

The Executive Office

Annual Report and Accounts 2024-25 For the year ended 31 March 2025

Laid before the Northern Ireland Assembly under section 10(4) of the Government
Resources and Accounts Act (Northern Ireland) 2001
by the Department of Finance
on 2 July 2025

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PERFORMANCE REPORT

2024-25 ANNUAL REPORT**THE PERFORMANCE REPORT****OVERVIEW**

The purpose of the overview is to provide a description of The Executive Office (TEO), its purpose, its functions, the key risks to the achievement of its objectives and how the Department has performed during the year and to the date of signing of the Annual Report and Accounts.

STATEMENT FROM THE DEPARTMENT'S ACCOUNTING OFFICER

I was appointed as interim Permanent Secretary on 17 June 2024, and in that capacity, I am pleased to present The Executive Office Annual Report and Accounts for 2024-2025.

Following the restoration of the Executive (February 2024), our priority for the initial months of this financial year was about supporting our Ministers lay the foundations from which we could then begin delivery during the second half of the year. That meant working to resolve outstanding public sector pay disputes, agreeing a budget and publishing a Fiscal Sustainability Plan, developing a legislative programme, completing work on a Strategic Framework to end violence against women and girls and drafting a new Programme for Government.

Completing this work in those early months meant Ministers could launch their Strategic Framework to End Violence against Women and Girls in September 2024 and quickly followed that up in January 2025 with the announcement of a £3.2m Local Change Fund. This initiative alone highlights the pivotal role this department has in addressing some of the most important, challenging and sensitive issues affecting our society today.

Equally, following an extensive consultation on a draft Programme for Government (PFG), with over 1,500 participants taking part and 1,390 responses received from all sections of society, in February 2025 the Executive agreed their Programme for Government (Doing What Matters Most). It is an ambitious agenda for change, the first agreed by an Executive in over a decade.

One of the nine priorities identified in the PfG, was the Reform and Transformation of Public Services. This will not be restricted to TEO; everyone involved in the delivery of public services will have their own role to play. But at the heart of Government, Ministers committed to setting up a new Delivery Unit to ensure the Executive's priorities get the focus needed to bring about lasting change and improvement. Ministers also committed to addressing the significant opportunities in emerging technologies such as AI, and better leverage the powers of digital and data, by establishing the Office of AI and Digital. I am pleased to say that work to establish both new offices within TEO, is well advanced.

Whether it is a PfG, a strategy to end violence against women and girls or a legislative programme, a significant amount of work is needed, both within this Department but also across all Departments, in making this happen. As TEO supports the wider work of this

Executive, collaborative working is not simply nice to do, it is essential if we are to help Ministers deliver their priorities. I remain massively grateful to so many colleagues not just here within TEO, but wider afield across Government (including Local Government) the Private, Voluntary and Community Sectors and Academia for how each have responded so generously of their time to our call for support and assistance. There can be no greater example of this call to action when we felt the full force of Storm Éowyn in January 2025. At one point in time, nearly a third of all premises here in Northern Ireland lost power following the most powerful windstorm to visit these islands in over a decade. Led by Ministers, our Civil Contingencies response engaged a wide range of stakeholders and underlined the value of collaborative working.

It underlined why I am so immensely proud to be able to lead this team in TEO and play a small part in helping them be the best they can be.



David Malcolm
Permanent Secretary (Interim)

STATEMENT FROM THE INDEPENDENT BOARD MEMBERS

1. Non-Executive Members TEO Board

As Independent Board Members (IBM) of The Executive Office (TEO), the two Non-Executive Board Members (NEBMs) Jo Aston and Claire Keatinge's role is to support and challenge the TEO Board Members in driving forward TEO's Business Plan and Programme Delivery, ensuring effective governance and adherence to robust accountability and reporting structures.

This year saw the welcome appointment of David Malcolm as Permanent Secretary (Interim) in June 2024.

We would like to acknowledge the positive work of Gareth Johnston as interim TEO Accounting Officer, which concluded in June 2024.

The two NEBMs served for the full accounting year.

We confirm that the Governance Statement sets out the governance, risk management and internal controls arrangements for TEO, in accordance with the Department of Finance (DoF) guidance. The Governance Statement applies to the financial year 1 April 2024 to 31 March 2025 and to the date of the signing of the Annual Report and Accounts.

The Governance Statement demonstrates how good governance has been aligned with the Department's vision and objectives, as outlined in the Department's Business Plan.

The operation of a Forward Planner ensured robust agendas for each Board meeting. Key areas included:

- Programme for Government
- TEO Business Plan development and delivery
- ALB Delivery and Assurance
- Legislative Programme
- Budget and Finance
- HR
- Audit and Risk including Audit and Risk Assurance Committee (ARAC) updates
- Communication

All discussions at Board meetings were facilitated by presentation of key strategies and reports on Departmental issues, with active engagement from NEBMs on all agenda items.

Minutes of Board meetings were accurately recorded, draft minutes provided for comment and presented for approval at subsequent Board meetings.

Communication channels between NEBMs and Board Members are open and constructive. There are regular updates and discussion fora for all staff, led by the Accounting Officer and Senior Management Team through a range of different mediums. NICS wide equality and diversity networks provide staff and NEBMs with the opportunity to participate and discuss issues of relevance to themselves.

Active use of social media platforms continues to promote the Department's achievements and inform the public of its work.

The People Development Sub-Committee (PDSC), a sub-committee of the Board, was chaired by Claire Keatinge. PDSC provided assurance to the Board through scrutiny of strategic resource planning of Departmental staff from financial, HR, capability, staff engagement, accommodation, and IT enabled perspectives.

It is positive to note that TEO has retained a Silver award for Investors in People (IIP). This highlights the vital work of our staff, positive staff engagement, and their high-quality work performance, health and wellbeing.

An independent review of Board Effectiveness was carried out, with findings reviewed by NEBMs. The review provided constructive analysis, comment and assurance on the work of the NEBMs and the Board.

A Departmental Board workshop held in October 2024, in which NEBMs participated, reviewed the findings of the Independent Review of Board Effectiveness and recommended that:

- Departmental Board meetings should be held every two months, with a review of effectiveness after 12 months
- PDSC Terms of Reference should be reviewed to maximise assurance provided to the Board. The PDSC ceased meeting from October 2024 and the review of its Terms of Reference is under way.

TEO has navigated complex budgeting and policy development during the year, and in the view of the NEBMs has delivered its work competently and effectively.

2. Chair TEO Audit and Risk Assurance Committee (ARAC)

In my capacity as Chair of TEO's Audit Risk and Assurance Committee (ARAC), I present the annual report for the 2024-25 financial year as follows.

TEO ARAC comprises three Members, Stewart Barnes to June 2024 with Heather Cousins taking over from November 2024 as Independent Member, Claire Keatinge Non-Executive Member, and Jo Aston Non-Executive Member and Chair ARAC, the latter two serving for the full 2024-25 accounting year.

The ARAC meetings were attended by Gareth Johnston as Accounting Officer for the May meeting following which David Malcolm replaced him as Permanent Secretary (interim) and Accounting Officer. The Finance Director and Corporate Governance Branch representatives attended all ARAC meetings in this reporting period. Internal Audit and representatives from the Northern Ireland Audit Office (NIAO) also attended all meetings. All meetings were quorate.

The ARAC Chair provided a written note on key issues to the TEO Board which followed each ARAC meeting.

As a priority, matters relative to the 2024-25 financial reporting year, financial and resourcing issues and updates on TEO's Corporate Risk Register were reviewed and updated at each of the main ARAC meetings held during the year under report. A particular area of focus for this year was addressing the timely approval of business cases. A total of four ARAC meetings were held over the period.

