



From: The Minister

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Minister of Finance
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Via e-mail private.office@finance-ni.gov.uk

Conor a chara,

**DRAFT EXECUTIVE PAPER: 2020-21 OCTOBER MONITORING ROUND AND
COVID FUNDING POSITION**

Thank you for sight of your paper containing details of, and recommendations for handling, October 2020-21 monitoring proposals and the Covid-19 funding position.

I welcome the proposed Financial Transactions Capital and Covid-19 budget allocations for my Department and am content that the paper reflects the current position for my Department that officials had previously communicated to the Department of Finance.

Three of our Covid-19 bids were only partially met and we will reassess these requirements in future exercises and bid for further funding, if necessary. In particular I will seek to ensure that Councils receive necessary funding to deliver vital community services for the remainder of the year. In addition, as I have publically stated the Sports Sector is in need of significant support and while the £15m allocation is welcomed it is likely I will need to seek additional funding for the sector,

especially if further periods of restrictions are required over the next number of months.

In addition we are considering what further support might be required to support our most vulnerable people and communities, including to address fuel poverty/winter heat and the digital divide. Community wellbeing support will also need to be considered to support the health response. Officials are finalising the details and scope of these interventions and I will bring forward refined bids as these are developed.

I wish to highlight two risks which my Department referenced in its October Monitoring Round return. These issues have been flagged as potential pressures:

- **Employee Benefit Accrual** – At the end of each year an accrual is included in the Department's Accounts for staff carryover of annual leave. Usually the movement between one year and the next is not material, however it is clear that due to the Covid-19 crisis staff are not taking as much leave as usual. This could result in a significant pressure for my Department at year end. If annual leave carryover were to double this would create an estimated budget pressure of £6m. My staff are however being encouraged to avail of leave and the opportunity to take a break, and the current HR policy on annual leave still applies. We are therefore keeping this position under review and will assess it at January Monitoring Round.
- **Universal Credit Self Isolating Grant** – Britain recently announced that people required to self-isolate can avail of a £500 payment until January 2021. As part of the emergency response to the pandemic my Department introduced a new package of financial support from 25 March 2020, specifically tailored for people who have been diagnosed with COVID-19 or are self-isolating and who find themselves in a crisis situation. The support is provided in the form of a living expenses grant through the existing Discretionary Support scheme. The Department received a £5m Covid allocation to support the scheme in 2020-21 and it is expected this allocation will be spent in full. However given that this is a demand led scheme any

potential requirement will be assessed at January Monitoring Round and bid for, if required.

If you have any queries please contact Gavin Patrick (Cherrie Arnold
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Personal Data

Carál Ní Chuilín MLA
Minister for Communities