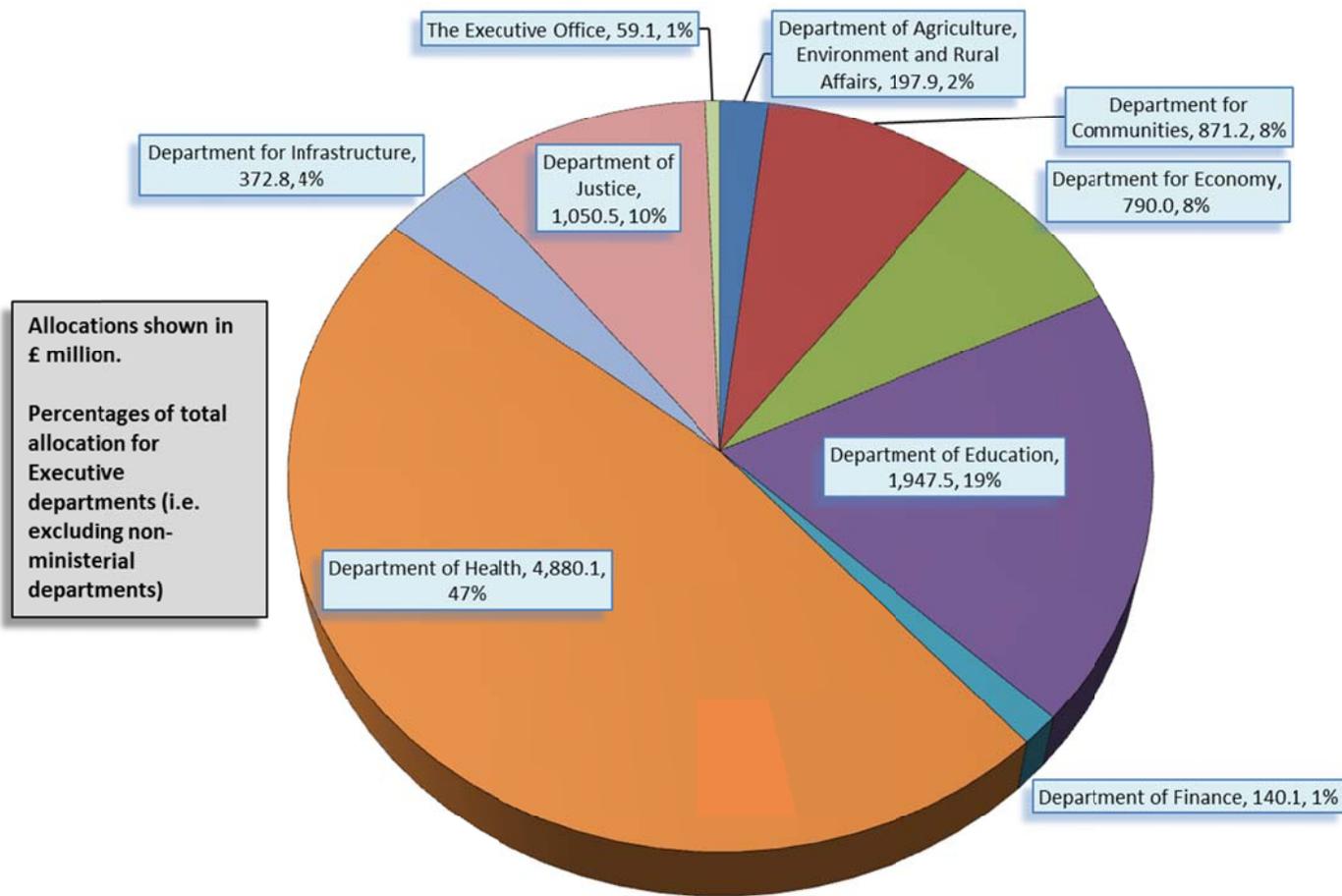
Observations:

- The Executive proposes that allocations of Capital DEL shown in Table 1 to the restructured nine departments should **include the amounts set aside for the 'Flagship Projects'**, which are listed in Table 2.⁵ In effect, this would reduce a minister's discretion when allocating the department's Capital DEL allocation in the Executive Budget 2016-17.
- It is not explicit in the Written Ministerial Statement (dated 17 December 2015) as to which department or departments' baselines the above allocations are part of. For example, is the Desertcreat allocation included within the Department of Justice allocation, or also in the Department of Health?
- A significant amount of the Flagship Project money respectively concerns infrastructure development, i.e. roads in the amount of £34.2 million and transport £22.8 million.