The TEO 2024-25 Departmental Budget was again very constrained for this financial year. However, the Board and ARAC were reassured by the close monitoring, control and reporting of spend by the Finance Directorate and liaison with DoF in managing end of year spend.

Key risk issues were regularly discussed at Board and ARAC meetings, as follows:

- (a) Funding constraints giving rise to staff resource issues, particularly in relation to Covid Recovery, Civil Contingencies and Programme for Government Directorate. ARAC was assured that prioritisation was a focus for staff deployment within the Department.
- (b) The continued technical qualification of TEO accounts arising from the need for legislative change to facilitate the more appropriate management of Financial Transactions Capital (FTCs) and removal of the technical qualification. The ARAC were however satisfied by the work taken forward by the Finance team working with the Strategic Investment Board (SIB) and DoF in improving the governance and management of FTCs in the interim.
- (c) Cyber security risk management and mitigation strategies is now tabled as an annual review for the ARAC. The ARAC has requested that IT Governance Plan be included as part of these reviews.
- (d) The review and amendment of the Corporate Risk Register and TEO's approach to ensuring stronger linkages with the Business Plan and Directorate Risk Registers was a significant area of examination and development over the year.
- (e) Clarification of potential governance issues within Arms Length Bodies (ALBs) arising from the absence of Board members and the delay in timely reappointments.
- (f) Monitoring TEO's business plan delivery.
- (g) Retrospective Business Case approvals.

In addition to the key risk issues noted above, the ARAC also received detailed briefings and would note in particular the excellent presentation relating to the Victims' Payment Scheme. The ARAC was assured by the approach and thought being given to this complex project which was also acknowledged by the NIAO representatives. A comprehensive presentation was also given in relation to Freedom of Information returns.

ARAC is satisfied that the Department's ongoing rigour in support and challenge of the Department ALBs both through direct contact with TEO's Accounting Officer and ALB CEO's, supported by the actions of both Internal Audit and the NIAO in oversight of the business activities of the ALBs, is effective. ARAC noted the quality and regularity of Assurance Statements, which enabled thorough examination of areas of concern. ARAC also noted the value of quarterly Recommendations Register reports, tracking the

implementation of recommendations from both NIAO and Internal Audit Reports and the comprehensive implementation by management of recommendations.

ARAC also received updates from Internal Audit on their conclusions on individual assignments, providing the opportunity to question Internal Audit (IA) recommendations and management's response to issues raised. In another challenging year, ARAC is satisfied that its risk environment has adequate oversight by IA and notes the **satisfactory** level of assurance provided by IA in key areas of the Department's activity. Recommendations from IA reports provide key learning for TEO Managers in the delivery of their programmes and services. The conclusion by the Head of Internal Audit that TEO achieved an overall **satisfactory** level of assurance for departmental internal control systems for 2024-25 is welcome. ARAC acknowledges the rigour with which the Counter Fraud and Raising Concerns Branch are dealing with fraud issues.

The ARAC's 2023-24 self-assessment of its effectiveness, while concluding that the TEO ARAC conducts itself in accordance with the five good principles of Audit Committee effectiveness did make a number of recommendations to improve the Corporate Governance within TEO. The ARAC committee were pleased with the comprehensive review and reshaping of the Corporate Risk Register and the ongoing work to ensure linkages with the Business Plan and Directorate Risk Registers.

As the Chair of ARAC I wish to record my thanks to all those who attended ARAC meetings and to thank them all for their honesty and candour in responding to issues raised by members. The Secretariat is critical in recording accurately the business of ARAC, and I thank staff in the Corporate Governance Unit for this support. I would also wish to extend personal thanks to Stewart Barnes for his important contribution to the ARAC during his time on the committee. My thanks to Claire Keatinge for her active participation, challenge and support at all ARAC meetings. I welcome Heather Cousins, a qualified CIPFA member, with over 25 years of post-qualification experience onto the ARAC committee.

In conclusion, as Chair TEO ARAC I confirm that in relation to the 2024-25 reporting year, my opinion that the Department's systems of internal control are satisfactory; that the Departmental Audit Committee operated in accordance with DoF guidance and that there are no major issues that ARAC considers should be brought to the attention of TEO's Accounting Officer.

Jo Aston
NEBM and Chair ARAC

Claire Keatinge
NEBM

STATEMENT OF THE PURPOSE AND ACTIVITIES OF THE DEPARTMENT

The purpose of The Executive Office is to support the Executive and, in particular, to ensure the Wellbeing for all through improved relations, outcomes and governance.

We do this by:

- ensuring that the machinery of government works effectively;
- developing overarching strategic policy frameworks, including the Programme for Government;
- developing and delivering programmes which can support those frameworks, including those problems which need a cross-cutting response;
- engaging internationally; and
- ensuring we have effective contingency planning and delivery mechanisms. Overall, we aim to make this a place where people thrive.

PROGRAMME FOR GOVERNMENT

The Department leads on the development and delivery of the Executive's Programme for Government (PfG). The PfG sets out the Executive's shared ambition and as such, sets the direction for public policy and informs the work of every government department. It also provides a meaningful and joined-up basis for putting in place projects, programmes and interventions across the whole of government.

The requirement for a PfG is set out in the Belfast/Good Friday Agreement which states that "The Executive Committee will seek to agree each year, and review as necessary, a programme incorporating an agreed budget linked to policies and programmes, subject to approval by the Assembly, after scrutiny in Assembly Committees, on a cross-community basis." This is given legal effect in Section 20 of the Northern Ireland Act (1998).

On 5 September 2024, the Executive agreed a draft Programme for Government 2024 – 2027 entitled 'Our Plan: Doing What Matters Most'. A consultation on the draft Programme and a separate consultation on the associated draft impact assessments (Equality Impact Assessment, Child Rights Impact Assessment and Rural Needs Impact Assessment) began on 9 September 2024 and were open for eight and twelve weeks respectively. A series of online and geographically spread in-person public events were held during the period, as well as a busy schedule of specific meetings and events with a range of stakeholder groups. The consultation on the draft Programme closed on 4 November 2024, with 1,390 responses received through a combination of an online survey and written submissions. The consultation on the associated draft impact assessments closed on 2 December 2024 with 30 responses received.

After the conclusion of the consultation periods, analysis of the responses to each consultation was carried out to inform the preparation of the consultation report, which collated the feedback received and identified key issues arising. This work informed a revised Programme for Government that was approved by The Executive on 27 February 2025 and by the Assembly on 3 March 2025.

Work is ongoing to set up governance and reporting structures for the PfG, collect feedback from responsible departments and to set targets for the Programme for 2025-26.

OUR STRATEGIC CONTEXT

This continues to be a period of profound and rapid societal socio-economic change. The pandemic fundamentally changed our society, but there are longer term drivers.

Climate, Green Growth and the move towards a net zero carbon economy will be the strongest drivers for economic change since the industrial revolution. There are also huge changes in our society as we become more diverse, our societal attitudes change and as our lives are transformed by technology and the emergence of new industries and economic models.

The net result of these fundamental changes impacts on every aspect of our lives. How we live, work, and consume public services will be transformed for ever.

The Northern Ireland Civil Service (NICS) must transform as part of that change and TEO is at the heart of that process.

TEO has a clear role as a central hub for policy making and delivery: making sense of our society's most complex and challenging issues and securing agile implementation on the ground. Our current functions include some long-standing areas of well-established responsibility that mirror some of the biggest challenges and opportunities facing society, including promoting Equality and Human Rights, the oversight of the Executive's Together: Building a United Community Strategy, the Good Relations programmes, the Racial Equality Strategy, work on Ending Violence Against Women and Girls (EVAWG) and on supporting victims and survivors of the Troubles/conflict.

