



Northern Ireland
Audit Office

Ministerial Directions in Northern Ireland

**Report by the Comptroller
and Auditor General**

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This report has been prepared under Article 8 of the Audit (Northern Ireland) Order 1987 for presentation to the Northern Ireland Assembly in accordance with Article 11 of the Order.

The Comptroller and Auditor General is the head of the Northern Ireland Audit Office. She, and the Northern Ireland Audit Office are totally independent of Government. She certifies the accounts of all Government Departments and a wide range of other public sector bodies; and she has statutory authority to report to the Assembly on the economy, efficiency and effectiveness with which departments and other bodies have used their resources.

Dorinnia Carville *Northern Ireland Audit Office*
Comptroller and Auditor General 27 April 2023

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List of Abbreviations

C&AG	Comptroller and Auditor General
DoF	Department of Finance
DoH	Department of Health
EU	European Union
MD	Ministerial Direction
MoF	Minister of Finance
MLA	Member of the Legislative Assembly
MPMNI	Managing Public Money Northern Ireland
NI	Northern Ireland
NIA	Northern Ireland Assembly
NIAO	Northern Ireland Audit Office
PAC	Public Accounts Committee
PS	Permanent Secretary
UK	United Kingdom

Key Figures

69

The total number of Ministerial Directions issued between January 2020 and October 2022

36

The total number of Ministerial Directions issued between 1998 up to 31 December 2021

51

The total number of Ministerial Directions issued as a result of the COVID-19 pandemic

14

The number of Ministerial Directions issued which have yet to be scrutinised by a Public Accounts Committee

£1.9 billion

The total budgeted expenditure covered by all Ministerial Directions between January 2020 and October 2022

List of Definitions

Accounting Officer	The accounting officer of a public sector organisation is usually its permanent secretary or chief executive officer, the official who manages its business day to day. The post carries personal responsibilities to manage the organisation efficiently and effectively and to report to the Northern Ireland Assembly accurately, meaningfully and without misleading.
Managing Public Money Northern Ireland	This document provides guidance on a wide range of issues, relating mainly to the proper handling and reporting of public money. It sets out the main principles for dealing with resources used by public sector organisations in Northern Ireland.
Permanent Secretary	A permanent secretary is the most senior civil servant in a department. Each supports the government minister at the head of the department, who is accountable to the Northern Ireland Assembly for the department's actions and performance. The permanent secretary is the accounting officer for their department, reporting to the Assembly. They are responsible for the day-to-day running of the department, including the budget.
Propriety	Patterns of resource consumption should respect the Assembly's intentions, conventions and control procedures, including any laid down by the Public Accounts Committee.
Regularity	Resource consumption should accord with the relevant legislation, the relevant delegated authority and Managing Public Money Northern Ireland.
Treasury Officer of Accounts	The Treasury Officer of Accounts is a DoF official whose core responsibility is the provision of advice and guidance on financial, accounting, governance and control matters. The TOA also attends all PAC hearings to answers questions on behalf of DoF as the central department concerned with financial matters which allows scope for the PAC to explore any issues of more general application arising.
Value for Money	Ensuring that a publicly funded organisation's procurement, projects and processes are systematically evaluated and assessed to provide confidence about suitability, effectiveness, prudence, quality, good value and avoidance of error and other waste, judged for the public sector as a whole, not just for the accounting officer's organisation.

Executive Summary

Executive Summary

1. With the ongoing economic and societal challenges created by the COVID-19 pandemic, the United Kingdom's exit from the European Union and a cost of living crisis, never has it been more important to ensure that the public sector is obtaining value for money from its limited resources. Often, difficult decisions need to be made by government ministers about where and how limited public funds can be spent. For this, they place reliance on the diligence and support from departmental permanent secretaries (PS) and their teams of officials to ensure that these funds are spent appropriately and provide value for money. However, occasionally, spending proposals from ministers may conflict with the fundamental principles of regularity, propriety and/or value for money. In such instances permanent secretaries must seek what is referred to as a Ministerial Direction (MD).
2. This report provides a factual overview of the MD process and how it operates within Northern Ireland (NI). It sets out the responsibilities of departments, the role of the Comptroller and Auditor General (C&AG) for NI, along with the NI Assembly, the Department of Finance and Executive roles.
3. Seeking a MD should be a rare event, since it suggests that there is a conflict of opinion between a PS, as a result of his or her accountability responsibilities set out in [Managing Public Money NI \(MPMNI\)](#), and their Minister. It may be viewed as a sign of strength in a PS, who is simply upholding good practice, by informing, applying and enforcing established principles of managing public money. Paradoxically, it can also be viewed as a sign of risk aversion, seeking to pass on ultimate accountability for a spending proposal, whose outcomes may, for example, represent poor value for money, to a minister.
4. They can also be seen as a mechanism to deliver good public policy, at short notice and in extraordinary times, as was evident during the height of the pandemic in 2020 and 2021. Without such arrangements, local permanent secretaries, in their opinion, would not have been able to release critical funds into the local economy at a time of great need.
5. Due to the power-sharing design of devolved government in NI, the procedure for granting MDs is unique. In the remainder of the UK, once the departmental minister approves a direction, the PS can proceed with the proposed spending. However, in NI, once a minister issues an MD to a PS, the PS must seek an additional approval from the Minister of Finance (MoF), the Executive if cross-cutting in nature, or in times of great urgency, the First Minister and deputy First Minister, prior to implementing the departmental minister's decision.
6. To ensure openness and transparency in this process, and following concerns raised by the Public Accounts Committee (PAC), the Department of Finance (DoF) recently agreed to centrally publish a historical list online of all MDs issued since devolution returned in 2007. Since 1 April 2021, DoF also publishes a copy of all MDs and their supporting information (unless the subject matter is confidential) once they have been formally considered by PAC. This has brought transparency more in line with arrangements at Westminster.
7. Since 1998 a total of 105 MDs have been issued in NI, 69 of which were issued since 1 April 2020. The primary reason behind the significant increase since April 2020 has been the spending proposals developed in response to the COVID-19 pandemic. However, in the same period there has also been an increase in the frequency of non-COVID-19-related directions, including a number arising due to the absence of an agreed budget for the 2022-23 financial year.

8. In contrast, since 1998, the Welsh government has issued one MD and the Scottish government has issued five. In the same time period, a total of 82 MDs were issued in Westminster. Of these, 15 related to COVID-19 spending proposals and 5 related to the UK's exit from the EU. Therefore, the use of MDs in NI has been significantly more prevalent than in any other part of the UK.
9. Between 11 January 2020 (when the NI Assembly returned from suspension) and 28 October 2022 (when caretaker ministers were no longer in post), 69 MDs were issued by ministers, representing approximately £1.9 billion of budgeted public spending. Of this number, 51 (representing £1.4 billion of budgeted expenditure) were sought and issued as a direct result of the COVID-19 pandemic, with the majority issued by the Department for the Economy and the Department of Health. In the same period, no MDs were issued in Scotland or Wales and 26 were issued in England, of which 15 were COVID-19 related. The main reason cited by NI permanent secretaries for requesting an MD in this period was on the grounds of value for money concerns (56 times), followed by affordability (8 times).
10. Since the collapse of the Executive on 3 February 2022, the prevalence of MDs continued to be a feature until the 28 October 2022. Of the 62 MDs issued up to 31 March 2022, 7 were issued after the collapse of the Executive. In addition, a further 7 MDs were issued between 1 April 2022 and 28 October 2022. In the absence of an Assembly the most recent 14 MDs have yet to be scrutinised by a PAC.
11. Eight of the fourteen most recent MDs not yet scrutinised by a PAC included "affordability" as a reason for seeking them, which is outside the parameters currently set in MPMNI. This was in a period where there was no Executive, no formal budget approval for 2022-23, no monitoring rounds and no means of seeking additional in-year funding.
12. From 28 October 2022, the caretaker ministers, including the MoF, ceased to hold their posts. Under such arrangements there is no mechanism for seeking, issuing, or approving an MD.
13. Up until the end of the 2017-2022 mandate, PAC did not identify any MDs which had been issued in an inappropriate manner. However, the frequency of MDs issued locally, when compared to other UK regions, particularly since 2020, needs further consideration.

Summary of Ministerial Directions issued by region 1 April 1998 to 28 October 2022

	Northern Ireland		Scotland		Wales		England	
	All	COVID	All	COVID	All	COVID	All	COVID
1998 to 2020	36	0	5	0	1	0	56	0
2020 to 2022	69	51	0	0	0	0	26	15
Total	105	51	5	0	1	0	82	15



Recommendation 1

Given the importance of MPMNI as a key administrative document for senior civil servants, the Department of Finance should publish an updated version as a matter of urgency, ensure that it remains up-to-date and review it on an annual basis.



Recommendation 2

The Department for Finance should remind all departments of their responsibility to notify the C&AG of any Ministerial Directions within the four-week timeframe and to include all relevant supporting documentation with the notification.



Recommendation 3

The Treasury Officer of Accounts should consult with the Permanent Secretaries Group to determine why the use of MDs in NI is significantly more prevalent when compared to other UK regions.