⁴ [Minister of Finance's Written Statement](#) 17 December 2015, Table 4, page 9

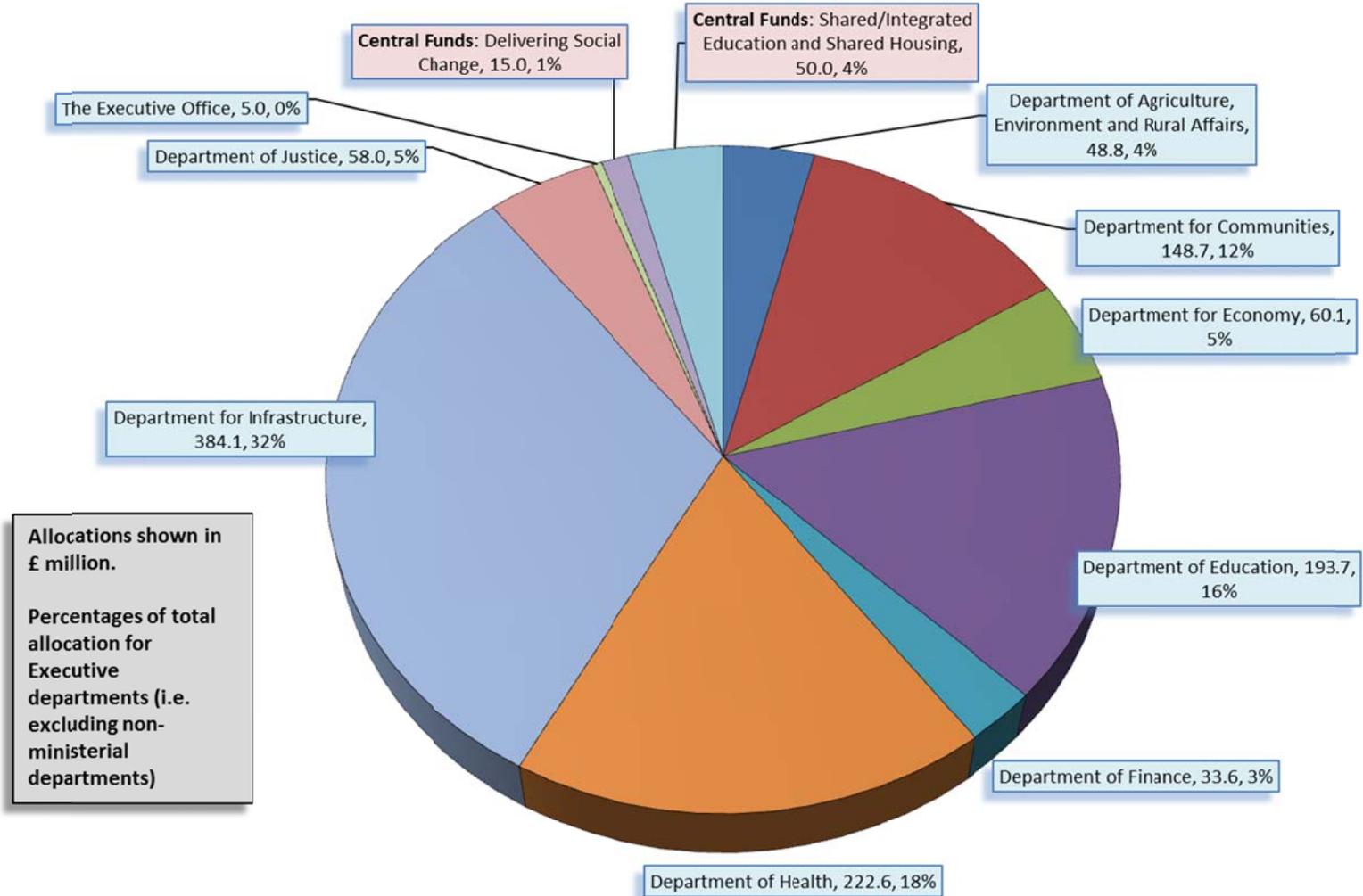
⁵ E-mail from DFP official, 21 December 2015