Building on this work here, TEO leads on International Relations on behalf of the Executive with offices in the US, China and Brussels, showcasing all we have to offer, and forging links with best practice internationally.

TEO has a clear role in supporting the effective operation of all three strands of the Belfast/Good Friday Agreement across all Executive Departments. TEO officials ensure the effective operation of the Executive Committee, and lead on North/South and East/West engagement, including through the North/South Ministerial Council and the British Irish Council.

WELLBEING

A continued focus of the Department is wellbeing. The Carnegie Institution defines wellbeing as happening "when social, economic, environmental and democratic wellbeing outcomes are seen as being equally important and are given equal weight". These elements of wellbeing have always been at the heart of what we do. For example, the concept covers educational, economic, social, health and environmental wellbeing. This means that, in order to improve wellbeing, we need to wrap our services around the whole person, and we need to look at their needs using a person - and Community - centred approach, and to join-up that approach

across government. Our role in TEO is uniquely person-centred due to our cross-cutting role, which in turn means that our approach must look at the needs of whole people in whole communities.

Our approach to how we work has changed and in order to respond effectively to challenges and problems requires government to partner with others, to be creative, to be agile and to build resilience to ensure we are ready to face future challenges. A whole societal approach is needed – an approach which draws together scientific and technical expertise, and which combines this with local knowledge and information about what might work at community or individual level. The approach needs to use evidence to target where need is greatest. That means working across Departmental boundaries and the wider public sector as well as with partners in other sectors - in local government, academia, the private sector, with the Voluntary and Community Sector and beyond.

How people influence others and lead change depends on their own experiences, and there is more we can do across the Executive to further develop and to mainstream the ways in which we tackle inequalities of experience and opportunity. TEO works with other Departments to play a leadership role in this area.

OUR ALBs

ALBs are a key partner in delivering the Programme for Government and the Department's aims. The Department sponsors a uniquely wide range of ALBs as follows.

- Commission for Victims and Survivors in Northern Ireland (CVS)
- The Equality Commission for Northern Ireland (ECNI)
- Strategic Investment Board Limited (SIB)
- Northern Ireland Community Relations Council (CRC)
- Northern Ireland Judicial Appointments Commission (NIJAC)
- Victims and Survivors Service (VSS)
- Maze/Long Kesh Development Corporation (MLK)
- Commissioner for Survivors of Institutional Childhood Abuse (COSICA)
- Attorney General for Northern Ireland (AGNI)
- Victims' Payments Board (VPB)
- Commissioner for Public Appointments for Northern Ireland (CPANI)
- Historical Institutional Abuse Redress Board (HIA)

These organisations represent hugely important assets for the Executive and for society as a whole. Using a partnership approach, we collectively plan for delivery. We do this through a TEO ALB Forum. We continue to embed this approach focusing on shared objectives in the TEO Business Plans, a charter for working together and developing creative cross-cutting approach to the challenges (and opportunities) we face. It is important that the independence of ALB work is respected. It is also vital that we work together, not just bilaterally but joining up across the range of interests in multi-lateral partnership wherever possible.

KEY ISSUES AND RISKS

Key challenges faced by TEO in 2024-25 included a constrained budget position, the need to focus on the critical area of transformation, the Refugee and Asylum Seeker response and the urgent need to set the foundations for delivery in key areas such as the programme for Government and Strategic Plan for Ending Violence Against Women and Girls.

Forward Look

The final 2025-26 budget for Northern Ireland was agreed by the Executive on 3 April 2025. TEO was allocated funding for 2025-26 of £240.1m Non-Ringfenced Resource DEL of which £85.6m is non earmarked and £154.5m is earmarked. TEO has been allocated a Capital DEL budget of £14m and £2.3m Financial Transactions Capital.

The 2025-26 opening non earmarked budget of £85.6m is based on flat cash roll forward from the opening 2024-25 position of £81.821m. Whilst TEO has been allocated £3.75m above baseline, significant pressures remain.

In addressing the needs of the Department, we have sought to enhance provision in respect of the Programme for Government by increasing funding for EVAWG, prioritising front line delivery through increased funding for Good Relations, whilst ensuring sufficient funding was available for meeting contractual obligations in our ALBs who we continue to work closely with. The budget position remains challenging, and areas such as the requirement to deliver 3 new ALBs this year will undoubtedly require further bids in year through monitoring rounds. However, it must be noted that a significant proportion of the resourcing need relates to demand led, earmarked funding in relation to Victims and Survivors. The Executive has a commitment to meet its obligations to provide redress to all successful applicants once entitlement has been established, and so we shall continue to focus on careful forecasting and liaison with the Department of Finance throughout the year.

Funding for Communities in Transition, the Windsor Framework, the Dedicated Mechanism, and Refugees and Asylum Seekers is allocated later in the year through monitoring rounds and budget transfers, separately from the opening Budget.

Going Concern

The Statement of Financial Position for the Core Executive Office as at 31 March 2025 shows total assets less liabilities of (£776.8m) (2023-24 - £56.4m). The reason for the net liability position is primarily the provisions for Victims' Payment Scheme and HIA Redress Scheme. It is considered appropriate to adopt a going concern basis for the preparation of the financial statements as the Department is DoF Supply financed and draws its funding from the Consolidated Fund. Therefore, there is no liquidity risk in respect of future years. TEO has been allocated a resource budget of £240.1m for 2025-26 as agreed by the Executive on 3 April 2025.

PERFORMANCE SUMMARY

Supporting the work of Government

One of TEO's key objectives is to ensure the effective operation of the institutions of Government.

During 2024-25 the Department supported 39 meetings of the Executive Committee. The Executive took decisions on a range of legislative and policy matters, including agreeing a Programme for Government, budget and Legislation Programme, launching the Ending Violence against Women and Girls Strategy, agreeing an Environmental Action Plan, agreeing proposals for transformation projects recommended by the interim Public Sector Transformation Board, and agreeing proposals and funding that will form the basis for an Early Learning and Childcare Strategy.

The Department worked closely with other Executive Departments and the NI Assembly to facilitate the scheduling and delivery of Executive business at plenary sessions of the Assembly. In relation to TEO business, the Department engaged with 36 Assembly Executive Office Committee meetings during this period. Additionally, 795 AQWs were asked of TEO, and Ministers were subject to 20 Oral Question sessions in the Assembly.

The British-Irish Council met on four occasions with two Summit meetings held, in the Isle of Man and in Cardiff. There were two Ministerial meetings held in sectoral format on Housing and Planning and Places.

Under the auspices of the Intergovernmental Relations machinery, the Department supported the First Minister and deputy First Minister's attendance at a meeting of the Prime Minister and Heads of Devolved Governments Council in October and at two meetings of the Interministerial Standing Committee in December and February. Executive Ministers also participated in Interministerial Groups during the year.

The newly established Council of the Nations and Regions, comprising the First Minister, deputy First Minister, the Prime Minister, the First Ministers of Scotland and Wales, the Mayor of London and Mayors of England's Combined Authorities and Combined County Authorities, held its inaugural meeting in October.