Part One: Introduction and Background

Introduction and background

- 1.1** Public scrutiny, accountability and transparency are key principles in the oversight of public sector expenditure. With the ongoing economic and societal challenges created by the COVID-19 pandemic, the United Kingdom's (UK) exit from the European Union (EU) and a cost of living crisis, never has it been more important to ensure that the public sector is obtaining value for money from its limited resources.
- 1.2** Often, difficult decisions need to be made by government ministers about how, where and when public funds can be spent. For this they place reliance on the diligence and support of their departmental permanent secretaries and their teams of officials to ensure that funds are spent appropriately and provide value for money. However, occasionally permanent secretaries may have concerns regarding spending proposals from ministers on the grounds of regularity, propriety or value for money. If these concerns cannot be resolved informally, then the permanent secretary (PS) should put it formally in writing to the departmental minister, setting out their objections, and seek a formal response.
- 1.3** In such circumstances, a minister will provide a 'Ministerial Direction' (MD), which will note the permanent secretary's objection, with an instruction to implement the minister's decision. The direction will normally be supported with the minister's reasons for proceeding with the spending proposal. Prior to proceeding with the instructions set out in the MD, the PS must seek an additional approval from the Minister of Finance (MoF), the Executive (if cross cutting in nature), or in times of great urgency, the First Minister and deputy First Minister, prior to implementing the departmental minister's decision. As a result of a direction, the minister, not the permanent secretary, becomes accountable to the Northern Ireland Assembly (the Assembly) for the decision.
- 1.4** From 1998, until 2020, MDs were issued infrequently, averaging between two and three each year that the Assembly was sitting.
- 1.5** However, as a direct result of spending relating to addressing the impact of the COVID-19 pandemic, significantly more MDs were issued in 2020, 2021 and 2022, than all of the preceding years combined. Between 1998 and 2017, a total of 36 MDs were issued, compared to a total of 69 issued between January 2020 and the end of October 2022.
- 1.6** Between January 2017 and January 2020, no ministerial directions were issued as the Assembly was in a period of suspension and there were no ministers in post. There have also been other periods of suspension since 1998 when no MDs were issued. The other most notable period of suspension of the Assembly was from October 2002 until May 2007, but MDs were able to be issued during this period under direct rule.
- 1.7** This report provides an overview of the MD process in NI, as well as a summary of MDs issued since 1998. The [English](#), [Scottish](#) and [Welsh](#) administrations each have their own similar procedures and guidance.

Part Two: Reporting Arrangements and Emerging Issues

Reporting arrangements and emerging issues

The Role of Government Departments

2.1 Central government departments have considerable freedom about how they organise, direct and manage the resources at their disposal. However, they must always operate within the standards expected by the Assembly and are subject to the overall control and direction of their ministers. It is for the PS (the accounting officer) as the head of each department, acting within ministers' instructions and supported by their boards, to control and account to the Assembly for the department's handling of its resources.

2.2 Published in 2008, "*Managing Public Money Northern Ireland*" (MPMNI) is the principal guidance which sets out standards and principles to assist all civil servants, including accounting officers, to manage and deploy public resources responsibly and in the public interest. It is an administrative document, rather than a statutory document, which relevant government officials are expected to comply with. Should a PS believe that a minister's instructions conflict with MPMNI, they may bring this to their attention. MPMNI currently sets out three circumstances:

- **Regularity** – if the proposal is beyond the department's legislative powers, Assembly consents, or the Department of Finance (DoF) delegations, for example, agreed spending budgets.
- **Propriety** – if it doesn't meet 'high standards of public conduct', such as appropriate governance, or Assembly expectations.
- **Value for money** – if an alternative proposal, or doing nothing, would deliver better value, for example, a cheaper or higher quality outcome.

The UK government has an additional circumstance which we understand will soon be formally adopted in MPMNI:

- **Feasibility** – if there is doubt about the proposal being "implemented accurately, sustainably or to the intended timetable."

2.3 A further observation arising since the collapse of the Executive on 3 February 2022, is that for the first time in the UK, eight MDs in NI have included "affordability" as a reason for the MD, which is outside the current parameters set in MPMNI. These MDs were sought in a period where there was no Executive, no formal budget approval for 2022-23, no monitoring rounds and no means of seeking additional in-year funding. Against this background four of the eight MDs referring to "affordability" were issued to the caretaker MoF for approval. In three of these cases the Department of Finance sought further information to allow the MoF to make a decision on approval, however the caretaker ministers ceased to hold office before this process reached its conclusion and so, in these cases, the MDs remained unapproved. For the remaining MDs authorised in this manner, such approvals were of limited value given that there was no opportunity or commitment by the MoF to allocate further funding in the absence of an Executive. This may be an area that the PAC may wish to explore in the future.

- 2.4** It is understood that it is DoF's intention to update and refresh MPMNI in the near future and it is anticipated that this will include the circumstances where MDs should be sought and granted.

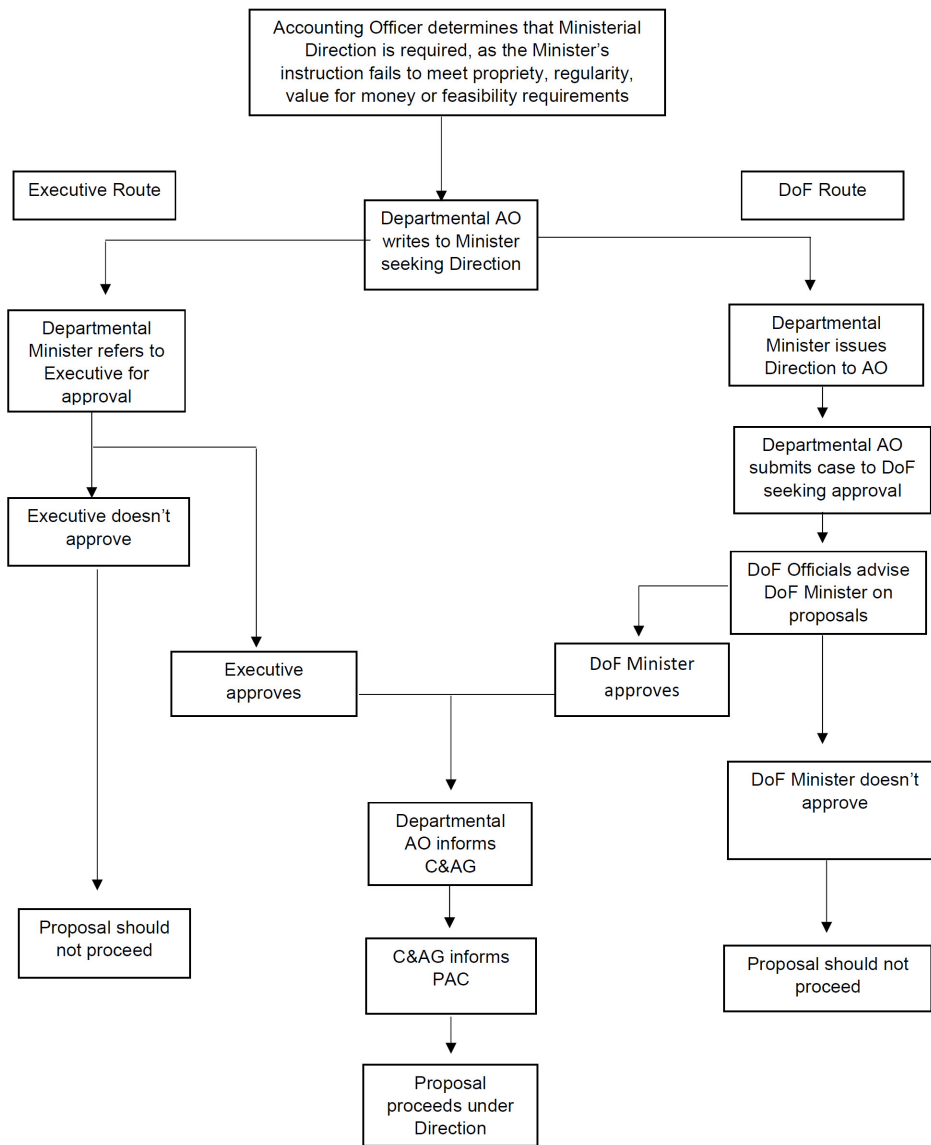


Recommendation 1

Given the importance of MPMNI as a key administrative document for senior civil servants, the Department of Finance should publish an updated version as a matter of urgency, ensure that it remains up-to-date and review it on an annual basis.

- 2.5** When spending proposals arise where the PS considers that a minister's instructions conflicts with MPMNI, if the minister insists on proceeding, the PS should seek a written MD. Such a direction, if issued, will usually acknowledge the concerns raised, and formally instruct the PS to proceed with the spending proposal.
- 2.6** Due to the power-sharing design of devolved government in NI, the procedure for approving MDs, once they have been issued, differs from the rest of the UK in that they require two levels of approval, rather than one. In NI, once a minister issues an MD to a PS, the PS must seek approval from either the Minister of Finance (MoF), or the Executive prior to implementing the departmental minister's decision.
- 2.7** The subject matter of the spending proposal will determine which type of approval is required. For example, if the spending proposal relates only to the department from which the request has originated, then MoF approval will normally be sought. Alternatively, if the decision is cross-cutting and likely to impact on other areas of central government outside of the minister's department, then Executive approval is required.
- 2.8** Once approval has been granted, the PS can proceed with carrying out the minister's instructions. However, the formal accountability for the expenditure and outcomes associated with the spending proposal switch from the PS to the minister. If approval is not granted by either the Minister of Finance or the Executive, then the minister's instructions in the MD should not proceed. **Figure 1** provides an overview by the DoF of the current MD process.