Figure 1: Non-ringfenced Resource DEL⁶



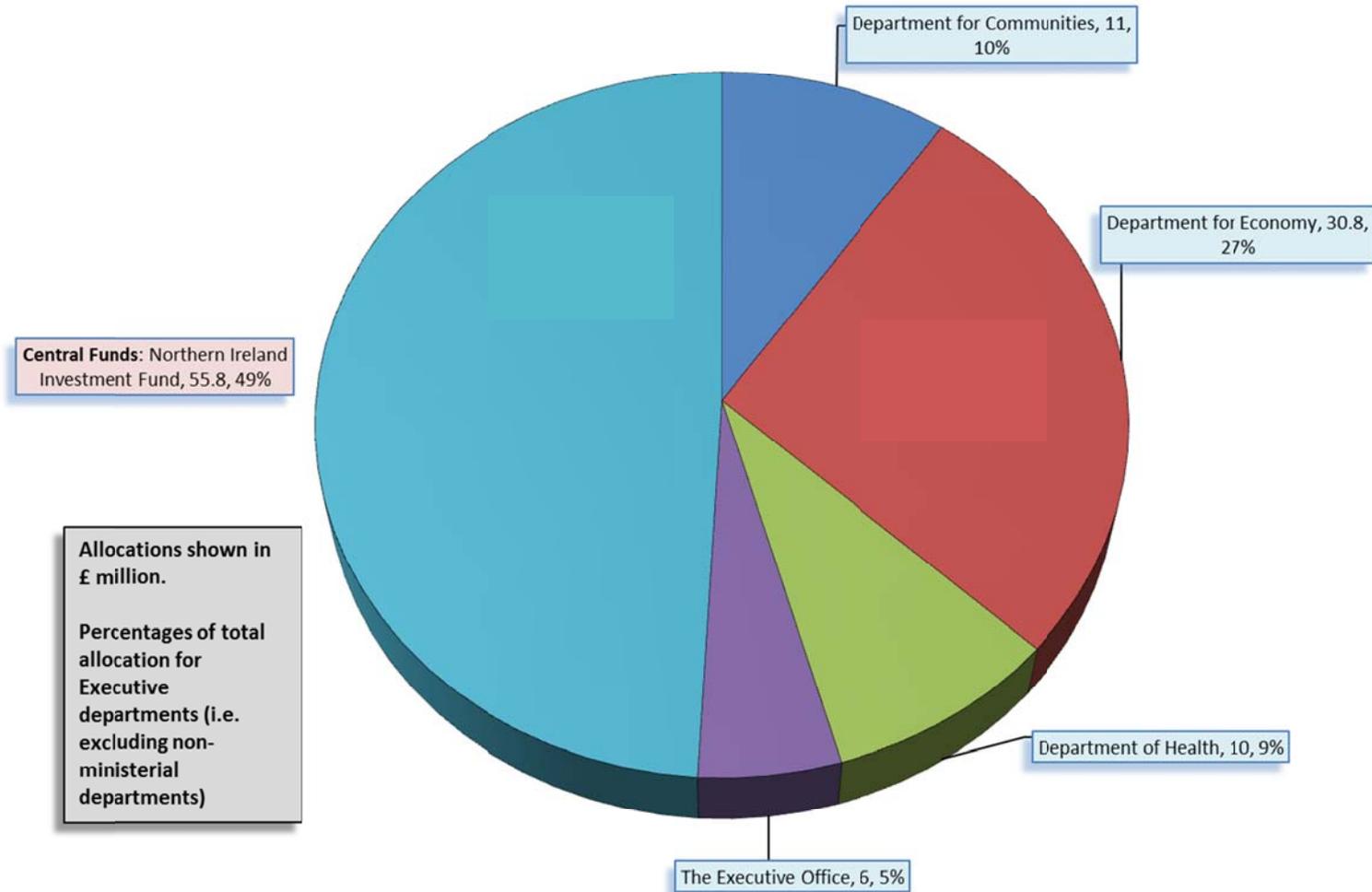
⁶Produced by PFSU based on [Minister of Finance's Written Statement](#) 17 December 2015, Table 1, page 6

