

Press release: £120 million funding boost for incoming NI Executive

The Chancellor Philip Hammond has today set out his plans to make the most of the opportunities ahead by laying the foundations for a stronger, fairer, better United Kingdom outside the European Union – a country that works for everyone.

Included in his first Budget were numerous measures to ensure that economic growth is shared across every part of the country, including additional funding for Northern Ireland.

Employment in Northern Ireland is at a record high, and average wages have grown faster than in any other part of the UK since 2010.

Decisions to invest in social care, skills, schools and health will bring a £120 million funding boost for an incoming Northern Ireland Executive, following last week's Assembly election.

This means that a new Executive's resource budget will be boosted by £90 million through to 2019-20 and its capital budget by £30 million through to 2020-21. It can spend that funding on its own priorities to help create a brighter, more secure future for the country.

Researchers in Northern Ireland could benefit from a new £270 million Industrial Strategy challenge fund which brings together business and academia to focus on productivity-boosting solutions for industries of the future. The first challenges set by the Chancellor today – are artificial intelligence and robots, electric vehicle batteries and speeding up the process of making new medicines. The country will also benefit from the new UK-wide National 5G Innovation Network, as part of the digital infrastructure package.

Northern Ireland will also benefit from recent action taken more widely, including:

- The rolling out of Tax-Free Childcare for working families with children under twelve, providing up to £2,000 a year per child to help with childcare costs and up to £4,000 for disabled children under seventeen.
- The freezing of fuel duty for the seventh successive year, saving the average driver in Northern Ireland nearly £10 every time they fill up their car.
- The raising of the National Living Wage from £7.20 to £7.50, giving people in Northern Ireland a well-deserved pay rise.
- Confirmation that the personal allowance and higher rate threshold will increase to £12,500 by 2020-21, which will reduce the income tax bill for 800,000 individuals in NI in 2017-18, and take 35,000 individuals out of income tax altogether.

Chancellor Philip Hammond said:

The Government's focus at this time is working with the parties in discussions aimed at forming a new Northern Ireland Executive. We want to see a new Executive setting a budget for 2017-18 as one of its early priorities – and it will have the opportunity to incorporate the new funding being made available today into its planning, when it does so. My Budget offers a further boost in ensuring that people across Northern Ireland can share the benefits of economic growth across the country.

Secretary of State for Northern Ireland, Rt Hon James Brokenshire MP said:

I welcome the Chancellor's budget that underlines the Government's determination to build a country that works for everyone. The Budget reinforces this Government's commitment to strengthening the economy right across the UK. Northern Ireland will continue to benefit from the stability of being part of a strong UK economy.

We are committed to strengthening the economy through investing in skills and increasing prosperity right across the UK. Since 2010, there are record numbers of people in employment in Northern Ireland and this Budget builds on that success.

The £120 million increase in funding for Northern Ireland in this Budget will give an incoming Northern Ireland Executive the freedom to invest in its priorities. This underlines the need for a functioning Executive in Northern Ireland, which can make the right decisions for Northern Ireland's economy. I am determined to continue working intensively with the parties to ensure the resumption of a strong, stable and inclusive Executive in Northern Ireland.