Figure 1: Ministerial Directions process flowchart



Note: Separate approval from the MoF is not necessary if the Executive approves the Direction, as the Department of Finance Minister is part of the Executive.

Source: *Department for Finance, (DAO (DoF) 01/22)*

2.9

Occasionally Executive approval may be needed urgently, ahead of the next Executive Committee meeting. In such instances, the responsible minister must set out in writing to the First Minister, the deputy First Minister and the Secretary to the Executive, the decision to be taken. In so far as is practicable, this should include the background to the issue, the views of any other ministers with a relevant interest, the position of any other interested administration and the consequences of deferring the decision until the next Executive Committee meeting and of not taking it at all. The First Minister and deputy First Minister, acting jointly, will consider the decision in consultation with the responsible minister, and notify him/her of the outcome of their consideration on the matter.

- 2.10** Once an MD has been approved, the PS should formally notify the Comptroller and Auditor General (C&AG) and provide the following documentation within four weeks:
- the submission from the PS to the minister, setting out the background to the spending proposal, together with the reason(s) for requesting an MD;
 - written correspondence from the minister, granting approval for the PS to seek authorisation from DoF/Executive/TEO for the MD;
 - approval for the MD granted by DoF/Executive/TEO; and
 - the MD issued by the minister.
- 2.11** Despite recent guidance issued by DoF (see **paragraph 2.22**), there have been occasions where notifications of MDs to the C&AG have been delayed and/or incomplete.



Recommendation 2

The Department for Finance should remind all departments of their responsibility to notify the C&AG of any Ministerial Directions within the four-week timeframe and to include all relevant supporting documentation with the notification.

The role of the Comptroller and Auditor General (C&AG)

- 2.12** Following a review of the relevant documentation to ensure that due process has been followed, the C&AG will notify the Public Accounts Committee (PAC) by way of a written submission, supported by the submitted documents, for the Committee's consideration.
- 2.13** Departments are also required to summarise any MDs issued during a financial year in their Annual Report and Accounts.

The role of the Public Accounts Committee

- 2.14** Following written notification of each MD by the C&AG, the PAC takes oral evidence and advice from the C&AG in relation to each one issued. Should the PAC have any concerns in relation to an MD, for example why it was needed, it may write to a PS seeking clarification or further information. In addition, during the 2017-22 Mandate, for each MD issued, the PAC agreed that the C&AG would monitor the expenditure in line with current audit practices and report any significant issues as required.
- 2.15** The Northern Ireland (Miscellaneous Provisions) Act 2014 brought the Assembly into line with the other devolved UK legislatures, extending each Assembly term to five years instead of four. At the end of each Assembly term, or mandate, the PAC publishes a Legacy report, summarising all of the work of the Committee during the mandate. This includes a list of all MDs that it has been notified of and considered, along with any actions that were undertaken by the Committee.

- 2.16** Since the dissolution of the Assembly on 28 March 2022 for pre-planned elections, there has been no sitting PAC as set out below. As a result, the most recent 14 MDs have yet to be scrutinised.

Emerging issues

- 2.17** On 3 February 2022 the Executive collapsed, following which the Assembly was dissolved on 28 March 2022 for the elections. Since the election in May 2022 the Assembly has been unable to agree the appointment of a Speaker and no Executive has been formed. Historically in such circumstances, without ministers in post, no MDs can be issued. However, new legislation introduced by Westminster, the 'Northern Ireland (Ministers, Elections and Petitions of Concern) Act 2022', provided for caretaking arrangements, enabling ministers to temporarily hold posts in the absence of an Executive. During this temporary period, MDs could still be issued, however their only route for approval was through the caretaker Minister of Finance (MoF).
- 2.18** Of the 69 directions issued since 1 April 2020, 7 were issued between 3 February 2022 and 31 March 2022 and approved by the MoF. A further 7 directions were issued after 1 April 2022. For one of these no approval was sought, and for three no MoF approval was granted, as the MoF had ceased to hold his post prior to additional information being submitted. In two of these cases the MDs were subsequently no longer required as funding was provided when the Secretary of State for Northern Ireland set the 2022-23 Budget on 24 November 2022. Details of all the directions issued during this period are listed at **Appendix 1**.
- 2.19** In the absence of a Speaker, neither an Executive, sitting Assembly, nor statutory or standing Committees can be formed. This has meant that by the publication date of this report, the last fourteen MDs issued since mid-March 2022 had not been subject to consideration and scrutiny by the PAC. Furthermore, from 28 October 2022, the caretaker ministers, including the MoF, ceased to hold their posts. Under such arrangements there is no mechanism for seeking or approving MDs.

Transparency of Ministerial Directions

- 2.20** Until 2021, summary details of MDs were only published in individual departmental annual reports and accounts and summarised in the PAC's end-of-mandate legacy reports. Concerns were raised by the PAC in 2020 that MDs issued in NI were not easily accessible by the general public or elected political representatives and therefore lacked openness and transparency. Subsequently, DoF agreed to centrally publish a historical list online of all MDs issued since devolution returned in 2007. Since 1 April 2021, DoF also publishes a copy of all MDs and their supporting information (unless the subject matter is confidential) once they have been formally considered by PAC. This brought transparency more in line with Westminster, which has been publishing both the MDs and the associated permanent secretaries' requests since 2011. Both Scotland and Wales have a similar MD process and publish high level details of MDs issued, albeit their use in these regions is extremely rare.
- 2.21** More recently, due to the absence of a working Assembly, in a bid to aid transparency and accountability, DoF has updated and published its list of MDs to include those not yet scrutinised by a PAC.

2.22 Following the unprecedented number of MDs issued in NI since 1 April 2020, DoF recognised that, while MPMNI sets out standards and principles to assist all civil servants with MDs, the guidance was insufficiently detailed. This was prompted by late reporting of a small number of MDs to the C&AG in 2021 and more general queries to the C&AG and DoF from the PAC and the Committee for Finance on the MD process. In response, DoF engaged with the NIAO and subsequently published more detailed, supplementary guidance for Departments in February 2022.

Part Three: Ministerial Directions Issued

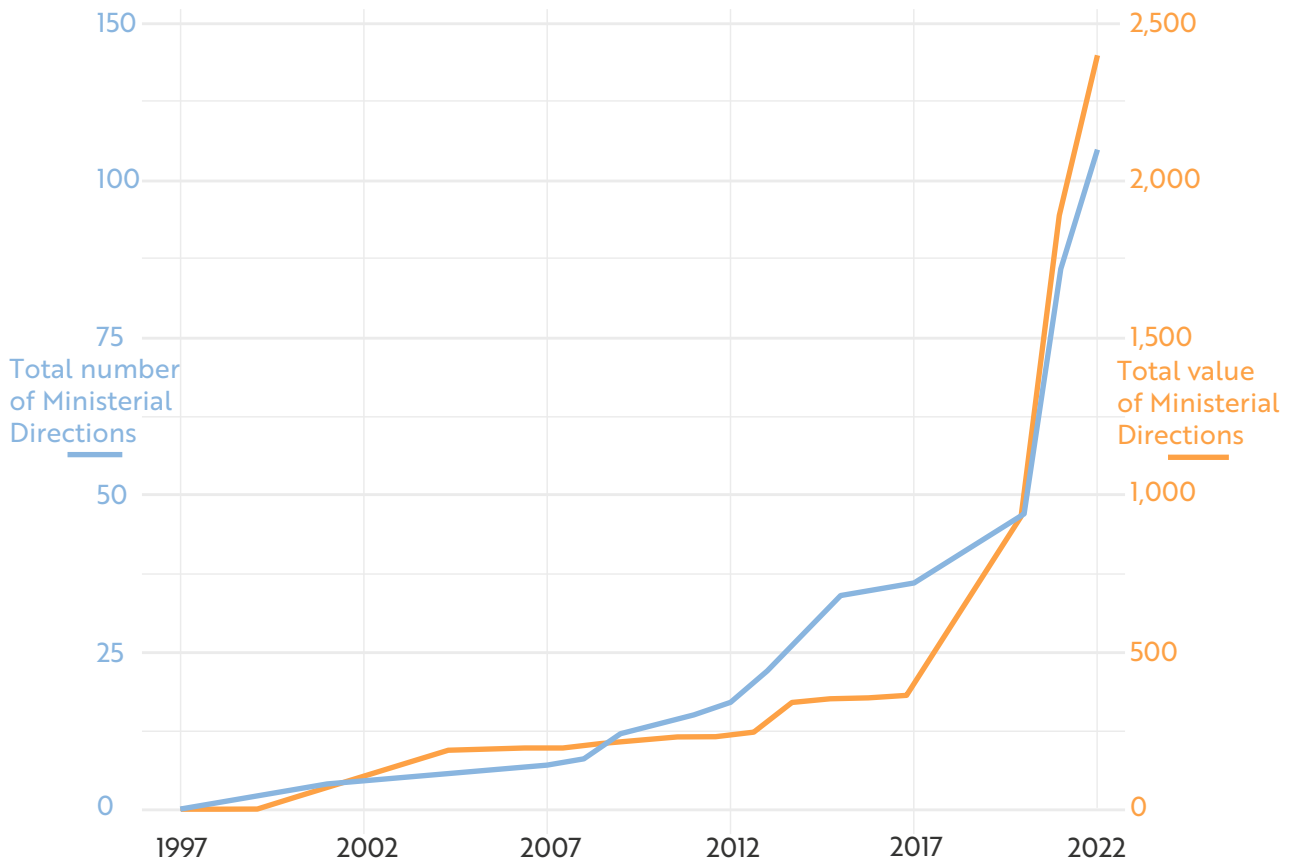
Ministerial Directions issued

3.1 A total of 105 MDs to the approximate value of £2.4 billion of budgeted expenditure were issued in Northern Ireland since 1998 (see **Figure 2**), of which 69 were issued between 1 April 2020 and 28 October 2022. Until 2020 when the Assembly was sitting, MDs were relatively rare, averaging between two and three each year. During the period of suspension from October 2002 to May 2007, under direct rule Ministers there were only 3 MDs. There were no MDs during the period of suspension from January 2017 to January 2020. In addition, there have been a few short periods of suspension during which there were also no MDs:

- 11 February 2000 to 30 May 2000;
- 10 August 2001 (24-hour suspension); and
- 22 September 2001 (24-hour suspension).

