

*These notes refer to the Budget (No. 2) Act (Northern Ireland)
2021 (c.5) which received Royal Assent on 4 August 2021*

Budget (No. 2) Act (Northern Ireland) 2021

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Section 1: Issue of sum out of the Consolidated Fund for the year ending 31 March 2022 and appropriation of that sum

Sub-section (1) authorises the issue out of the Consolidated Fund of Northern Ireland of the sum of £10,342,800,000 for 2021-22.

Sub-section (2) appropriates that sum for the purposes specified in column 1 of Schedule 1.

Section 2: Power of the Department of Finance to borrow

This section authorises the temporary borrowing by the Department of Finance in 2021-22 of approximately half the 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 the year ending 31 March 2022

Sub-section (1) authorises the use of resources amounting to £11,843,690,000 for 2021-22.

There is a distinction between the cash sum authorised for issue in section 1, and the amount of resources authorised for use in section 3. The cash sum in section 1 includes cash used to finance capital investment, and also takes into account movement in working capital and payments based on provisions created in previous years. These do not constitute resource consumption. The resources authorised in clause 3 exclude those items, but include non-cash items, mainly the depreciation of assets and creation of new provisions.

Sub-section (2) authorises that sum for the purposes specified in column 1 of Schedule 2.

Sub-section (3) specifies the departments and other bodies to which these authorisations apply.

Sub-section (4) confirms that this section does not include accruing resources.

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Section 4: Limit on use of certain accruing resources in the year ending 31 March 2022

This section sets the limit on the accruing resources, including both operating and non-operating accruing resources that may be directed to be used for certain specified purposes in the year ending 31 March 2022.

Section 5: Interpretation

As in Budget Bill.

Section 6: Short Title

This section sets out the short title of the Budget (No. 2) Act (Northern Ireland) 2021.

Schedules to the Act

Schedule 1: Sums granted for the year ending 31 March 2022.

Schedule 2: Amounts of resources authorised for use and amounts of accruing resources which may be used in the year ending 31 March 2022.

Schedule 3: Repeals