

# Record £15 billion per year for Northern Ireland

News story

The Autumn Budget 2021 delivers the largest annual funding settlement to Northern Ireland since devolution, helping level up across the whole of the UK.



- UK Government will provide a record £15 billion per year to the Northern Ireland Executive.
- Northern Ireland will also benefit from UK-wide support for people and businesses, green jobs and investment to level up opportunities.
- Targeted funding will support local projects across Northern Ireland, including road and infrastructure improvements, investment in local communities and funding for businesses.

The Chancellor today announced Barnett-based funding for the Executive of £15 billion per year – delivering the largest annual funding settlement since devolution over 20 years ago. This includes a £1.6 billion per year spending boost – as part of a Budget and Spending Review that delivers a stronger economy for the whole of the UK.

Rishi Sunak set out a plan to deliver the priorities of the people of Northern Ireland by investing in stronger public services, levelling up opportunity, driving business growth and helping working families with the cost of living.

As part of the significant spending plans, Northern Ireland will receive an average of £15 billion per year in Barnett-based funding representing a 2.2% rise in the Northern Ireland Executive's budget each year. The Northern Ireland Executive will now receive around £121 per person for every £100 per person of equivalent UK Government spending in England.

**Chancellor of the Exchequer, Rishi Sunak said:**

This is a budget for the whole of the UK. We're focused on what

matters most to the people of Northern Ireland – the health of their loved ones, access to world-class public services, jobs for the future and tackling climate change.

The UK government is committed to levelling up opportunity and ensuring Northern Ireland feels the strength of our Union with a record £15 billion per year for the Executive – we are better together as one United Kingdom.

We're also creating jobs with £70 million for small businesses in Northern Ireland and a new trade and investment hub in Belfast while also ensuring public services deliver across the country.

### **Secretary of State for Northern Ireland, Brandon Lewis said:**

Today is a significant moment for Northern Ireland, as the Executive has received its largest-ever settlement to deliver vital services such as health and education.

From £70million to champion thousands of small and medium-sized enterprises to £49 million coming from the Levelling Up and Community Ownership funds, the opportunities for Northern Ireland are immense.

We are committed to levelling up Northern Ireland and today's announcement reaffirms this, ensuring we tap into local talent and continue to deliver a stronger economy for all.

### **Targeted funding in Northern Ireland**

On top of the record funding for the Northern Ireland Executive, Northern Ireland will benefit from the UK Government's commitment to invest in people, jobs, communities and businesses. Targeted projects in Northern Ireland include:

- Nearly £50 million to be invested in Northern Ireland to boost the post-pandemic recovery and enhance the Northern Irish economy. This includes:
  - £49 million from the Levelling Up Fund for 11 projects across Northern Ireland, including an Electric Vehicle charging network across the country, and the redevelopment of a derelict Ministry of Defence site in Derry/Londonderry into an urban community farm.
  - £300,000 from the Community Ownership Fund for the Glens Digital Hub in Cushendall to protect this valued community asset.
- Providing £1 billion for farmers and land managers and £9.3 million to support fisheries.
- The establishment of a new trade and investment hub in Belfast to grow trade for Northern Ireland.
- Continuing the £400 million New Deal for Northern Ireland investing in infrastructure, boosting economic growth, increasing Northern Ireland's competitiveness and supporting the operation of its businesses.

## **UK-wide support**

As a result of our strong United Kingdom, Northern Ireland will benefit from:

- A 50% cut in domestic Air Passenger Duty for flights between England, Scotland, Wales and Northern Ireland and an additional £22.5 million of new funding in anticipation of the Union Connectivity Review recommendations where we will work with the devolved administrations on improving UK-wide connectivity..
- An additional £70 million funding for the British Business Bank to build on its existing programmes in Northern Ireland which are already helping businesses to get the financing they need.
- A new £1.4 billion new Global Britain Investment Fund which will support investment directly into Northern Ireland.
- A record £20 billion by 2024-25 in Research and Development supporting innovation in Northern Ireland.
- Confirmation that funding will at a minimum match the size of EU Funds in Northern Ireland, each year through the over £2.6 billion UK Shared Prosperity Fund, which will invest in skills, people, businesses, and communities, including through 'Multiply', a new adult numeracy programme which that will provide people across Northern Ireland with essential numeracy skills.
- An increase to the National Minimum Wage of £9.50 an hour, with young people and apprentices also seeing increases.
- Freezes to fuel duty for the twelfth consecutive year, and a freeze on alcohol duty and a freeze on Vehicle Excise Duty for heavy goods vehicles.

## **Further information:**

1. £300,000 will be allocated to the Glens Digital Hub in Cushendall from the first round of the Fund to protect valued community assets.
2. Barnett formula explainer.
3. For some measures, the UK Government is using the financial assistance power in the UK Internal Market Act (UKIM) to invest directly in Northern Ireland, benefitting local communities, businesses and people. This spending power enables the UK Government to deliver investment more flexibly, dynamically and in partnership with local partners.
4. Levelling Up Fund: £49 million in total for 11 projects from the first tranche of allocations from the Fund:
  1. Upgrading the electric vehicle charging network across Northern Ireland.
  2. The redevelopment of a derelict Ministry of Defence site in Derry/Londonderry into an urban community farm.
  3. Creating a new bioscience research centre at Ulster University.
  4. Redeveloping Portrush Recreation Grounds.
  5. Redeveloping the Dundonald International Ice Bowl.
  6. Replacing a former police station in Glengormley with a new business hub.
  7. Extending Antrim's boardwalk into the town centre.
  8. Regenerating Daisyfield Community Sports Hub.
  9. Regenerating Omagh Health Centre.

10. Extending cycle routes across the Belfast City Region.
11. Providing new and upgraded sports facilities in Castlederg.

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