When caretaker ministers ceased to hold their posts on 28 October 2022, there was no mechanism for further MDs to be sought, issued and approved. At the time of this report’s publication the Executive had not reformed and therefore there was still no mechanism for MDs.

Figure 2: Cumulative Number of, and Total Value of, Ministerial Directions from 1997 to 2022



- 3.2** The primary reason behind this significant increase since April 2020 has been the high number of spending proposals in response to the COVID-19 pandemic, of which 51 resulted in an MD being issued. These proposals, which needed to be actioned promptly, brought with them an increased risk of fraud and error, in addition to insufficient assurance on value for money. However, in the same period the frequency of non-COVID-19 related directions also increased with an average of nine issued per year (1 April 2020 to 28 October 2022), compared with an average of two to three per year prior to April 2020.
- 3.3** In contrast, since 1998, the Welsh government has only issued one MD and the Scottish government has only issued five. Neither Scotland nor Wales issued any MDs relating to the COVID-19 pandemic. In the same time period, a total of 82 MDs have been issued in Westminster. Of this total, 15 related to COVID-19 spending proposals and 5, referred to as 'technical directions', related to the UK's exit from the EU. Therefore, the use of directions in NI is significantly more prevalent than in any other part of the UK.



Recommendation 3

The Treasury Officer of Accounts should consult with the Permanent Secretaries Group to determine why the use of MDs in NI is significantly more prevalent when compared to other UK regions.

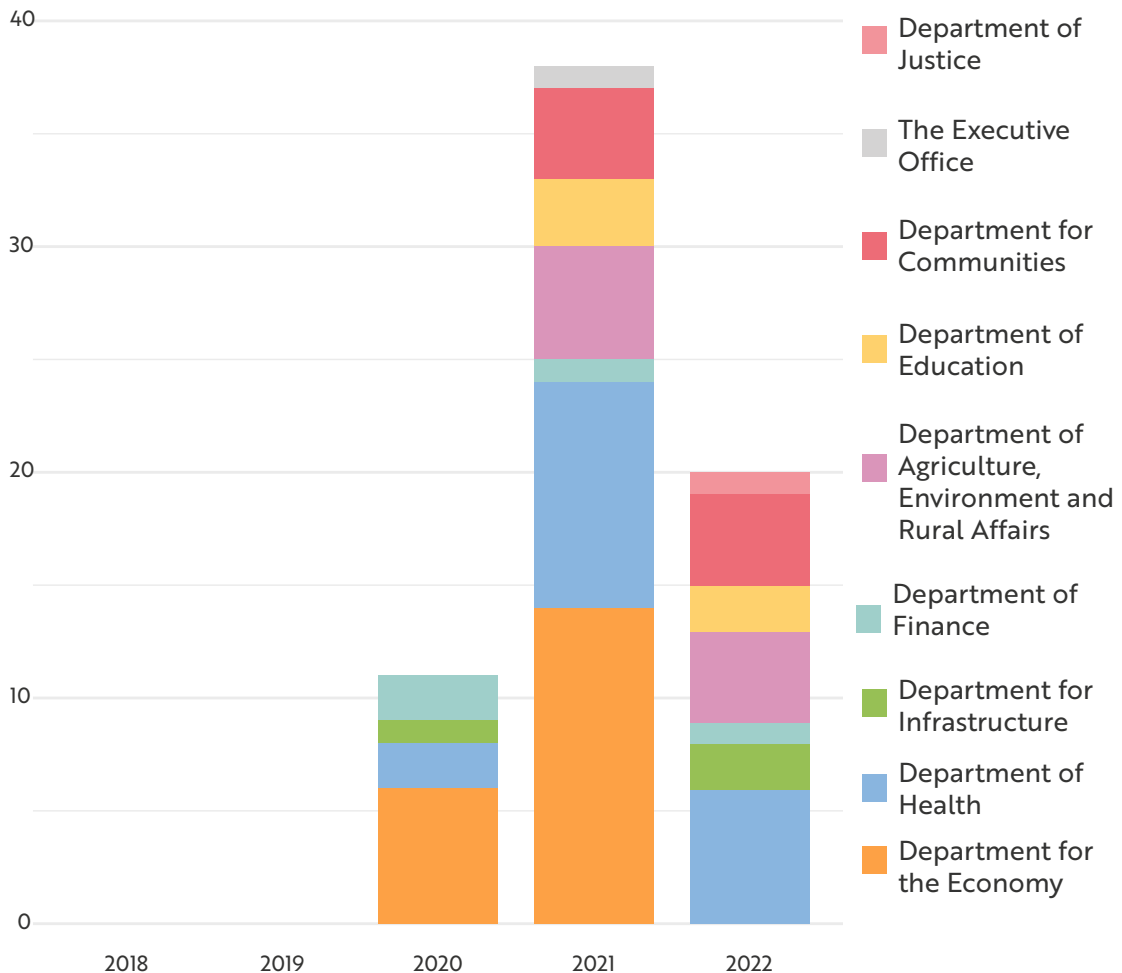
- 3.4** Set out below is an overview of all MDs issued since 1998, beginning with the most recent periods. As a result of changes in the number of departments, their names and areas of responsibility since 1998, the information has been grouped into the following main time periods:
- 2018-2022;
 - 2007-2017; and
 - 1998-2007.

Ministerial Directions 2018 – 2022

- 3.5** During this period, the Executive and Assembly were in suspension until 9 January 2020 and therefore no MDs were issued in 2018 or 2019. Between 9 January 2020 and 28 October 2022, a total of 69 MDs were issued. A small number of these directions represented extensions, or revisions, to pre-existing ministerial directions but required separate directions, nonetheless. The 69 MDs represented approximately £1.9 billion of budgeted expenditure. Of these, 51 (representing £1.4 billion of budgeted expenditure) were issued as a direct result of the COVID-19 pandemic. Most COVID-19-related directions were issued by the Department for the Economy and the Department of Health. All departments issued at least one MD during this period.
- 3.6** As outlined in **paragraph 2.17**, following the Assembly election on 5 May 2022 an Executive was unable to be formed, however extant ministers were temporarily able to continue in a caretaker role until 28 October 2022. During this period, 7 directions were issued of which 6 cited concerns in relation to affordability. The increasing use of the term 'affordability' in this period appears to have arisen in the absence of an agreed budget, at that time, for 2022-23.

3.7 Excluding the COVID-19-related directions, there has been an average of 9 directions in each of these two years, compared to an average of 2 to 3 directions issued annually up to that time. However, if the ‘affordability’ directions are also excluded, the average falls to 5 directions a year. **Figure 3** sets out the number of MDs issued by Department and **Appendix 1** lists details of these MDs during this period.

Figure 3: Ministerial Directions by department, 2018-2022



3.8 In contrast, during the same period, no MDs were issued in Scotland, 1 was issued in Wales and 34 were issued in England, of which 15 were COVID-19-related and one relating to the ‘Eat out to Help Out’ scheme which was rolled out across the whole of the UK. An additional 5 technical directions were issued in England relating to the UK’s exit from the EU. No COVID-19-related MDs were issued in Scotland or Wales.

3.9 The main concerns raised by permanent secretaries to their Ministers, prior to receiving an MD, was on the grounds of value for money concerns (56 times), followed by affordability (8 times). Propriety was cited on one occasion (in addition to other reasons). The prevalence of value for money concerns can be attributed primarily to the large number of COVID-19-related directions issued which, in most cases, involved disbursing significant amounts of public money, in a very short space of time, to support businesses through the pandemic. **Figure 4** and **Figure 5** summarise the number of MDs by department, as well as the grounds on which they were issued during this period.