Intergovernmental and International Relations

Post EU Exit Co-ordination

Throughout 2024-25, TEO has continued to ensure the UK Government is aware of the implications and opportunities for NI arising from the UK's exit from the EU, as well as the implications for NI legislation, policy and resources. This has primarily been through, but does not include 'Rights of Individuals' which are dealt with elsewhere in this document (see page 48):

- providing a central coordination function for the monitoring of EU law applicable or potentially applicable to NI, under the terms of the Windsor Framework;
- the administration of a cross-NICS repository of EU law in scope of the Windsor Framework; and
- coordination of cross-NICS engagement with the democratic safeguard elements of the Windsor Framework.

This, in turn, has provided a framework for TEO to service the Assembly's Windsor Framework Democratic Scrutiny Committee (DSC) and its remit to scrutinise EU legislation, as well as NICS interaction with the Stormont Brake and Applicability Motion mechanisms of the Windsor Framework.

TEO coordinated the cross-NICS response to the Retained EU Law (Revocation and Reform) Act 2023, which enabled UK-wide reform and removal of some Retained EU law. This included engagement with colleagues in the UK Government to ensure that decisions on the final form of the Act were taken in full cognisance of the operational and legal implications of the Act for NI. TEO continues to engage with the UK Government, co-ordinating the NICS input to the residual programme of assimilated law amendments, including a series of consequential amendments, remaining in advance of the June 2026 sunset date of enabling powers provided by the Retained EU Law (Revocation and Reform) Act 2023.

TEO also coordinated a range of cross-NICS interests in the continued implementation of the Withdrawal Agreement and the Trade and Cooperation Agreement, as well as the UK Government's ongoing development of its Common Frameworks programme.

North South Ministerial Council (Joint Secretariat)

Established under the terms of the Belfast/Good Friday Agreement, the North South Ministerial Council (NSMC) brings together Ministers from the Northern Ireland Executive and the Irish Government to develop consultation, co-operation and action on matters of mutual interest. The North South Ministerial Council is supported by a Joint Secretariat, based in Armagh and staffed by civil servants from TEO and the Irish Civil Service.

The functions of the Joint Secretariat include arranging Council meetings in different formats; securing prior political agreement to agendas for meetings of the Council; preparing or commissioning papers for meetings of the Council, including in relation to its work programme; drafting Joint Communiqués and Records of Decisions of the Council; communicating decisions of the Council and monitoring their implementation; drafting an annual report on the proceedings of the Council; acting as a channel of communication with the six North South Implementation Bodies; and carrying out such other tasks as the Council may direct.

Staff costs are funded by TEO and the Irish Department of Foreign Affairs. All other costs associated with the Joint Secretariat and the NSMC are shared between the two administrations.

Following restoration of the NI Executive, the North South Ministerial Council resumed operation on 8 April 2024 when the First Minister and deputy First Minister held a Plenary meeting in Armagh. A full round of meetings in each of the twelve sectors then took place between April and June 2024. A further NSMC Plenary meeting and an Institutional meeting were held in Dublin on 13 September 2024. A meeting of the Trade & Business Development sector took place in October 2024, with further sectoral meetings resuming in February 2025.

2024 marked the 25th anniversary of the establishment of the North South structures. To mark the occasion an event was held at the Palace Demesne in Armagh, in the same room where the inaugural NSMC Plenary meeting was held on 13 December 1999. The event highlighted the mutually beneficial cooperation that has taken place between the Northern Ireland Executive and the Government of Ireland since 1999, through the structures established under Strand 2 of the Belfast/Good Friday Agreement.

Wider International Relations

International activity continues across a number of areas and our key relationships with international partners have been maintained and developed. Supplementing participation in Foreign, Commonwealth and Development Office (FCDO) Network and Devolved Government quarterly meetings, Departmental, Cross Departmental and Local Government International Relations Working Groups have continued to meet quarterly. This builds on a network with a view to providing oversight and shared awareness of international activities and priorities. An evaluation and corresponding Project Assurance Review have been completed which, alongside output from bilateral meetings with departments and local government, have informed a refreshed draft International Relations Strategy for the consideration of Ministers.

During 2024-2025 international visits to NI saw a significant rise in incoming visits to NI in comparison to the previous year, continuing in a sharp upward trend. The International Relations Unit provided briefings, facilitated visits and meetings for foreign delegations with a range of partners across government departments, councils and agencies on economic, educational, community, social and cultural issues to support delivery of shared objectives.

There were over 60 in person visits which included Ambassadors from Germany, France, Japan, and the United States, as well as visits by senior delegations from Australia, Canada and New Zealand. International Relations have also supported outward visits of Ministers to North America, and the EU. Senior officials have established regular meetings with the Consuls General, based in NI, for the US, Poland and the People's Republic of China to promote economic and government to government programmes in addition to supporting the establishment of two additional Consulate Generals from Timor-Leste and India. These meetings are supported by bi-annual meetings between officials and Honorary-Consuls based in NI.

The International Relations team continue to participate in briefings of new British Ambassadors going overseas and liaised with the Foreign, Commonwealth and Development Office (FCDO) to ensure the Executive's Programme for Government priorities were reflected in the development of policy and programmes in targeted regions.

During 2024-25, the division has continued to develop its strategic focus on Europe supported by a Cross-Departmental Steering Group, which gives departments a platform for collaboration on cross-cutting issues, regional analysis, promoting foresight and horizon scanning and the impact of EU and wider European policymaking.

From October 2024, the Department has coordinated engagement with the UK Government (UKG) on the resetting of the UK's relationship with the EU including supporting Minister's in their attendance at the Interministerial Group meeting in December to discuss priorities for devolved governments.

The Department also continues to lead on the delivery of the NICS Capability Action Plan to support departments to manage divergence including the co-ordination of the Task and Finish Group on Training, SCS events to raise awareness and management of the EuropeHub internal resource a 'one-stop shop' for training, guidance, and latest news on post EU Exit matters.

Meetings also took place during the year with counterparts from other devolved governments and the Irish government on matters of common interest in relation to the EU and wider European partners.

Northern Ireland Bureau, North America

The NI Bureau has continued to prioritise building networks across political, diplomatic, economic, academic, and cultural sectors across the US and Canada.

These networks were used to support a range of Ministerial visits and Departmental priorities such as the launch of the PfG, the benefits of a US Economic Envoy, our links with the 250th Anniversary of the Declaration of Independence and the impact of tariffs. The networks also facilitated engagement by NI stakeholders seeking to share best practice, secure investment or develop new audiences; and showcased NI as a great place to live, work, study and visit.

Delivery highlights in 2024-25 include: hosting a visit by the Head of the Civil Service (HOCS) in September to Washington DC and New York to promote progress by the Executive; supporting visits by the Department of Agriculture, Environment and Rural Affairs (DAERA) Minister to New York and the Department for the Economy (DfE) Minister to Toronto also in September; hosting a visit to Washington DC and Toronto by the Department for Communities (DfC) Minister in October (including relationship building for significant NI involvement in the 250th Anniversary of the Declaration of Independence); supporting a North West delegation to Boston in November as part of Golden Bridge and a Belfast City Council trade mission to Nashville in February; hosting a visit to North Carolina by the First Minister and deputy First Minister and by the deputy First Minister to Washington DC to mark St Patrick's Day – a five day programme over two cities involving meetings with the North Carolina Chamber and Research Triangle, the US Chamber of Commerce, the Ireland Funds, the Washington Ireland Programme, Universities, Ambassadors, Members of Congress, the Taoiseach and the President of the United States; also supporting visits that week by the Communities and Health Ministers, the Speaker and a range of other NI VIPs including the Chief Constable; and delivered the St Patrick's Day Breakfast for the deputy First Minister to

outline NI's achievements and opportunities – including an appearance by the Claret Jug to promote The Open Championship - to an audience of 250 high profile guests drawn from across our networks. The Bureau also represented NI at multiple events and meetings in New York, Boston, Toronto, Nashville, North Carolina and of course in Washington DC where the Director engaged with a wide range of partners such as Solus Nua, the Flax Trust, the Irish American Partnership and the Washington Ireland Programme.