Figure 2: Capital DEL, excluding Financial Transactions Capital⁷



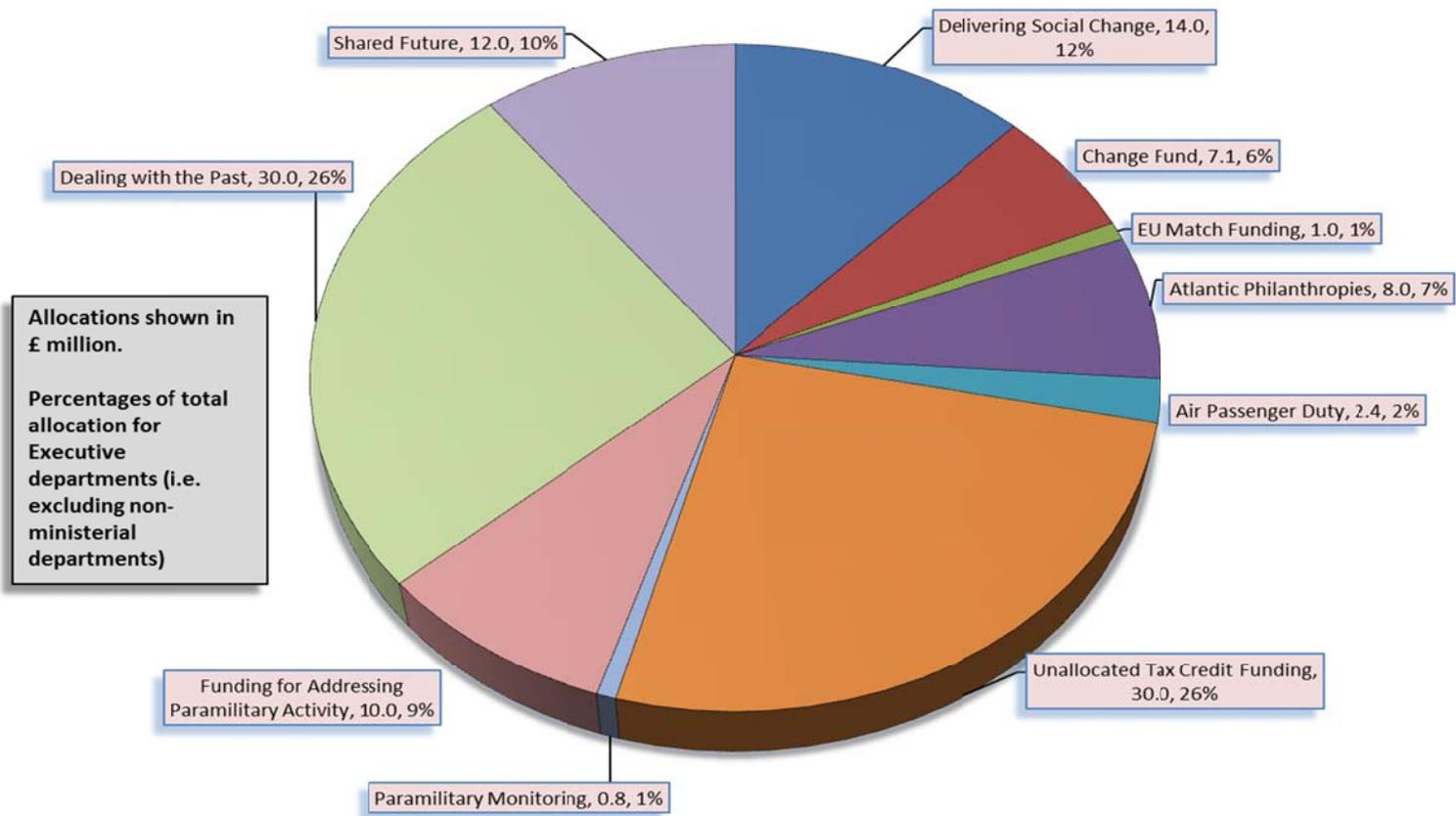
⁷Produced by PFSU based on [Minister of Finance's Written Statement](#) 17 December 2015, Table 1, page 6 and Table 2, page 7