Figure 4: Ministerial Directions by year and grounds, 2018 to 2022

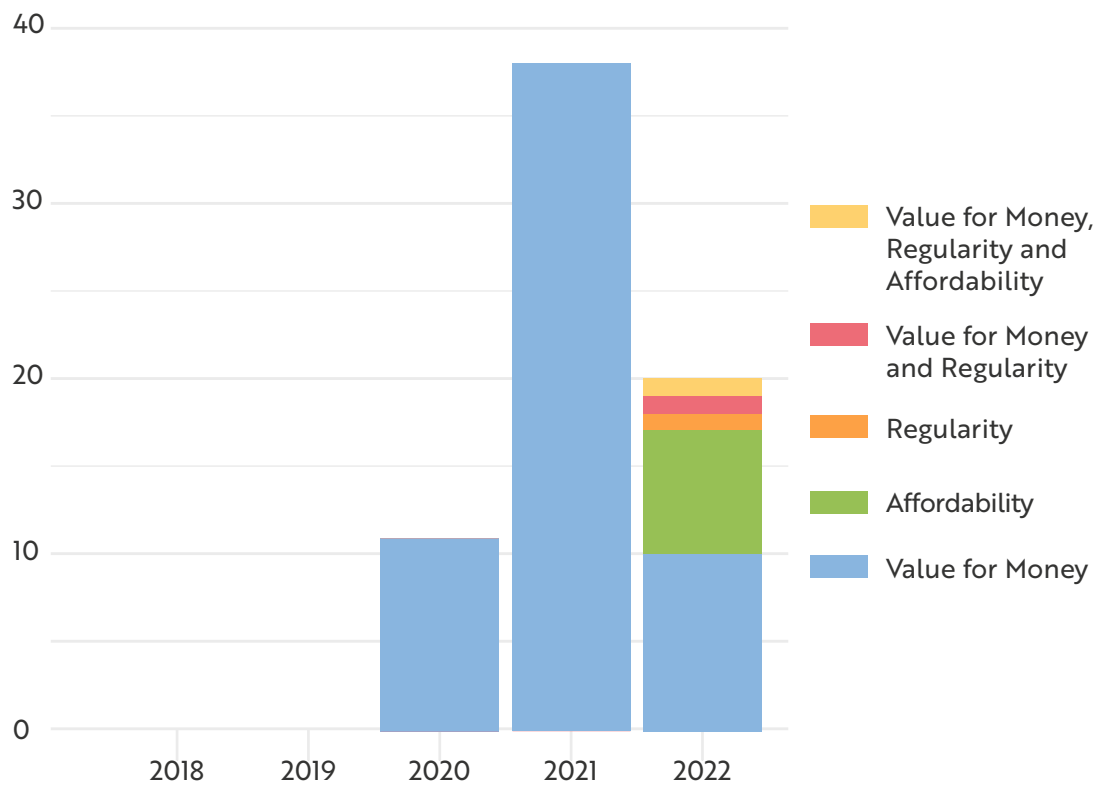
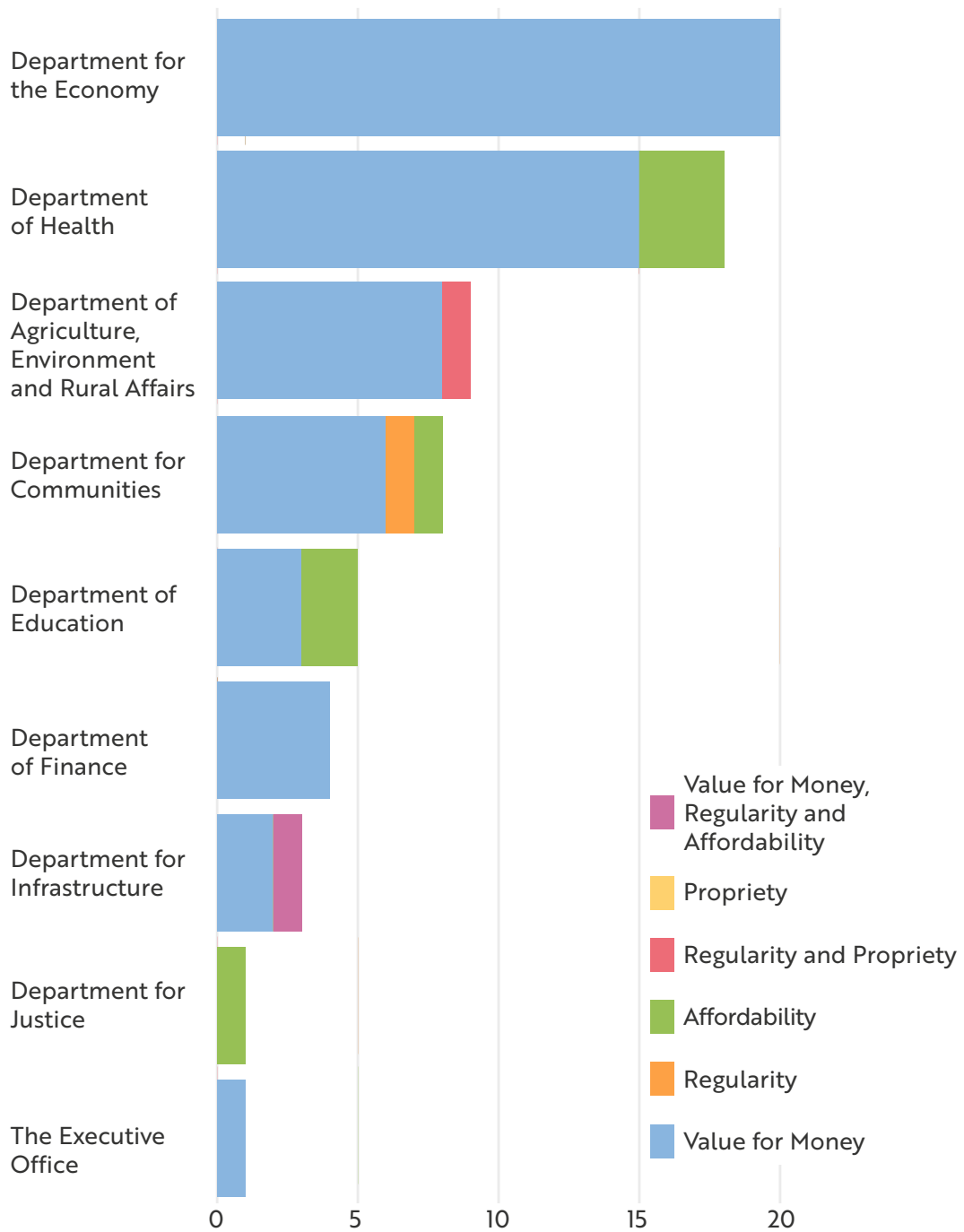


Figure 5: Ministerial Directions by department and grounds, 2018-22



Ministerial Directions 2007 – 2017

3.10 Following the return of a sitting Assembly after a five-year period of suspension, a total of 30 MDs were issued between 2007 and 2017, equating to approximately £199 million of approved budgeted expenditure. The number of MDs issued per year ranged from 0 to 6 with an average of 3 per year in the period (see **Appendix 2**). In contrast, over the same period, 1 MD was issued in Scotland and 27 in England. No MDs were issued in Wales.

3.11 Of all the MDs issued in this period, the main reason cited by permanent secretaries for requesting a direction was on the grounds of concerns regarding value for money (25 times), followed by regularity (4 times). Propriety was cited on a single occasion and one direction was sought in relation to both value for money and regularity. The prevalence of value for money concerns raised by a PS can be primarily attributed to supporting business cases, concluding that the spending proposals did not represent or could not demonstrate value for money. **Figures 6, 7 and 8** summarise the number of MDs by department, by year, as well as the grounds on which they were issued during this period.

3.12 The then Department for Agriculture and Rural Development issued the highest number of directions in this period (12), double the number issued by the next most frequent, the then Department for Regional Development (6). With the exception of the then Department for Finance and Personnel and the Department for Culture, Arts and Leisure, each of the other departments issued at least one MD during this period.

