

From: [Brankin, Bernie](#)
To: [Cooper, Trevor](#)
Subject: UPDATE ON FINANCE ISSUES
Date: 14 August 2015 16:05:58
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Trevor

You asked for a note on financial issues to update Eugene. Please consider attached update. I need to leave early this evening so can you have a quick look at this , if possible.

Bernie

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UPDATE ON FINANCE ISSUES**CEO Pay Award/Remit**

Submission to the Minister recommending that he approve Invest NI CEO pay award/remit and draft letter to issue to Mike Brennan, after the Minister has approved, are with Andrew to issue.

Draft Audit Office Report on Invest to Save

Amendment to Audit Office report on Invest to Save is with Andrew to issue.

Over the 2011-15 Budget period £20 million of Invest to Save funding was allocated to Invest NI to provide loan support to address the poultry litter issue. In the event no projects were submitted during the period that were in a position to avail of support.

Expenditure of £0.8 million was incurred over the period (£0.6 million by DETI and £0.2 million by OFMDFM) in bringing forward a new scheme to address the Nitrates Directive issue.

The scheme involves Capital funding to provide either loans or equity to the solution provider. It is anticipated that support under the Scheme will proceed in 2015-16 using Financial Transactions Capital funding.

Final Outturn

DETI's Final Outturn performance has improved slightly from 98.7% to 98.8% Resource expenditure, and Capital remains unchanged from Provisional Outturn at 99%. The technical non cash overspend has increased by £227k (8.2) %.

Submission has gone to the Minister to note 2014-15 Final Outturn.

October Monitoring

This October Monitoring exercise has not yet been formally commissioned by DFP. We will commission input to the October Monitoring on Monday 17 August with a return date of 28 August to allow sufficient time for Senior Management and the Minister to consider options before the return is submitted to the ETI Committee mid/late September.

Department for the Economy New Structure

We met with DFP to discuss UOS structure for Department for the Economy. Supply has asked us to consider splitting UOS A01Skills and Economic Development as DFP believe that they would not have sufficient control over a UOS with a budget of £859 million.

Skills & Economic Development mainly comprises three main elements:

- Further Education & Skills (and possibly Employment Service);
- Higher Education; and
- Economic Development (old DETI).

The skills budget which is with FE is where any possible room to manoeuvre may come from. Andrea and Bernie are considering the pros and cons of:

- Further Education & Skills and Higher Education as a single UOS and Economic Development as a separate UOS;
OR
- Further Education and Skills and Economic Development as a single Unit of Service and Higher Education as a separate UOS.

Budget information and previous year's outturn is due with DFP by Friday 21 August.

RHI

DECC have responded to John Mills email. We have discussed this response with DFP. We have supplementary questions and are trying to establish a finance contact in DECC to initially discuss these questions by telephone. We will follow up with an email and discuss further with DFP.

We have advised DFP on where we are with the business case. Work is being done on strengthening VFM as much as we can in the draft business case. We will share the business case with Supply in draft form before formally submitting to DFP.

Invest NI

Invest NI forwarded their June actual and forecast outturn following the O&L meeting. This is the monthly return all business areas complete to forecast monthly spend in 2015-16. The DETI forecast is forwarded to DFP to enable them to make the NI Block return to Treasury. Invest NI has still not provided information for this year and future years on existing commitments, level of optimism bias, new business, work in progress despite repeated requests for this information. Bernie will meet with Katrina to discuss.

Letter to Minister advising of the 2015-16 Budget position

Draft should be forwarded to you by no later than Tuesday of next week.