Figure 3: Financial Transactions Capital⁸



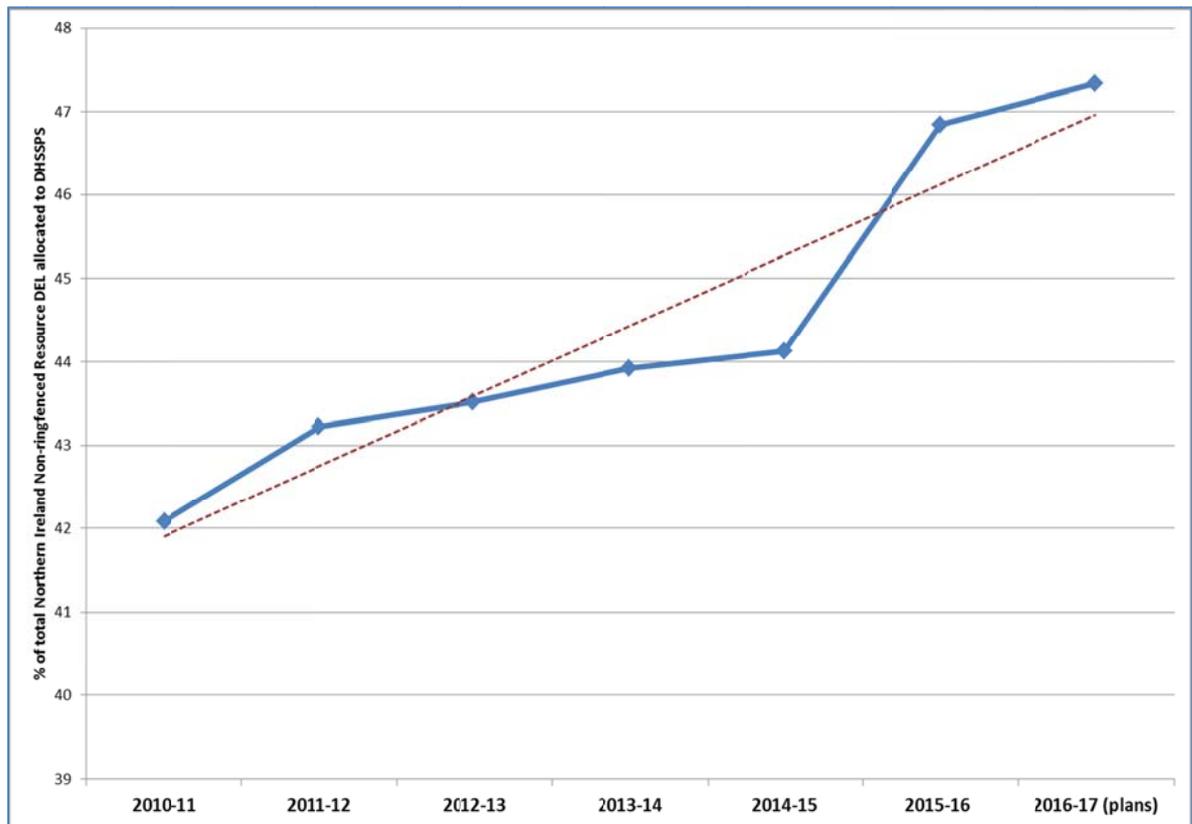
Produced by PFSU based on [Minister of Finance's Written Statement](#) 17 December 2015, Table 1, page 6 and Table 2, page 7

Figure 4: Central Funds, Resource DEL⁹



⁹Produced by PFSU based on [Minister of Finance's Written Statement](#) 17 December 2015, Table 2, page 7

Figure 5: Proportion of Non-ringfenced Resource DEL allocated to Health¹⁰



Observations:

- The red-dotted trend line in Figure 5 shows the rate of increase in the proportion of total Non-ringfenced Resource DEL allocated historically to the Department of Health Social Services and Public Safety.
- Figure 5 also shows that the allocation to the new Department of Health, as proposed in the Written Ministerial Statement (dated 17 December 2015). This illustrates that the proposed allocations are an above-trend increase, suggesting the Executive's apparent prioritisation of Health funding in its Budget 2016-17.

¹⁰Produced by PFSU based on [Minister of Finance's Written Statement](#) 17 December 2015, Table 2, page 7 and [RalSe Paper 110/14](#)

Table 8: Public Sector Transformation Fund Allocations¹¹

Department	Scheme	Emillion Allocation
Dept for Communities	Sport NI	0.2
	National Museums NI	1.9
	Libraries NI	2.7
	Arts Council NI	0.2
	Armagh Observatory & Planetarium	0.2
	NI Housing Executive	9.1
	Charity Commission NI	0.0
	NI Commissioner for Children and Young People	0.1
	NI Screen ¹	0.1
Total DfC		14.5
Dept for the Economy	Consumer Council NI	0.1
	Invest NI	0.5
	Tourism NI	0.3
	FE Colleges	15.7
	Stranmillis College	0.2
	Construction Industry Training Board	0.1
Total DfE		16.9
Dept of Education	Non-Teaching	23.4
	Teaching and Teaching Workforce	47.3
Total DE		70.7
Dept for Infrastructure	Translink (NITHCo)	1.4
	NI Water	0.5
Total DfI		1.9
Dept of Justice	PACWAC	0.2
	PSNI	12.0
	Police Rehabilitation & Retraining Trust	0.2
	Criminal Justice Inspection	0.1
Total DoJ		12.4
NI Assembly Commission	NI Assembly Commission	0.4
NI Assembly Commission	Northern Ireland Audit Office	0.6
The Executive Office	Equality Commission NI	0.4
TOTAL		117.6

Observations:

- The Written Ministerial Statement does not provide any further information about the number of posts, or distribution of grades, that are to be included in the Voluntary Exit Scheme proposals.

¹¹ [Minister of Finance's Written Statement](#) 17 December 2015, Table 3, page 8