Figure 6: Ministerial Directions by department, 2007-2017

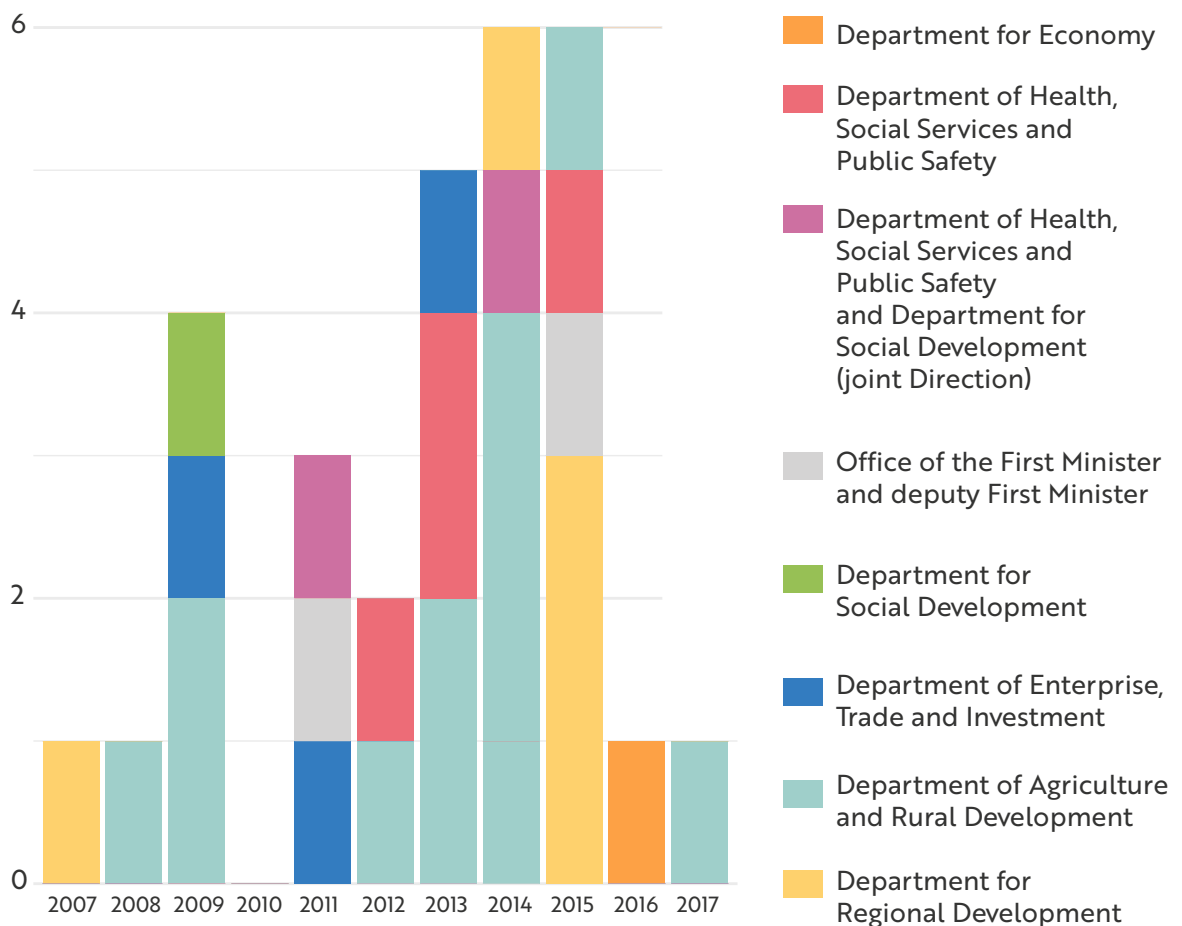


Figure 7: Ministerial Directions by year and grounds, 2007 to 2017

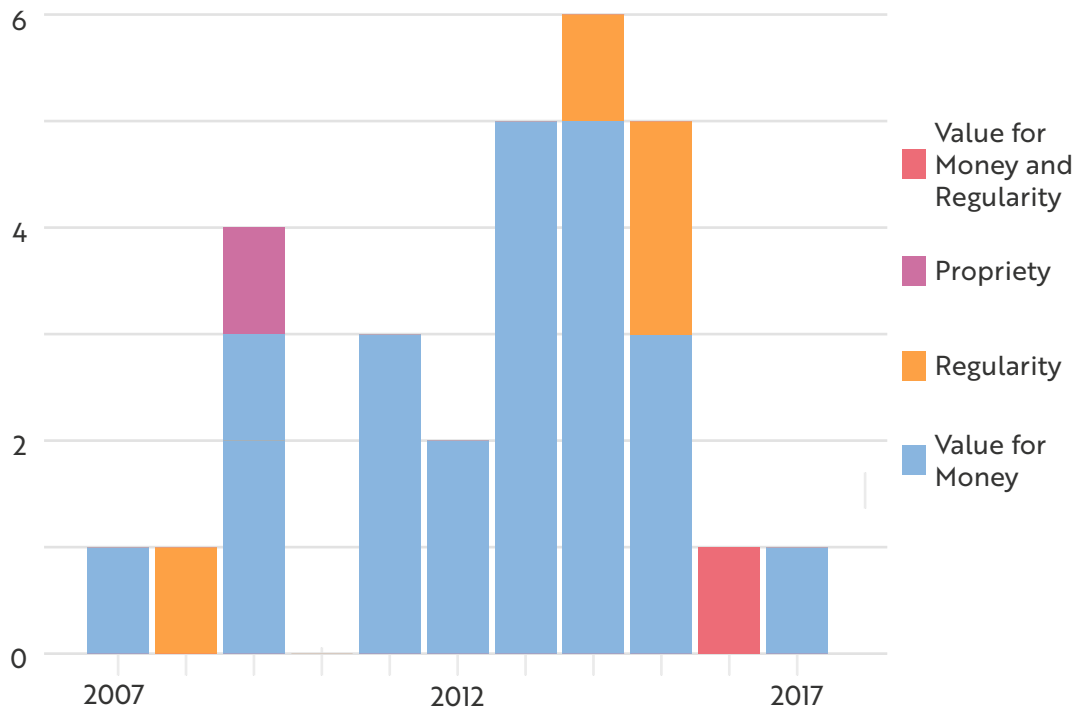
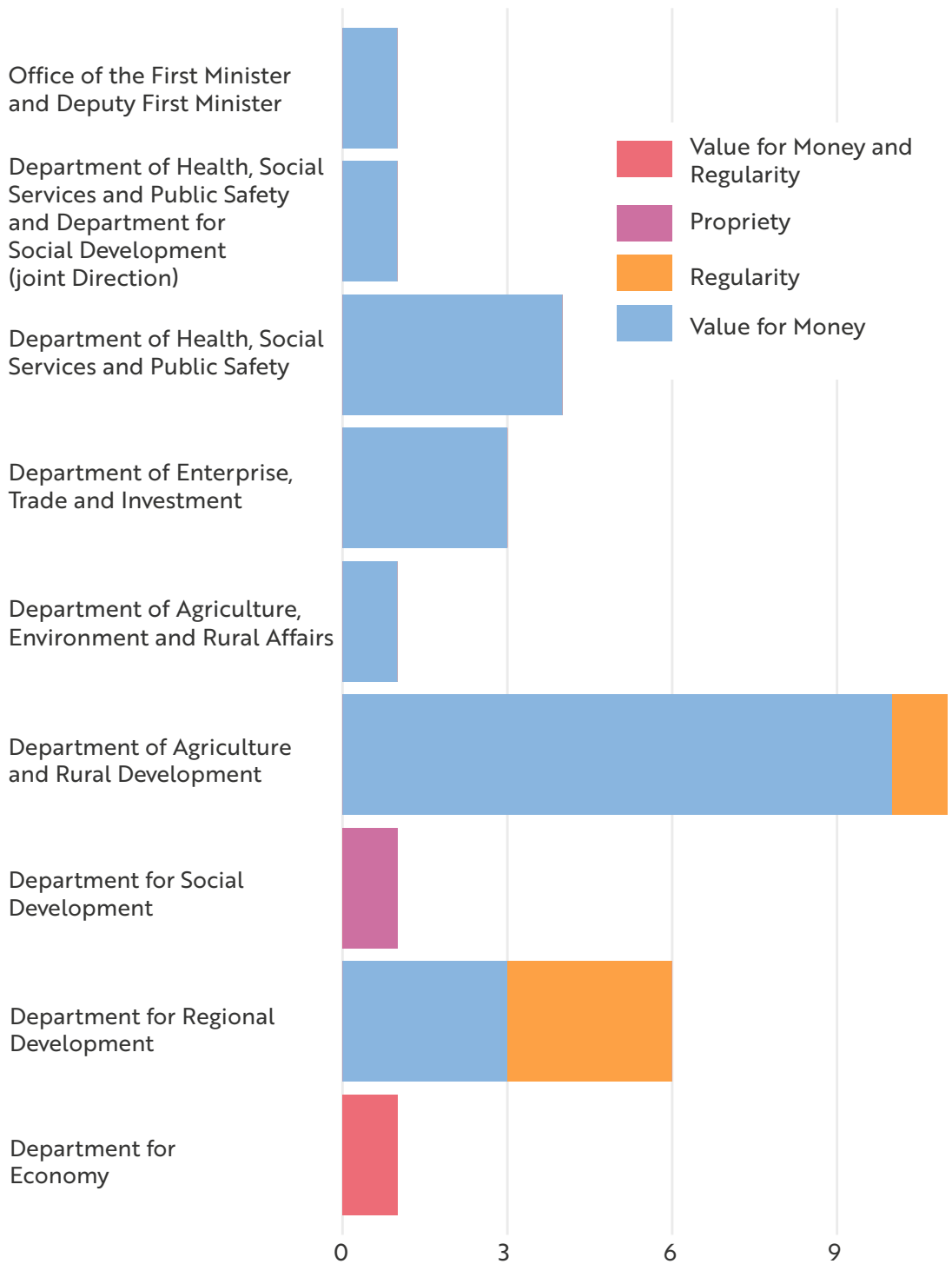


Figure 8: Ministerial Directions by department and grounds, 2007 to 2017



Ministerial Directions 1998 - 2006

- 3.13** The final and earliest period covered, which included a five-year period of suspension and direct rule by Westminster, had the fewest number of ministerial directions issued. A total of six MDs were issued, covering budgeted expenditure of almost £190 million, and averaged one direction every two years (see **Appendix 3**). Four of these directions were issued during the period of direct rule.
- 3.14** During the same period, four MDs were issued in Scotland and approximately eighteen were issued in England. Due to the lack of publicly available information, it is not clear if any MDs were issued in Wales during this period.