Executive Bureau in Beijing

2024-25 has been a significant year for the Northern Ireland Bureau China. The Bureau celebrated 10 years of being open in China and relaunched our presence within the region, providing a collaborative space and visual design in partnership with NI Departments, InvestNI, Tourism Ireland and other NI Partners. This will facilitate a range of meetings and activities throughout the following year to promote Northern Ireland's arts, cultural, environment, education, business and innovation strengths. In addition, the Director has become part of the UKG China Management Board, raising the profile of Northern Ireland in all areas of activity at the Embassy, working closely with partners across government to amplify the work of the Bureau.

The Bureau has also facilitated a number of visits and events to develop mutually beneficial relationships. These have included:

- St. Patrick's Day networking event in Beijing in 2025.
- Visits to Shenyang and Liaoning Province, to speak at economic and sister city events,
- Supporting a visit by the Permanent Secretary in March 2025 to support activities to relaunch the Beijing office and meet with relevant Chinese government departments and key stakeholders.
- Supporting visits from Universities and Schools including facilitating a new formal university relationship.

In recent months, the Bureau has worked to identify opportunities and deepen links between partners in China and Northern Ireland in the areas of net zero, life and health sciences and, arts and culture. The Bureau Director is a member of the FCDO Net Zero Board in China, ensuring every opportunity for NI is considered. In parallel, the Bureau has continued to proactively maintain civic networks, facilitating communication and visits between friendship and sister cities. This has included providing early insights into emerging policy and key events in China. Extensive engagement, meetings, events and discussions with key stakeholders both in NI and in China was also undertaken, including government entities, councils, universities, colleges, business representatives, and embassies. The Bureau has also participated in the first joint Northern Ireland/Ireland joint trade mission to the Fintech Expo in Singapore, in relation to exploring opportunities for expanding NI's interests in the Asia Pacific region. Steps have also been taken to strengthen engagement with the Northern Ireland diaspora in China, through both social media platforms and a networking event.

Of particular note in these activities is the representative work of the Bureau in relation to the UK-China Financial Dialogue and subsequent sub-dialogues. These dialogues are the framework for future policy and regulatory engagement on international trade between the

UK and China, in sectors of high capability and capacity in Northern Ireland. The Bureau will continue its focus on the dialogues in hydrogen energy and life and health sciences over the coming months to ensure early policy development is inclusive of Northern Ireland.

European Division including the Office of the Northern Ireland Executive in Brussels

During 2024-25 the Office of the Northern Ireland Executive in Brussels continued to lead and coordinate key EU engagement to support Northern Ireland Executive priorities. During the year the Office welcomed Minister Muir, Minister for Agriculture, Environment and Rural Affairs, as well as the two Executive Office Junior Ministers, Junior Minister Reilly and Junior Minister Cameron. The Office also organised two visits for the DAERA Permanent Secretary and a visit by the Department of Justice Permanent Secretary, as well as five more official level visits. The visits have ensured continued engagement with the European Commission, Members of the European Parliament and Member State Representatives, along with both the UK Mission to the EU and the Irish Permanent Representation. The office also organised a study visit for 24 NICS officials representing 8 departments, and facilitated a separate study visit for the Departmental Solicitors Office. The office also welcomed five stakeholder visits.

The Office held an extensive range of culture and policy events in this reporting year. In addition to our well-established programme, which includes a culture night, 'the Ulster Fry' for St Patrick's Day, supporting a Northern Ireland Theatre production in Brussels and Transpose, the Office also hosted more policy-focused events. These included an event on trade communication, which attracted a new audience to the office. The Office also collaborated with the Irish Embassy on a literature event; with a group of regions including the Channel Islands and the Isle of Man on a language event; with the Special EU Programmes Body (SEUPB) on the Brussels launch of PEACEPLUS; and with NI Artist Terry Bradley on an exhibition by the winners of his Young Artists Competition.

During the year key achievements of the Division included:

- Providing detailed information to TEO and NICS on relevant EU Policy matters, including 42 Brussels Bulletins for senior officials across the NICS, which focussed on issues related to the Windsor Framework; on the Trade and Cooperation Agreement; on EU sanctions against Russia, the forthcoming European Parliament elections, along with more general EU policy issues.
- All NICS Permanent Secretaries received two letters each to outline individual Departmental aspects of the priorities of incoming Council of the European Union Presidencies, which changes every six months, and they also received a tailored letter on the 2025 Commission Work Programme.
- Four Brussels Reports to departments and Assembly Committees to update on the work of the office were also published.
- Hosting an in-person event for St Patrick's Day, which was attended by Junior Minister Reilly and Junior Minister Cameron. This featured a total of 190 guests, including attendance by EU Member State Ambassadors and bi-lateral Ambassadors, MEPs, senior officials from the European Commission, as well as regional and policy contacts. The DAERA Permanent Secretary also attended the event.

- Supporting Departments on understanding the EU legislative system, including delivering a cross-departmental study visit with 24 participants representing 8 NICS departments to build a foundational knowledge of the EU, and a separate study visit for the Departmental Solicitor's Office.
- Ongoing collaboration with Invest NI to support their work in Europe.
- Participating in monthly meetings of the Joint Consultative Working Party to ensure that Executive Departments' concerns are represented.
- Quarterly Director-level meetings with the UK Deputy Ambassador as well as bi-weekly central update meetings with the UK Mission to the EU and the Scottish and Welsh Offices in order to ensure that NI Executive interests are represented in the work of the Mission.
- Raising the positive profile of NI in Europe by working with partners from other EU regions in a seminar as part of European Week of Regions and Cities on skills projects in Northern Ireland.
- Hosting eighteen events, which includes six cultural events, seven policy events, three networking events and two educational events, which welcoming 1,602 visitors to the offices.

Climate Change and Green Growth

The Climate Change and Green Growth Division oversees implementation of actions for which The Executive Office has responsibility, stemming from the Climate Change Act (Northern Ireland) 2022.

The Act places a duty on all departments to develop policies and programmes which will help reduce the levels of greenhouse gas emissions here in order to achieve Net Zero by 2050, with interim targets to be set for 2030 and 2040. It is a requirement of the Act that these policies and programmes are accounted for within a series of Climate Action Plans and associated Carbon Budgets.

TEO has continued to support DAERA officials in the development of the first draft Climate Action Plan, by contributing information on its key initiatives. It is not anticipated that TEO's own policies and programmes will contribute significantly to reducing emissions when compared with other sectors of the economy (agriculture, transport, waste, energy, etc.), TEO however retains a strategic co-ordination role to ensure that the Climate Action Plan complements the Programme for Government.

In addition to this, TEO also has a specific duty which was placed upon it in the Climate Change Act (Northern Ireland) 2022 to lay draft regulations in the Assembly to support the establishment of a Northern Ireland Climate Commissioner and associated Office. The draft NI Climate Commissioner Regulations (Northern Ireland) 2025 were laid in the NI Assembly on 27 January 2025 and subsequently affirmed by the Assembly and made on 8 April 2025.

Chief Scientific and Technology Advisor Prof Helen McCarthy

The Chief Scientific & Technology Adviser (CSTA) was appointed in June 2024 to offer high-quality, independent advice to the NI Executive, NICS Board, and individual NICS

Departments. These functions mirror the science advice model already adopted by UK Government Departments and other devolved administrations, where Chief Scientific Advisors perform an independent challenge function, ensuring that science and technology evidence is robust, relevant, and of high quality, and that mechanisms are in place to underpin policy-making with science.

