



The
Executive Office

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David Sterling
Head of the Civil Service

Mike Nesbitt, MLA

Our Ref: COR189/2018

6 September 2018

By email

Dear Mike

Thank-you for your correspondence of 23 August 2018 seeking clarification on EU Exit funding received in Northern Ireland.

In relation to 2017-18, Northern Ireland received Barnett consequentials of £2.4 million, including £1.9 million Resource DEL and £0.5 million Capital DEL relating to EU Exit related allocations to Whitehall departments. This was received very late in the year and was factored into the overall level resources available and as such was not used specifically for the purpose of EU Exit preparations.

In his Autumn Budget 2017, the Chancellor of the Exchequer stated that £3 billion would be made available for EU Exit preparations with £1.5 billion to be allocated in each of the 2018-19 and 2019-20 years. Much of the funding allocated in 2018-19 was to support reserved matters such as borders and immigration. Northern Ireland received allocations under the Barnett formula in 2018-19 of £14.5 million Resource DEL and £0.7 million Capital DEL. Allocations in 2019-20 have not yet been confirmed by HM Treasury.

As you are aware allocations under the Barnett formula are unhypothecated meaning they do not have to be used for a specific purpose. However given the pressures facing departments as a consequence of EU Exit, the funding received under the Barnett formula stemming from EU Exit allocations to Whitehall departments has been ring-fenced to support EU Exit preparations locally. Details of the allocations to departments are set out at the table at [Annex A](#). The £0.7 million Capital DEL was not required for EU Exit preparation in 2018-19 and will be used to support general Capital DEL allocations to departments in 2018-19.



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Departments are using the funding to prepare for EU Exit, ensuring that local issues are identified and communicated to Whitehall counterparts to inform UK Government discussions with the EU.

I trust you find this helpful.

Yours sincerely

DAVID STERLING
Head of the Northern Ireland Civil Service



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EU Exit Allocations 2018-19

£ million

Department	Resource DEL
DAERA	4.5
DfE	5.3
DfI	0.7
DOF	1.3
DoH	0.2
DoJ	0.9
TEO	1.4
FSA	0.3
Total	14.5

Totals may not add due to roundings



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