Appendices

Appendix 1: List of Ministerial Directions issued between April 2018 and October 2022

Number	Date Ministerial Direction issued	Department	Title	Key concern raised by Accounting Officer	£ million	Approval route
1	26-Mar-20	Department for the Economy	COVID - £10,000 Business Support Grant Scheme (see also numbers 12, 27, 31 and 43 for subsequent and final extensions.)	VFM	294.00	FM & dFM
2	10-Apr-20	Department for the Economy	COVID - £25,000 Business Support Grant Scheme for Retail, Hospitality and Tourism and Leisure (see also numbers 18, 25, 32 and 44 for subsequent and final extensions.)	VFM	126.00	FM & dFM
3	12-May-20	Department for the Economy	COVID - the COVID-19 Microbusiness Hardship Scheme	VFM	40.00	FM & dFM
4	17-Aug-20	Department of Health	Infected Blood Scheme	VFM	1.10	Department of Finance
5	18-Oct-20	Department of Finance	COVID - Extension of the Financial Assistance Scheme (originally for Derry City and Strabane District) to all council areas	VFM	35.00	Executive
6	22-Oct-20	Department for the Economy	COVID - Restrictions Business Support Scheme	VFM	40.00	Executive
7	03-Nov-20	Department for Infrastructure	COVID - Funding for City of Derry Airport	VFM	1.30	Department of Finance
8	02-Dec-20	Department for the Economy	COVID - Newly Self-Employed Support Scheme	VFM	10.00	FM & dFM
9	09-Dec-20	Department of Health	COVID - Reimbursement of lost wages to health care workers due to strike action	VFM	1.64	Executive

Number	Date Ministerial Direction issued	Department	Title	Key concern raised by Accounting Officer	£ million	Approval route
10	11-Dec-20	Department of Finance	COVID - Urgent temporary time limited financial support for Belfast International Airport and Belfast City Airport	VFM	7.80	Executive
11	18-Dec-20	Department for the Economy	COVID - Wet Pubs Business Support Scheme	VFM	10.60	Executive
12	06-Jan-21	Department for the Economy	COVID - Restrictions Business Support Scheme - reopening to cover restrictions 26/12/20 – 06/02/21(see also numbers 1, 27, 31 and 43 for original as well as subsequent and final extensions.)	VFM	N/A	Executive
13	07-Jan-21	Department of Education	Pilot scheme to address Period Poverty in schools	VFM	0.73	Executive
14	13-Jan-21	Department for the Economy	COVID - Limited Company Director Support Scheme	VFM	20.00	Executive
15	25-Jan-21	Department of Health	COVID - Special recognition payments for healthcare students	VFM	7.70	Department of Finance
16	19-Jan-21	Department of Health	COVID - Bonus Scheme for all Healthcare workers	VFM	See line 45	Department of Finance
17	22-Jan-21	Department for the Economy	COVID - Bed & Breakfast, Guest House and Guest Accommodation Providers Support Scheme	VFM	4.10	Executive
18	22-Jan-21	Department for the Economy	COVID - Large Tourism and Hospitality Scheme (see also numbers 2, 25,32 and 44 for original as well as subsequent and final extensions.)	VFM	26.10	Executive

Number	Date Ministerial Direction issued	Department	Title	Key concern raised by Accounting Officer	£ million	Approval route
19	27-Jan-21	Department of Agriculture, Environment and Rural Affairs	COVID - Funding of the Lough Neagh COVID support scheme	Regularity and propriety	0.20	Department of Finance
20	01-Feb-21	Department of Health	COVID - Additional Financial Support to DoH Core Grant Funded Organisations 2020/21	VFM	0.87	Department of Finance
21	02-Feb-21	Department of Education	COVID - Direct Payments in lieu of Free School meals for pupils of Special Schools	VFM	0.13	Department of Finance
22	09-Feb-21	Department for the Economy	COVID - £500 Disruption Payment Scheme for full time higher education students	VFM	22.00	Executive
23	11 Feb -21	Department of Health	COVID – Extend eligibility of HSC Staff recognition payment to longer term agency workers	VFM	See line 45	Department of Finance
24	15-Feb-21	Department of Health	Proceed to make payment of £1 million to support the provision of Helicopter Emergency Services	VFM	1.00	Department of Finance
25	05-Mar-21	Department for the Economy	COVID – Extension of Large Tourism and Hospitality Scheme to 31 March 2021 (see also numbers 2,18,32 and 44 for original direction as well as earlier and final extensions.)	VFM	8.00	Executive
26	05-Mar-21	Department for the Economy	City of Derry Airport (CODA) Public Service Obligation 2021-23	VFM	2.00	Executive

Number	Date Ministerial Direction issued	Department	Title	Key concern raised by Accounting Officer	£ million	Approval route
27	05-Mar-21	Department for the Economy	COVID – Extension of COVID 19 Restrictions Business Support Scheme to 31 March 2021(see also numbers 1, 12, 31 and 43 for original direction as well as earlier and final extensions.)	VFM	13.00	Executive
28	08-Mar-21	Department for Communities	Parkanaur College Funding	VFM	0.20	Department of Finance
29	11-Mar-21	The Executive Office	COVID - Travel Agent Support Scheme	VFM	1.20	Department of Finance
30	22-Mar-21	Department of Health	COVID - Proceed to Establish a Support Scheme for carers	VFM	4.40	Department of Finance
31	29-Mar-21	Department for the Economy	COVID – Extension of COVID-19 Restrictions Business Support Scheme beyond 31 March 2021(see also numbers 1,12,27 and 43 for original direction and subsequent extensions.)	VFM	19.50	Executive
32	29-Mar-21	Department for the Economy	COVID – Extension of Large Tourism and Hospitality Business Support Scheme beyond 31 March 2021(see also numbers 2, 18, 25 and 44 for original, earlier and final extensions.)	VFM	10.50	Executive
33	29-Mar-21	Department of Agriculture, Environment and Rural Affairs	COVID – Covid-19 Disruption Payment Of £60 To Higher Education and Further Education students at the College of Agriculture, Food and Rural Enterprise to Address Digital Poverty	VFM	0.10	Department of Finance

Number	Date Ministerial Direction issued	Department	Title	Key concern raised by Accounting Officer	£ million	Approval route
34	29-Mar-21	Department of Health	One-off award to Charitable Trust Funds	VFM	15.00	FM & dFM
35	29-Mar-21	Department of Health	COVID - Establish a Grant Scheme to support Cancer Services	VFM	10.00	FM & dFM
36	29-Mar-21	Department of Agriculture, Environment and Rural Affairs	COVID - Support for Wool Producers Scheme	VFM	1.30	Department of Finance
37	29-Mar-21	Department of Finance	COVID - Additional Financial Assistance Schemes to make use of the remaining 2020/21 COVID 19 funding	VFM	177.90	FM & dFM
38	30-Mar-21	Department for Communities	COVID - Recognition Payment for Supporting People and Homelessness Sector Frontline Staff	VFM	2.50	Department of Finance
39	31-Mar-21	Department of Health	COVID - Payment to Support Hospices	VFM	1.30	FM & dFM
40	31-Mar-21	Department of Health	COVID - Establish a Grant Scheme to support Mental Health Services	VFM	10.00	FM & dFM
41	31-Mar-21	Department of Agriculture, Environment and Rural Affairs	Support scheme to all eligible farmers severely impacted by flooding in the Glenelly and Owenkillew river catchment areas (later revised, see number 47 for revised direction)	VFM	3.45	Department of Finance
42	29-Apr-21	Department for the Economy	COVID - High Street Stimulus Scheme	VFM	145.00	Executive

Number	Date Ministerial Direction issued	Department	Title	Key concern raised by Accounting Officer	£ million	Approval route
43	28-Apr-21	Department for the Economy	COVID - Coronavirus Restrictions Business Support Grant extension to 23 May 2021 (see also numbers 1,12,27 and 31 for original direction and earlier extensions.)	VFM	18.00	Executive
44	28-Apr-21	Department for the Economy	COVID - Large Tourism Hospitality Business Support Scheme extension beyond 23 May 2021 (see also numbers 2, 18, 25 and 32 for original direction and earlier extensions.)	VFM	14.10	Executive
45	27-Apr-21	Department of Health	COVID - HSC Staff Recognition Payment Application of Gross Award	VFM	118.00 (this includes budgeted cost of directions at lines 16 and 23)	Department of Finance
46	08-Jun-21	Department for Communities	REVISED - COVID Recognition Payment for Supporting People and Homelessness Sector Frontline Staff	VFM	1.00	Department of Finance
47	22-Jun-21	Department of Agriculture, Environment and Rural Affairs	REVISED – Support Scheme for impact of flooding in the Glenelly and OwenKillew River Catchment Areas (see number 41 for original direction)	VFM	-0.35 (revised from 3.45 to 3.10)	Department of Finance
48	18-Jun-21	Department for the Economy	COVID - NI Domestic Aviation Kickstart Scheme	VFM	5.00	Executive
49	07-Jul-21	Department of Education	Strule Shared Education Campus	VFM	182.00	Executive

Number	Date Ministerial Direction issued	Department	Title	Key concern raised by Accounting Officer	£ million	Approval route
50	12-Sep-21	Department for Communities	Creative Individuals Recovery Fund	VFM	5.50	Department of Finance
51	11-Jan-22	Department of Finance	COVID - Omicron Hospitality Payment	VFM	40.00	FM & dFM
52	13-Jan-22	Department of Agriculture, Environment and Rural Affairs	Support Scheme for Northern Ireland Search and Rescue Services	VFM	1.90	Department of Finance
53	19-Jan-22	Department of Health	Additionality to Pay	VFM	25.00	Department of Finance
54	26-Jan-22	Department of Health	Mental Health Support Fund	VFM	6.20	Department of Finance
55	26-Jan-22	Department for Communities	COVID – COVID-19 Recovery Programme Employment and Skills Initiative	VFM	20.00	Department of Finance
56	16-Mar-22	Department for Infrastructure	Belfast Distillery Company Limited	VFM	0.90	Department of Finance
57	23-Mar-22	Department for Infrastructure	Funding to Derry City and Strabane District Council for Derry City Airport	VFM, Regularity and Affordability	3.00	Department of Finance
58	18-Mar-22	Department of Agriculture, Environment and Rural Affairs	Pig Support Scheme	VFM	2.00	Department of Finance
59	23-Mar-22	Department of Agriculture, Environment and Rural Affairs	Bounce Back Support Scheme for Northern Ireland Agricultural Shows	VFM	0.20	Department of Finance
60	23-Mar-22	Department of Health	GP Training Places	Affordability	2.80	Department of Finance
61	25-Mar-22	Department for Communities	Establishment of a Child Funeral Fund	Regularity	1.70	Department of Finance
62	25-Mar-22	Department for Communities	COVID - Funding increase for the COVID-19 Recovery Employment and Skills Initiative	VFM	1.30	Department of Finance