To date, the CSTA's key achievements include:

- Establishing the NI Science and Technology Advisory Network (NISTAN), a network of science and technology leaders from across the NI Civil Service who assist the CSTA in championing the use of science and technology to create a stronger evidence base for policy development and decision-making.
- Commencing the development of the NI Research and Innovation (R&I) Strategy, which will determine the R&I requirements of NICS as a corporate body and link to the Executive's Programme for Government.
- Launching a process in October 2024 to determine Departmental Areas of Research Interest (ARIs). This process will identify and refine departments' key areas of research, which will then inform the research requirements of NICS and link these to the Executive's Programme for Government.
- Establishing a Women in Science, Technology, Engineering, Arts, and Mathematics (STEAM) community within the NI Civil Service workforce to recognise and promote the contributions of women in STEAM, while providing colleagues with a dedicated forum to engage, share their experiences and build professional networks.
- Establishing an Office of AI and Digital which will consider a number of workstream pillars, including: public sector reform; governance; skills; data and infrastructure, leading to the creation of an AI action plan.

Executive Information Service

The Executive Information Service (EIS) provides communications advice to Ministers and senior officials across the NICS departments. As a specialism within the NICS, press officers are out posted from TEO to the eight other departments, Government Advertising Unit and NI Direct. These teams are managed by the EIS Head of Communications, who as Head of Profession, also has responsibility for recruitment and career development of all press officers.

Civil Contingencies

Key aspects of the Division's work during 2024 included:

- providing the secretariat for the tri-annual meetings of the Civil Contingencies Group (NI) and the delivery of actions arising;
- contributing to the Executive's response to the UK Covid-19 Inquiry Module 1 Report;
- supporting TEO officials in their testimony at the UK Covid-19 Inquiry Module 2C hearings;
- responding to the call for evidence from the UK Covid-19 Inquiry for Module 8 (Children and Young People);

- supporting the emergency responses to events such as the public sector strikes and concurrent cold weather in January, the unexploded World War 2 bomb in Newtownards in August, Storm Ashley in October, Storm Bert in November, Storm Darragh in December and Storm Éowyn in January 2025;
- the establishment of a new Cross Department Pandemic Resilience Programme Board jointly chaired by the Department of Health (DoH) and TEO to oversee and provide strategic direction for a cross government programme of work the aim of which is to ensure that all areas of government are working together to ensure a consistent and collaborative approach to building resilience and enhancing Northern Ireland's readiness for a future pandemic;
- the further development of the Northern Ireland Civil Contingencies Risk Register to enable the management, prioritisation and mitigation of the highest civil contingencies risks, including the development of a digital risk dashboard which was shortlisted for the 'Annual Analysis in Government Awards'. The digital dashboard has maximised accessibility for all involved in cross-Government emergency management; and
- the delivery of 14 training opportunities and awareness raising events to 220 delegates from 26 differing departments, divisions and ALBs, as part of the NI Civil Contingencies Learning and Development Strategy, with the objective to enable the continued professionalisation of Northern Ireland's civil contingencies personnel. After each training event formal feedback is requested from delegates to quantify how well the training was delivered and if the delegates consider that they are better off as a result of their attendance. We are pleased to report that both areas continuously receive positive ratings between 93% and 100%.

During 2025 the Division will:

- conduct a 3-year review of the NI Civil Contingencies Learning and Development Strategy;
- review the Northern Ireland Civil Contingencies Framework;
- progress Stage 4 of the NI Civil Contingencies Risk Register, which involves transitioning to a dynamic risk review cycle and re-classifying risks as chronic, acute and catastrophic to allow for enhanced risk management;
- progress actions to implement the recommendations in the UK Covid-19 Inquiry Module 1 Report; and
- support DoH with the National Tier 1 Pandemic Exercise, known as Exercise Pegasus, led by the Department of Health and Social Care and delivered by the UK Health Security Agency.

Delivery Unit

The Programme for Government includes a commitment to establish a new Delivery Unit, to drive reform and transformation across government and wider public services.

Work on establishing the new Unit began in 2024-25. Now established, the Unit will work across departments, with partners in other sectors, and with a range of experts, with the aim of delivering tangible improvements in service delivery. The Unit will look for opportunities to do things differently and bring challenge to do them better.

COVID-19 Strategy and Inquiry Division

Work within the Division related to two main areas:

The UK Covid 19 Public Inquiry

The Inquiry has been set up to examine the UK's response to and impact of the Covid-19 pandemic and learn lessons for the future. This is a statutory public inquiry. Established under the Inquiries Act 2005, the inquiry is formally independent from government and operates under a strong presumption of transparency.

TEO has provided written evidence in the form of statements and disclosure for seven of the ten modules that make up the Inquiry.

- Module 1 (preparedness) completed in July 2023 and a report was published on 18 July 2024. TEO established a Cross-Departmental Modular Steering Group made up of representatives of all nine Departments in October 2024 to progress consideration of the recommendations outlined in the Module 1 Report. A NICS-wide response was agreed and published by the Executive in January 2025 within the six months' time period stipulated by the Chair of the Inquiry. Within TEO, a project is ongoing to monitor and report on progress across the NICS Departments leading on the implementation of the Module 1 Recommendations.
- Module 2 focused on strategic decision-making and was broken down in sub modules for England, Scotland, Wales and Northern Ireland. The public hearings for Module 2C, the Northern Ireland specific sub-module, concluded in May 2024 at which five witnesses provided evidence on behalf of TEO.

TEO received Rule 9 requests for the following modules:

- Module 4 (vaccines and therapeutics) - submitted a draft statement in November 2023. The statement was finalised in August 2024 and public hearings ran from 14 to 31 January 2025. TEO did not provide oral evidence.
- Module 5 (procurement of PPE) – The hearings for Module 5 (Procurement) ran from 3 to 27 March 2025 during which a former senior civil servant provided oral evidence on 19 March 2025 on behalf of TEO.
- Module 7 (Test, Trace and Isolate) - the draft TEO statement was submitted to the Covid Inquiry on 28 February 2025. We await their comments on this statement.
- Module 8 (Children and Young People) - the draft TEO statement was submitted to the Covid Inquiry on 3 March 2025. We await their comments on this statement.

Module 9 (Economic response) - the draft TEO statement was submitted to the Covid Inquiry in March 2025.

The Covid Strategy and Recovery Division (CSRD) act as a central point for the Department responding in a collaborated manner to requests for statements and disclosure of material received from the Inquiry. The Division continued to co-ordinate cross departmental inquiry preparation in response to the UK Wide public inquiry.

CSRD continues to support the NICS-wide assurance and governance framework that was established in May 2022. The Cross Departmental Public Inquiry Preparedness group prepares quarterly highlight reports for HOCS setting out progress, risks, opportunities and issues. CSRD is responsible for preparing for and responding to requests from the inquiry.

Recovery Taskforce

‘Building Forward: Consolidated Covid-19 Recovery Plan’ was agreed by the Executive on 29 July 2021 and published on 2 August 2021. The Plan contained 83 high level interventions to be progressed over 24 months to inform priorities to deliver societal, economic and health recovery under four strategic Recovery Accelerators: sustainable economic development; green growth and sustainability; tackling inequalities; and health of the population.

Four Progress Reports have been completed. A Closing Report was shared with the NICS Board in November 2024 in which it was highlighted that 26 interventions are complete, 53 interventions continue to be progressed, 2 interventions are on hold due to financial constraints and 2 interventions have been closed by their owning departments.

