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**HCS/035/17**

**FROM: SIR MALCOLM McKIBBIN**  
**DATE: 27 MARCH 2017**  
**TO: ALL STAFF**

### **MESSAGE FROM THE HEAD OF THE CIVIL SERVICE**

Over the past three weeks there have been intensive political discussions involving the five largest parties and the UK and Irish Governments. However, resolution on a number of key issues was not made in time to enable the nomination of a First Minister, deputy First Minister and other Executive Ministers. Consequently we continue to have no Ministers and hence, no Executive.

In my last letter to you on 7 March I advised you that the Executive had not agreed a budget for 2017/18 before the Assembly was dissolved. In the continuing absence of a Budget Act, David Sterling the Permanent Secretary of the Department of Finance, will have to use his limited powers under Section 59 of the Northern Ireland Act 1998 to release cash to departments until such times as a budget is agreed and provided for in legislation.

David has been working with Permanent Secretaries on how these powers should best be exercised. The Department of Finance has had extensive discussions with departments about how arrangements will operate. Departments have been provided with an indication of what they might reasonably have expected to receive in 2017/18 and will be planning the delivery of services on the basis of this advice. The advice has taken account of the financial challenges which will face the next Executive.

This is a limited measure designed to ensure that funds flow to departments and our arms length bodies so that we can continue to provide public services and pay public servants. It is not a substitute for a budget agreed by an Executive. Indeed we are very clear that the prioritisation and allocation of financial resources is a matter for Ministers.

As far as the Civil Service is concerned our job is to continue to deliver public services. It is essential that we do just that. Our aim is to ensure 'business as usual'

as far as possible though, as I said in my last letter, there will be some things we will not be able to do. For example, we will not be able to launch any new programmes, projects or policies which would require Ministerial or Executive endorsement. Departmental Accounting Officers will also have to be prudent and aim to avoid committing to new patterns of expenditure which would go beyond what they might reasonably expect to be allocated in a Budget for 2017/18 once this is agreed.

The NICS Board would like to acknowledge and thank you for your continued commitment during this time of uncertainty. We will keep you informed of developments.

A handwritten signature in black ink, appearing to read 'Malcolm', with a long horizontal stroke underneath.

**SIR MALCOLM McKIBBIN**  
**Head of the Civil Service on behalf of the NICS Board**