

# **BUDGET ACT (NORTHERN IRELAND) 2007**

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## **EXPLANATORY NOTES**

### **INTRODUCTION**

1. These Explanatory Notes have been prepared by the Department of Finance and Personnel in order to assist the reader in understanding the Act. It does not form part of the Act and has not been endorsed by the Assembly.
2. The notes need to be read in conjunction with the Act. They do not, and are not meant to be, a comprehensive description of the Act. So where a section or part of a section or Schedule does not seem to require an explanation or comment, none is given.

### **PURPOSE**

The Act authorises the issue from the Consolidated Fund of Northern Ireland of £7,079,776,000, in addition to a cash sum of £5,050,369,000 in the Vote on Account authorised by the Budget (NI) Order 2007. The Act also authorises the use of resources amounting to £7,922,535,000 in addition to an amount of £6,216,507,000 authorised by the Budget (NI) Order 2007 and specifies the limits on the amount of accruing resources, including both operating and non-operating accruing resources that may be directed to be used for certain purposes for the year ending 31 March 2008; in addition, the Act authorises temporary borrowing by the Department of Finance and Personnel.

The sums to be issued from the Consolidated Fund of Northern Ireland for the year ending 31 March 2008 are to be appropriated for services, as set out in Schedule 1 to the Act.

The amount of resources (including accruing resources) authorised for use for the year ending 31 March 2008 are to be used for the purposes specified in Schedule 2 to the Act.

### **BACKGROUND**

Budget Acts are the legislative means by which Assembly gives approval for voted expenditure by Departments. Budget Acts authorise the Department of Finance and Personnel to issue money from the Northern Ireland Consolidated Fund for the services detailed in corresponding Estimates volumes and summarised in Schedules in the Act. Budget Acts also authorise the use of resources for the services detailed in corresponding Estimates volumes and summarised in Schedules in the Act. Estimates volumes and other relevant documents are published so as to be available when Budget Bills are introduced in the Assembly. The Main Estimates (initial voted provision for a financial year) and subsequent Supplementary Estimates which increase or vary what was approved in the Main Estimates are contained in separate Budget Acts.

*These Explanatory Notes refer to the Budget Act (Northern Ireland) 2007 (c.1)  
which received Royal Assent on 27 June 2007*

## **COMMENTARY ON SECTIONS**

### **Section 1 : Issue of Sum out of the Consolidated Fund for year ending 31<sup>st</sup> March 2008 and appropriation of that sum.**

Subsection (1) authorises the issue out of the Consolidated Fund of Northern Ireland the sum of £7,079,776,000 for 2007-2008.

Subsection (2) appropriates that sum for the purpose specified in Schedule 1.

### **Section 2 : Power of the Department of Finance and Personnel to borrow.**

This section authorises the temporary borrowing by the Department of Finance and Personnel of approximately half the aggregate sum covered by Section 1 (1). This is a normal safeguard against the possibility of a temporary deficiency arising in the Northern Ireland Consolidated Fund.

### **Section 3 : Use of resources (other than accruing resources) in year ending 31<sup>st</sup> March 2008.**

This section authorises the use of resources amounting to £7,922,535,000 for 2007-2008, for the purposes specified in column 1 of Schedule 2.

### **Section 4 : Limit on use of accruing resources in year ending 31<sup>st</sup> March 2008.**

This section sets the limits on the accruing resources that may be directed to be used for certain purposes in the year ended 31 March 2008.

### **Section 5 : Repeal of Spent Enactments**

This Bill removes from the statute book two Appropriation Orders which are no longer operative.

### **Section 6 : Interpretation**

As in Budget Act.

### **Section 7: Short Title**

This section sets out the title of the Act.

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which received Royal Assent on 27 June 2007*

## **SCHEDULES TO THE ACT**

8. **Schedule 1 : Sums granted for the year ending 31<sup>st</sup> March 2008.**

**Schedule 2 : Amounts of resources authorised for use and amounts of accruing resources which may be used in year ending 31<sup>st</sup> March 2008.**

**Schedule 3 : Repeals**

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