

# DI8 DEVOLVED ADMINISTRATIONS AND NORTHERN IRELAND

The 2007 Comprehensive Spending Review (2007 CSR) provides funding for devolved public services and economic development in Scotland, Wales and Northern Ireland. Resources in 2010-2011 compared to 2007-08 will be:

- £3.7 billion higher in Scotland;
- £2.2 billion higher in Wales; and
- £1.2 billion higher in Northern Ireland.

Decisions on the use of this provision will be made by the Scotland, Wales and Northern Ireland administrations.

The Northern Ireland Office (NIO) aims to support stable devolved government in Northern Ireland, and, in line with the St Andrews Agreement, is making preparations to enable the devolution of policing and justice functions to occur next year. In the meantime, responsibility for these matters rests with the NIO. Over the CSR07 period, the NIO will be taking forward an ambitious value for money reform programme, **generating annual net cash-releasing savings of £108 million by 2010-11**. This will enable the Department to deliver more effective policing and crime prevention to further reduce crime, and a modern and effective prison service, **within a total budget of £1.2 billion maintained in nominal terms over the CSR07 period**.

## DEVOLVED ADMINSTRATIONS

### Achievements so far

**DI8.1** The Government works in partnership with the Devolved Administrations to improve economic growth and public service delivery across all the countries and regions of the UK. The Devolved Administrations are responsible for publishing their own spending plans, targets and policies. Devolution to Scotland, Wales and Northern Ireland is leading to new policies and innovation in public service delivery and economic development.

**DI8.2** UK funding for the Devolved Administrations' budgets has been determined in the 2007 CSR alongside those for departments of the UK Government and in accordance with the established devolution funding arrangements. The Devolved Administrations have freedom to make their own spending decisions, within the overall totals, on functions under their control in response to local priorities. Changes to Devolved Administrations' budgets have been linked to changes in spending plans of UK Government departments by the Barnett formula. This formula gives Scotland, Wales and Northern Ireland a population-based share of planned changes in comparable spending in UK departments, as set out in the updated *Statement of Funding Policy* published by HM Treasury alongside the 2007 CSR.<sup>1</sup>

## RESOURCES AND REFORM

**DI8.3** The Devolved Administrations are carrying out their own value for money reviews. Value for money savings identified in these reviews will be retained by the Devolved Administrations and either recycled into improved front-line delivery or used to fund new priorities.

### St Andrews Agreement

**DI8.4** The settlement for the Northern Ireland Executive is consistent with terms of the St Andrews Agreement and with the unique financial and economic package announced by the Government on 8 May to underpin the return of devolution. In Northern Ireland the UK Government, working in cooperation with the Northern Ireland parties and the Irish

<sup>1</sup> Available at [www.hm-treasury.gov.uk](http://www.hm-treasury.gov.uk)

Government, has announced a comprehensive peace dividend package based on a number of elements including:

- increasing investment through a unique long-term £51.5 billion public spending programme;
- increasing productivity including through the Varney review of taxation and a US investors conference in the autumn; and
- increasing employment including through new employment opportunities for the unemployed in the retail sector.

**DI8.5** A key feature of the package is the development of the all island economy, including an additional £400 million provided by the Irish Government to promote better road links between Northern Ireland and the Republic of Ireland.

## NORTHERN IRELAND OFFICE

**Achievements so far** **DI8.6** The aim of the NIO is to secure a lasting peace in Northern Ireland, based on the Good Friday and St Andrews Agreements, in which the rights and identities of all the people in Northern Ireland are fully respected and safeguarded; and where a safe, just and tolerant society can thrive and prosper. Sustained funding over the last decade has helped to deliver a more effective criminal justice system matched with reforms and progress with the peace process that have secured the implementation of the Good Friday and St Andrews Agreements. The Department has also achieved reform of the Police Service following the Patten Review in 1999, with a more peaceful environment and falling crime rates.