Office of the Legislative Counsel

The Office of the Legislative Counsel (OLC) has the core function of drafting Assembly Bills to deliver the Executive’s Legislative Programme, which is closely aligned to the Programme for Government.

During the reporting year, OLC has been working with colleagues within the Civil Service to develop provisions for Bills for inclusion in the Legislative Programme. Bills cover a huge variety of subject areas across the whole breadth of policy portfolios in Northern Ireland, and OLC has been collaborating with colleagues within the Civil Service to ensure that provisions of high quality are prepared for Departments. Executive Bills drafted by OLC, which have been introduced to date in the current Mandate, are available on the legislation pages on the Assembly’s website: <http://www.niassembly.gov.uk/assembly-business/legislation/>.

As well as this, OLC provides professional input into Westminster Bills that extend to Northern Ireland, to ensure that they operate properly in the domestic legal context. For several business and handling reasons, the workload in this regard has continued to be substantial during the reporting year.

OLC has a broader legislative stewardship role beyond working on Bills, for the purpose of supporting the rule of law and in striving for effective law making. OLC has during the reporting year devoted significant effort to, including by promulgating guidance materials on, wider

drafting and legislative matters for the benefit of colleagues within the Civil Service. OLC (along with Statutory Publications colleagues) has also assisted Departments, particularly by way of specialist advice on legislative and technical issues, on various Statutory Rules in their hands.

Finally, the Statutory Publications Office (SPO) is part of OLC's Directorate. SPO, in conjunction with the National Archives in London, is responsible for keeping the Statute Book up to date by ensuring that the statute law of Northern Ireland is freely accessible. The work is an important aspect of the fuller legislative process, as the ability of our people to access legislation as it affects them is a key element of the rule of law. The updating done by SPO during the reporting year has involved the application of changes to many pieces of primary and secondary legislation for Northern Ireland, covering most subject areas, on the Legislation.gov website: www.legislation.gov.uk.

Urban Villages and Infrastructure Division

Ebrington

The Department is responsible for all aspects of the Ebrington Site. The regeneration of the site has, and will continue to, leverage private sector investment, and provide new jobs, thereby delivering economic and social benefits to the region.

To regenerate the site, TEO continues to focus on three main strategic elements:

- Resource projects – maintain and secure the Site pending its transfer to Derry City and Strabane District Council (DCSDC);
- Capital projects – progressing the legal arrangements to allow the delivery of several projects on the site, as well as managing the delivery of development agreements for uses on the site for all buildings; and:
- Continue work towards the transition of the site in a managed way to DCSDC.

Maze/Long Kesh

At the Maze/Long Kesh site, the Maze/Long Kesh Development Corporation (MLKDC) has continued to support the Royal Ulster Agricultural Society (RUAS) in the development of its exhibition and events facility to allow additional further investment on the RUAS site. The Balmoral Show again proved very successful in 2024. It remains one of the best attended annual events in Northern Ireland. RUAS also continue to build on a portfolio of other indoor and outdoor events throughout the calendar year expanding their activities and bringing an increasing number of visitors and economic activity into the area.

The Ulster Aviation Society (UAS) provide a fitting use for the two WW2 era hangars on the site, with an impressive collection of aircraft and related artefacts. In pursuit of its objective to provide education and public access to its collection, UAS organises pre-planned visits to the hangars and attracts a substantial number of visitors over the annual Heritage Open Day

weekend. MLKDC have invested significantly in works to the hangars to ensure continued access.

A number of smaller scale events have taken place during the year making use of the internal roadways within the site, including athletics and motorsport events.

MLKDC continues to support and enable the Air Ambulance Northern Ireland (AANI), which became operational from the MLKDC site in July 2017. AANI is the local charity providing Helicopter Emergency Medical Service (HEMS) for Northern Ireland, together with partners at the Department of Health/Northern Ireland Ambulance Service (NIAS), which provide the HEMS Paramedics, Doctors, medical supplies and a rapid response vehicle. NI Air Ambulance occupy a portion of the MLK site under a short-term licence. Discussions are ongoing around proposals for a permanent Air Ambulance base at the site. The Air Ambulance brings immense benefit right across the region - since becoming operational, the Air Ambulance has been tasked in excess of four thousand times.

Six new Board Members were appointed to the Development Corporation in October 2023, with two Board Members subsequently stepping down in September 2024 and March 2025. Ministers are currently considering options provided by officials for filling the remaining Board Member and Chair vacancies.

MLKDC is charged with maintaining the site, carrying out essential health and safety works, and managing the existing tenants. While operating within their current remit, the MLKDC seeks as far as possible to maintain a state of readiness for future development. This includes continuing to develop its thinking and approach to the potential regeneration of the site.

TEO continues to support the activities of MLKDC within the terms of its limited remit as set out above through grant in aid funding.

The development of a link road has been added to the Medium Term Financial Plan. Whilst no approval to proceed is yet in place, Ministers have agreed to consider it further as it will bring benefit to the existing tenants on the site as well as being a necessary precursor to any future development.

Strategic Investment Board (SIB)

In 2024-25, SIB assisted its partners in the planning of major investments, the delivery of programmes and projects, the management of assets and the promotion of reform.

Highlights of SIB's work in 2024-25 included:

- Further developing the draft Investment Strategy NI (ISNI) following consultation;
- Developing the 10 year Infrastructure Investment Plan and associated Financial Plan;
- Leading the development of the Green Growth Strategy, Circular Economy Strategy, Culture, Arts and Heritage Strategy and Fuel Poverty Strategy;
- Supporting the development of the draft Strategic Framework to End Violence Against Women and Girls;

- Providing managers for projects including: Strule Education Campus; NI Fire & Rescue Service (NIFRS) Training College, Cookstown; Casement Park; Ultrafast Broadband (Projects Stratum and Gigabit), the Southern and Northern Regional Colleges and the Mobuoy Remediation Project; and
- Continuing to support Social Value in government procurements.

SIB's priority work for the year 2025-26 will be directed by Ministers and will also:

- establish and maintain a vision and road map for investment planning and investment strategy;
- help government produce high quality investment plans that support the delivery of effective and efficient public services and the implementation of government policy;
- help government deliver the expected benefits of major investment projects;
- help reform and improve the systems for delivering major projects;
- help government exploit opportunities for digitisation and make best use of data; and
- develop SIB and its people.

Refugee and Asylum Support and Integration Division

TEO has continued to play a key role in co-ordinating work towards the support and integration of those who are here seeking sanctuary from war and persecution, for example through established resettlement and visa schemes. We have worked collaboratively, across operational and policy spheres both within and outside of government, including with the voluntary and community sector and those with lived experience. This work has helped to facilitate early payment of appropriate benefits, identification of housing, access to education and health, provision of safeguarding interventions and co-ordination of wider support arrangements.

Work has also progressed on the development of a Refugee Integration Strategy and associated Delivery Framework. The Strategy recognises integration as a two-way process and the benefits to communities from the experience, skills and diversity of those arriving, whilst the Framework makes clear how the Executive will achieve the Strategy's vision and outcomes.

During 2024-25, the Division focused on:

- Asylum seeker support;
- Ukrainian visa schemes implementation;
- Vulnerable Persons Resettlement Scheme (VPRS) implementation;
- Afghan resettlement schemes implementation;
- Community Sponsorship;
- British National (Overseas) (BNO) support;
- Future resettlement/visa schemes; and
- Influencing policy, local impact, and mitigations.

