EXECUTIVE MEETING: 17 SEPTEMBER

DRAFT SPEAKING NOTE ON COVID19 ALLOCATIONS PAPER BNOT BEING ON AGENDA

- Colleagues will have seen and considered the Executive paper on Covid19 Allocations which I circulated on 14 September

- It is extremely disappointing and concerning that this has not been allowed on the agenda for discussion today.

- Not least because my understanding was that all COVID related papers would automatically be added to the agenda without the need for Fm/dFM approval.

- While I appreciate the Department for Economy's disappointment that not all of its almost £85 million of bids could be funded, as Finance Minister I must have due regard to pressures in all departments and bring forward proposals to the Executive for discussion. DfE's bids alone come to almost 70% of what's available.

- There will never be enough funding to do everything we desire to do – that is a simple fact – and therefore this Executive will have to make difficult decisions.

- By not allowing the paper on the agenda today the Executive has been denied the opportunity to discuss the appropriate allocation of this funding.

- The Economy Minster has been very vocal in expressing concern over perceived delays in the allocation of available funding. This was contributed to in no small way by the failure of the Department for the Economy to bring forward a suitable economic strategy for the Executive to endorse.

- Therefore it is astounding that her party should impose this unnecessary further delay, impacting on the recovery plans of all departments, including schools.

- The Department for the Economy does not have the monopoly on support for economic recovery. There are a range of ways in which our economy will be supported. This includes getting children part to school, so parents can return for work, providing support for other important sectors such as Culture and Arts, which also contribute to our economy, progressing capital works to support the construction sector and supporting our local councils given that we will be relying on them to deliver vital services especially if there are local lockdowns.

- I would also flag that DfE has received urgent priority funding in the past, as recently as last week I urgently allocated £3.2m of funding for additional University places. Thuis comes on top of the £17.2 million for Apprenticeships provided in August. My proosals toadt would bring th total provided to DfE to £442.8 million. Second only to Helath if the £600 m being held centrally is taken into account.
- Criticism has been directed towards the proposal to hold £55m for support for other sectors and future PPE costs. We all know that certain sectors have fallen through the gaps in support and have been subject to unnecessary delays while Ministers have disputed who is responsible. Indeed, the First and Deputy First Ministers recently had to step in to ensure these sectors are properly considered. We need to ensure that funding is available once Ministers bring forward proposals. To release this funding from the centre in advance would be to preclude bids from these vulnerable sectors. The sooner this is done the sooner we will know what funding is available for other purposes.

- The Economy Minster in her response has referred to the strength of the bids submitted by her department. While this is true of some of the bids it cannot be said for all of them – as examples:

- In particular the bid for £22.6 m for EU Social Fund was to replace EU funds and finance year 3 of the European Social Funding projects already committed, so that the £23m of ESF would remain available for use in future years.

  This was considered duplicate funding and given the limited pot, priority was given to targeting areas which didn't have any funding compared to one that already had it in terms of EU funds.

- The bids for additional Staffing for labour relations and Industrial tribunal were not clearly Economic recovery costs. The same is true for the bid for the Consumer Council staffing costs.

- The Higher Education Grant bid £74k was not met as funding had been given in June monitoring.

- It is also true that across other departments there were a range of equally strong bids. With the exception of DAERA, which only submitted one bid, no department has had all its bids funded under my proposals. Department's themselves prioritised their bids and funding has been provided to DfEs top 4 priority bids.

Conclusion

- I cannot emphasize enough my concern that the Executive has been denied the opportunity to discuss the allocation of this important funding today. The impact of this delay will be felt across all departments and their service users.

If Raised

- In her response the Economy Minster has identified a late change to her bids which was communicated at official level. It is unfortunate that this was not picked up in the paper.

- I have no immediate concerns around her proposal to redistribute the easement in the Skills and Youth Training requirement to Tourism and University R&D.

- However, it would be helpful to have this discussion as an Executive