**Responding to challenges ahead** **DI8.7** A key challenge in the short term is to complete the process of devolution to the Northern Ireland Executive by devolving policing and justice functions as envisaged in the St Andrews Agreement. Looking further ahead it will continue to be important to secure the benefits of normalisation and make further progress in tackling more serious crime including organised crime. The NIO's strategy for meeting these challenges is based on a continuing programme of reform of the police, prisons and criminal justice system. **To achieve these aims the Department has five Departmental Strategic Objectives**, which will contribute to the delivery of two PSAs in Northern Ireland (Justice for All and Safer Communities)<sup>2</sup>:

- **to support a stable devolved government in Northern Ireland, with responsibility for policing and justice, and a society reconciled with its past;**
- **to manage offenders securely, safely and humanely;**
- **to deliver an independent, fair and effective criminal justice system which supports and protects the community;**
- **to work in partnership with Peace Service of Northern Ireland (PSNI) and other policing partners to deliver effective and accountable policing services that can secure the confidence of the whole community; and**
- **to deliver value for money savings and to live within annual available funding.**

<sup>2</sup> NIO mirrors two PSAs, but these are adapted to circumstances in Northern Ireland: Deliver a more effective, transparent and responsive criminal justice system for victims and the public; and Make communities safer.

## RESOURCES AND REFORM

**DI8.8** The resources released by the value for money programme and the ongoing efficiency embedded into departmental planning, will allow the NIO to continue to deliver service improvements. The CSR07 settlement for Northern Ireland will be accompanied by value for money reforms, delivering net cash-releasing savings of £108 million a year by 2010-11 that include the following initiatives:

- the Northern Ireland Police Service has identified opportunities for adopting more efficient working practices, including the recruitment of Community Support Officers. Taken together this package of reforms is expected to deliver annual net cash-releasing savings of £74 million by 2010-11; and
- the Northern Ireland Prison Service has also reviewed its working practices, which includes exploring opportunities for recruiting support grades to release prison officers to front-line activities. Together, these changes are planned to deliver annual net cash-releasing savings of £11 million a year by 2010-11.

**Police Service DI8.9** For the Police Service of Northern Ireland, these reforms involve a major change in composition and investment in infrastructure, implementing of the reforms recommended in the Patten Report, including a new police college. Priority will be attached to, among other things, combating serious and organised crime.

**Reforming the Criminal Justice System DI8.10** Key criminal justice initiatives have included the establishment of a single, independent Public Prosecution Service, the creation of the Criminal Justice Inspectorate and Law Commission, and work to modernise the sentencing framework and forensic science provision. Reform of the Northern Ireland Prison Service will include implementation of a strategic review to ensure a modern, cost effective prison service, including planning for a new prison. The Department will support the effective and efficient operation of public inquiries already announced. An independent Consultative Group has been set up to review the wider question of dealing with Northern Ireland's past.

**Table D26: Northern Ireland Office baseline and additions**

	£ million			
	Baseline	Additions		
	2007-08	2008-09	2009-10	2010-11
Resource DEL	1,152	72	40	40
<i>of which near-cash</i>	929	0	0	0
<i>of which administration</i>	79	-2	-4	-6
Capital DEL	72	0	0	0
<b>Total DEL<sup>1</sup></b>	<b>1,175</b>	<b>61</b>	<b>27</b>	<b>25</b>

<sup>1</sup> Full resource budgeting basis, net of depreciation.

**Table D27: Scottish Executive baseline and additions**

	£ million			
	Baseline	Additions		
	2007-08	2008-09	2009-10	2010-11
Resource DEL	23,443	1,012	1,971	3,058
<i>of which near-cash</i>	22,530	999	1,902	2,922
Capital DEL	2,974	174	368	667
<b>Total DEL<sup>1</sup></b>	<b>26,059</b>	<b>1,185</b>	<b>2,340</b>	<b>3,725</b>

<sup>1</sup> Full resource budgeting basis, net of depreciation.

**Table D28: Welsh Assembly Government**

	£ million			
	Baseline	Additions		
	2007-08	2008-09	2009-10	2010-11
Resource DEL	12,392	596	1,177	1,823
<i>of which near-cash</i>	11,892	586	1,136	1,748
Capital DEL	1,480	88	198	362
<b>Total DEL<sup>1</sup></b>	<b>13,588</b>	<b>684</b>	<b>1,376</b>	<b>2,184</b>

<sup>1</sup> Full resource budgeting basis, net of depreciation.

**Table D29: Northern Ireland Executive baseline and additions**

	£ million			
	Baseline	Additions		
	2007-08	2008-09	2009-10	2010-11
Resource DEL	7,561	311	615	956
<i>of which near-cash</i>	7,268	308	593	912
Capital DEL	937	57	121	219
<b>Total DEL<sup>1</sup></b>	<b>8,421</b>	<b>368</b>	<b>736</b>	<b>1,175</b>

<sup>1</sup> Full resource budgeting basis, net of depreciation.