**OPENING 2016-17 DAERA Budget AND RESOURCE SAVINGS**

**Background**

1. The Finance Minister announced the Executive’s budget to the Assembly on 19 January 2016. The opening Resource DEL and Capital DEL budget allocations for DAERA are £215.9m and £48.8m respectively. These DEL allocations (which exclude EU funding of £259.1m) are analysed by Group in the following table.

|  |  |  |
| --- | --- | --- |
| **Table 1 – Opening Budgets by Group** | **Resource**  **£m** | **Capital**  **£m** |
| Veterinary Service and Animal Health | 36.5 | 3.3 |
| Food and Farming | 92.3 | 13.2 |
| Environment, Marine and Fisheries | 40.2 | 5.9 |
| Forest Service | 3.8 | 1.3 |
| Central Services and Rural Affairs | 43.1 | 25.1 |
| **TOTAL** | **215.9** | **48.8** |

**Resource**

1. A more detailed breakdown of the Resource budget is set out in Table 2.

|  |  |
| --- | --- |
| **Table 2 - Opening Resource Budget** | **£m** |
|  |
| **Running Costs** |  |
| Salaries and Wages | 116.2 |
| General Admin Expenditure | 13.9 |
| Current | 19.8 |
| Other Expenditure | 12.8 |
| **NDPB Funding** |  |
| AFBI | 28.9 |
| Loughs Agency | 1.8 |
| **Programmes** |  |
| Rural Development Programme (RDP) Match Funding | 20.8 |
| TB Compensation | 12.5 |
| Private Veterinary Practitioners (PVPs) Fees | 6.0 |
| CAP Disallowance | 5.0 |
| Tackling Rural Poverty and Social Isolation (TRPSI) | 1.8 |
| Carrier Bag Programme | 4.2 |
| Other Grants | 2.6 |
| **Other** |  |
| Depreciation | 18.0 |
| Income | (48.4) |
| **TOTAL** | **215.9** |

1. In determining this opening Resource budget, the Executive agreed a £11.9m (5.7%) Resource cut for DAERA. This was funded on a pro-rata basis across the three departments forming DAERA in the following three main areas.

|  |  |  |  |
| --- | --- | --- | --- |
| **Table 3 - Resource Savings** | | **£m** | **£m** |
|  |  |  |  |
| Annualised 2015-16 Voluntary Exit Scheme Savings |  |  | 6.5 |
|  |  |  |  |
| Cost Reductions |  |  | 0.9 |
|  |  |  |  |
| AFBI (replaced by Capital) |  | 2.4 |  |
| TRPSI (replaced by Capital) |  | 1.2 |  |
| New PVP Contracts |  | 0.6 |  |
| Inland Fisheries Group grants |  | 0.3 |  |
| Scaling Back Programmes |  |  | 4.5 |
|  |  |  |  |
| **Total Resource Savings** |  |  | **11.9** |

**Capital**

1. A more detailed breakdown of the Capital budget is set out in Table 4.

|  |  |
| --- | --- |
| **Table 4 - Opening Capital Budgets** | **£m** |
| **Programmes** |  |
| Headquarter Relocations | 10.4 |
| TRPSI | 2.2 |
| RDP | 5.0 |
| Re-Think Waste Recycling Infrastructure | 3.0 |
| Fisheries | 0.2 |
| Foyle, Carlingford and Irish Lights Commission (FCILC) and Livestock & Meat Commission (LMC) | 0.3 |
|  | **21.1** |
| **IT Systems** |  |
| CAP Reform ICT | 8.6 |
| NI Food Animal Information System (NIFAIS) | 2.7 |
|  | **11.3** |
| **Recurring Capital** |  |
| CAFRE Building Improvements, PVM\* and R&D\*\* | 3.2 |
| AFBI Analytical Equipment and PVM\* | 1.5 |
| AFBI Estate Development and R&D\*\* | 8.4 |
| Forest Service | 0.9 |
| Development of country parks/nature reserves and PVM | 1.2 |
| Exploris-Renovation works | 0.9 |
| Inland Fisheries PVM\* | 0.3 |
|  | **16.4** |
| **Total Capital & Capital Grant** | **48.8** |

\* PVM – Plant, Vehicles and Machinery

\*\* R&D – Research and Development

The Budget 2016-17 outcome means that DAERA has the 7th largest Resource DEL budget, Capital DEL budget and Total DEL budget of the nine new departments.