From the Minister of Finance

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Louise McLornan,
Democratic Services Officer,
Legal and Civic Services Department,
Democratic Services Section
Belfast City Council

Dear Louise

PROPOSED CUTS IN HIGHER EDUCATION

Thank you for your letter dated 10 February 2022. I note that the Council's concerns regarding the funding cut proposed by the Department for the Economy.

Although the Economy Minister has presented cuts to Higher Education services as being necessary due to budget cuts to his department, I think it would be helpful to highlight that the Draft Budget 2022-25 would have seen the Department for the Economy's budget increase from its baseline of £817.8 million to £832.1 million in 2022-23, £842.1 million in 2023-24 and £841.3 million in 2024-25. This is a growth of 1.8%/3.0%/2.9% above its baseline over the three budget years. It is at the discretion of the Economy Minister based on his priorities, including Higher Education. However, there is pressure on the Economy department's budget due to the loss of EU funding streams which the Department has previously relied on.

The British Government's Spending Review did not provide sufficient resources to fund every pressure that every Department faces, but the Draft Budget 2022-25 honoured the Executive's commitment to prioritise health, and would also have ensured that all Departments would see their budgets increase.

You will be aware that unfortunately, due to the resignation of the First Minister and the absence of an Executive, it is not now possible to agree a Budget, and the consultation on the Draft Budget has been paused. The implication of this is that the allocations for the Economy Department set out in the Draft Budget will not now be available from 1 April 2022.

Is mise le meas.

CONOR MURPHY MLA MINISTER OF FINANCE