Ministerial Directions Received post 31 March 2022

Number	Date Ministerial Direction issued	Department	Title	Key concern raised by Accounting Officer	£ million	Approval route
63	22-Jun-22	Department of Education	Funding for Engage Programme and Healthy Happy Minds Pilot	Affordability	12.25	Department of Finance
64	14-Jul-22	Department of Health	2022-23 Expenditure	Affordability	80.80	Not approved
65	23-Sep-22	Department of Health	2022/23 Expenditure (Q3)	Affordability	280.30	Not approved
66	11-Oct-22	Department of Education	Funding for Engage Programme and Healthy Happy Minds Pilot in 2022-23 academic year - extension	Affordability	8.65	Department of Finance
67	21-Oct-22	Department of Agriculture, Environment and Rural Affairs	Pig Sector Support Scheme - extension	VFM	1.60	Department of Finance
68	26-Oct-22	Department of Justice	Budgetary Overspend pressures	Affordability	Total not stated	None sought. In addition, MD was subsequently not required as funding made available in the budget.
69	Oct- 2022	Department for Communities	Discretionary Support Scheme	Affordability	22.60	None – time for approval expired as Ministers no longer in post. In addition, MD was subsequently not required as funding made available in the budget.

Note: Appendix I includes MDs (Numbers 56-69) which have not yet been scrutinised by the Public Accounts Committee. High level information relating to these most recent MDs can be accessed on [the DoF website](#).

Appendix 2: List of Ministerial Directions issued 2007 -2017

Number	Date Ministerial Direction issued	Department	Title	Reason for Direction	£ million	Approval route
1	Jan-07	Department for Regional Development	City of Derry Airport – Runway safety works	VFM	7.14	Not approved by DFP
2	Feb-08	Department of Agriculture and Rural Development	Bluetongue – Import Controls	Regularity	0.00	Executive
3	Jan-09	Department for Social Development	Ligoniel Improvement Association and Lower North Belfast Community Council	Propriety	0.50	DFP
4	Feb-09	Department of Agriculture and Rural Development	Assistance to Farmers for Crop Losses due to flooding	VFM	0.50	Executive
5	Mar-09	Department of Agriculture and Rural Development	Fishing Hardship	VFM	0.57	Executive
6	Dec-09	Department of Enterprise Trade and Investment	Grant assistance to Seagate Technology	VFM	12.70	Executive
7	Feb-11	Department for Regional Development	City of Derry Airport – Runway safety works	VFM	8.60	Executive
8	May-11	Department of Enterprise, Trade and Investment	Titanic Studio.	VFM	4.80	DFP
9	Sep-11	Office of the First Minister and deputy First Minister	To accept an MOD gift of Shackleton Site in Ballykelly.	VFM	8.10	DFP
10	Sep-12	Department of Agriculture and Rural Development	Prepare HQ Business case with limited options	VFM	0.00	Executive
11	Oct-12	Department of Health, Social Services and Public Safety	Provision of temporary funding for Integrated Services for Children and Young People Project	VFM	0.70	Executive

Number	Date Ministerial Direction issued	Department	Title	Reason for Direction	£ million	Approval route
12	Mar-13	Department of Health, Social Services and Public Safety	Newry and Lisburn Health Care Centres	VFM	No data available	DFP
13	May-13	Department of Agriculture and Rural Development	Hardship Payments to farmers affected by the Spring blizzard 22-24 March 2013.	VFM	4.00	Executive
14	Jul-13	Department of Health, Social Services and Public Safety	Northern Ireland Hospice and Mencap relating to capital funding to support emerging projects	VFM	5.20	DFP
15	Jul-13	Department of Agriculture and Rural Development	Financial support for the fishing industry to help it adapt to new challenges arising from the introduction of the Common Fisheries Policy	VFM	0.45-0.46	DFP
16	Oct-13	Department of Enterprise, Trade and Investment	Provision of grant assistance to Delta Print and Packaging Ltd.	VFM	4.60	Executive
17	Mar-14	Department of Agriculture and Rural Development	Financial support to the fishing industry following severe adverse weather conditions that prevented fishing	VFM	0.50	Executive
18	Apr-14	Department of Agriculture and Rural Development	Test and Vaccinate or Remove (TVR) Wildlife Intervention Research Project	VFM	7.50	Executive
19	Jul-14	Department of Health, Social Services and Public Safety and Department for Social Development (joint Direction)	Provision of Temporary Funding for Tier 2 Family Support Services in Greater Shankill and West Belfast (the Integrated Services for Children and Young People Project (ISCYP))	VFM	0.27	Executive

Number	Date Ministerial Direction issued	Department	Title	Reason for Direction	£ million	Approval route
20	Aug-14	Department of Agriculture and Rural Development	Implementation of an Areas of Natural Constraint Scheme and a Transitional Payment to Disadvantaged Areas	VFM	42.10	Executive
21	Sep-14	Department of Agriculture and Rural Development	DARD Headquarters move to Ballykelly	VFM	41.00	Executive
22	Dec-14	Department for Regional Development	Winter Service - Road maintenance	Regularity	8.80	Not approved by DFP
23	Jan-15	Department of Agriculture and Rural Development	Revised Direction - Implementation of an Areas of Natural Constraint Scheme and a Transitional Payment to Disadvantaged Areas (see line 20 for original direction)	VFM	0.00	Executive
24	Jan-15	Department for Regional Development	Winter Service - Street Lights	Regularity	5.20	Not approved by DFP
25	Feb-15	Department of Health, Social Services and Public Safety	Provision of temporary funding for new Tier 2 Family Support Services in Greater Belfast and West Belfast (the Integrated Services for Children and Young People Project (ISCYP))	VFM	0.27	DFP
26	May-15	Office of the First Minister and deputy First Minister	Disposal of Shackleton Site in Ballykelly without a business case process	VFM	0.00	Executive
27	May-15	Department for Regional Development	Phase 2 of the Coleraine to Londonderry Track Renewal Project	VFM	46.40	DFP

Number	Date Ministerial Direction issued	Department	Title	Reason for Direction	£ million	Approval route
28	Aug-15	Department for Regional Development	Breach of Budget Control – additional funding for TransportNI skeleton maintenance services, including winter service costs based on the need to safeguard public safety	Regularity	15.00	Not approved by DFP
29	Aug-16	Department for Economy	Provision of Financial Assistance to United Airlines	VFM and Regularity	2.90	FM & DFM
30	Jan-17	Department of Agriculture, Environment and Rural Affairs	Implementation of an Areas of Natural Constraint Scheme 2018	VFM	8.00	DoF

Appendix 3: List of Ministerial Directions issued 1998-2006

Number	Date Ministerial Direction issued	Department	Title	Reason for Direction	£ million	Approval route
1	1998	Department for Regional Development	City of Derry Airport	No data available	1.40	No data available
2	1999	Northern Ireland Office	Additional salary payment to Accounting Officer	No data available	0.01	No data available
3	2000	Department for Regional Development	City of Derry Airport	No data available	0.40	Not approved
4	2001	Department for Enterprise, Trade and Industry	North South Gas Pipeline	No data available	38.00	No data available
5	2005	Department for Enterprise, Trade and Industry	Seagate Technologies	No data available	24.80	No data available
6	2005	Department for Enterprise, Trade and Industry	Bombardier	No data available	125.00	No data available

Note: Due to the amount of time that has elapsed since these ministerial directions were issued not all data is available. Appendix 3 is based solely on information held by NIAO.

Appendix 4: Approximate number of Ministerial Directions by region

Region	1998-2007	2007-2017	2018-2022	Total
England	16	27	39	82
Scotland	5	0	0	5
Wales	0	0	1	1
Northern Ireland	6	30	69	105

Note: The term 'approximate' is used as the formal publication of Ministerial Directions in England commenced in 2011. Prior to 2011 we have had to rely on secondary source data from the public domain (including data for Scotland and Wales).

NIAO Reports: 2022 and 2023

NIAO Reports 2022 and 2023

Title	Date Published
2022	
Planning in Northern Ireland	01 February 2022
The COVID-19 pandemic: Supply and procurement of Personal Protective Equipment to local healthcare providers	1 March 2022
Northern Ireland Non-Domestic Renewable Heat Incentive Scheme: Progressing implementation of the Public Inquiry recommendations	22 March 2022
Extraordinary Audit of Causeway Coast and Glens Borough Council	07 July 2022
The National Fraud Initiative: Northern Ireland	19 July 2022
Continuous improvement arrangements in policing	21 July 2022
NIAO Review of NI Water's sale of Portavoe Reservoir	21 July 2022
2023	
Planning Fraud Risks	01 March 2023
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