Response to the War in Ukraine

TEO remains the lead Department delivering a programme of work to support Ukrainians who have arrived here under the relevant Home Office visa schemes. We work in partnership with the UK Government, other Executive Departments, Councils and the voluntary and community sector to co-ordinate the response at a local level. Over 3,450 Ukrainians have been welcomed and supported since the launch of the Ukraine visa schemes in March 2022. During 2024-25, support has continued to be delivered to Ukrainian arrivals in the following main areas

- Immediate financial support payments of £200 for each Ukrainian arrival, to help cover essential living expenses until payment from work or benefits is received. More than £0.690m has been paid at end March 2025;
- Provision of legal advice by our delivery partner Law Centre NI;
- Continuation of a Home Visits process, which is working effectively as part of our safeguarding process; and
- To date some £5.4m has been paid to hosts of Ukrainian guests as ‘thank you’ payments.

Through the auspices of the Strategic Planning Group for Refugees and Asylum Seekers (SPG), which TEO chairs, £2.7m of UKG funding has been allocated across NI Departments in 2024-25 to support the delivery of the Ukraine response. TEO received funding of £1.1m to allow delivery of the above workstreams.

Resettlement

TEO has continued to support those here under the Vulnerable Persons Resettlement Scheme (VPRS) and those arriving under the Afghan Resettlement Schemes, of which there were 121 in 2024-25. This has included welcome arrangements and key worker support provided through the NI Refugee Resettlement Consortium. In respect of the Syrian Vulnerable Persons Resettlement scheme, Home Office provided funding of £0.293m in 2024-25 all of which was retained by TEO.

In respect of the Afghan Resettlement schemes, Home Office provided £2.2m of funding in 2024-25 of which £1.5m was directed towards delivery by the Department and the balance of £0.7m allocated to other NI Departments.

Policy Co-ordination

TEO continues to act as the NI focal point for policy, working closely with the UK Government, other Devolved Administrations and through collaboration with stakeholders to effectively represent NI interests and identify gaps in legislation and policy in relation to Immigration Policy. The work spans both resettlement and asylum. Work is ongoing with the Home Office and wider stakeholders to continue to deliver Homes for Ukraine Scheme in liaison with UKG to represent NI interests & co-ordinate an NI Departmental approach to all resettlement and

Visa Schemes and to support dispersal including enhancing, locally-tailored arrangements for provision of services to asylum seekers.

TEO has been working with Home Office and the Ministry of Housing, Communities and Local Government to cover most of the NI Strategic Migration Partnership (SMP) functions, primarily those related to engagement and coordination. TEO has since agreed to formally take on some of these functions relating to Asylum, Resettlement, Ukraine and Hong Kong British Nationals (Overseas) support and a small quantum of funding for each cohort (£0.503m in total) has been made available to support delivery.

Through the auspices of SPG, £1.62m of Home Office Full Dispersal funding has been allocated across NI Departments in 2024-25 to enhance the capacity and infrastructure to support the wider dispersal of asylum seekers here. The Department received an allocation of £0.612m.

£1.3m of funding was also secured from Home Office for refugee employability and integration projects in NI during 2024-25 of which £0.658m was directed towards delivery by the Department.

Racial Equality

The Racial Equality Strategy 2015-2025 established a framework for action by Government Departments (and others);

- to tackle racial inequalities and to open up opportunity for all;
- to eradicate racism and hate crime; and
- along with the Together: Building a United Community policy, to promote good race relations and social cohesion.

The Racial Equality Subgroup is an independent panel that gives minority ethnic communities a voice in implementing the Racial Equality Strategy and the work of Government generally. [Its](#) membership comprises of people working with or representing minority ethnic people and migrants, including representatives of refugees and asylum seekers, the Northern Ireland Human Rights Commission and the Equality Commission for Northern Ireland.

Over £1m was distributed through the Minority Ethnic Development Fund (MEDF) to assist minority ethnic and local community organisations to promote good relations between people of different ethnic backgrounds. In accordance with a recommendation arising from a review of MEDF, this became a 3-year fund. The financial year of 2024-25 was the third year of the new funding model.

The British Red Cross was appointed to administer the Crisis Fund for 2024-25 and allocated just over £0.18m. The Crisis Fund provides small sums of money at key moments for minority ethnic people and migrant workers, such as after losing work, reduced hours or family breakdown to provide a significant bridge to support people during those times. Four vulnerable groups have been identified who would benefit from the Crisis Fund:

- Vulnerable Migrants – EU and non-EU nationals;
- Destitute Refugees and Asylum Seekers;
- Those who have been subjected to trafficking; and
- Other identifiable vulnerable groups e.g. Roma.

The Racial Equality Legislation Team within TEO has conducted a review of the Race Relations Order 1997 (The Order) in line with the commitment made in the Racial Equality Strategy. The overall objective of this work stream is to undertake a review of the Order to assess the extent that it aligns with the approach in Great Britain and the Republic of Ireland. A report on the responses and feedback from the consultation including those from children and young people was published on 5th August 2024.

Tackling Paramilitary Activity, Criminality and Organised Crime

TEO is taking forward a commitment which provides that: *“The Executive should establish a fund to support ambitious initiatives aimed at building capacity in communities in transition, including through developing partnerships across civil society and across community divisions.”* The Department engaged a strategic partner to work with communities to develop bespoke transition plans to support communities in transition in the eight geographical areas identified as those most vulnerable to paramilitary activity and coercive control. The strategic partner led an engagement process with a broad range of community-based organisations and stakeholders to gather evidence to help inform the development of the plans, and to develop a series of projects that could be delivered within and by communities where possible.

During Phase 1 (December 2019-June 2021), 34 projects were delivered across the 8 Communities in Transition (CiT) areas and covered a variety of themes for intervention, such as community development, health and wellbeing, and community safety.

Community response to these opportunities was positive and progress saw the delivery and establishment of local community consortia that have delivered projects across community divisions. This progress was maintained throughout Covid-19 as officials worked closely with delivery partners to continue implementation of projects.

Phase 2 delivery of projects commenced in July 2021 and delivered 31 projects covering issues including community safety, health and wellbeing, culture and identity, youth development, and employability support. Regional Restorative Practice and Ex-Prisoner support has continued on from Phase 1 across all eight areas. 29 of the 31 projects continued to operate until 31 March 2025. The projects encouraged and provided the opportunity to not only build the resilience of communities but to be a vehicle for collaborative working between delivery partners, the community and the Police Service of Northern Ireland, Northern Ireland Housing Executive, Education Authority, schools and other local stakeholders. CIT Phase 3 delivery commenced in April 2025 with a renewed focus on Mental Health & Addictions, Exploitation (Child criminal, sexual and monetary), youth (lack of aspiration) and the impact of paramilitarism on the physical landscape. Tender opportunities have been advertised, and contracts will be awarded in the first quarter of the 2025-26 year.

The infographics below show the most recently available outcomes data for the Communities in Transition Project.

Communities in Transition Proposal Data

Who We Are

The Communities in Transition (CIT) Project aims to support eight geographic areas where there has been a history of paramilitary activity and coercive control to transition into communities where paramilitary activity no longer plays a role. This project is designed to support ambitious initiatives that build the capacity of individuals and groups to affect positive change for themselves and their communities.

What makes people vulnerable to paramilitarism and criminality in our communities?

- 79 addressed barriers to full and active citizenship
- 22 addressed the impact of the domination by paramilitaries on the physical landscape
- 60 addressed a lack of confidence in policing
- 57 addressed a lack of employment
- 134 addressed poor levels of mental health
- 104 addressed poverty and deprivation
- 110 addressed the lack of aspirations of young people
- 105 addressed youth peer pressure



What have we achieved in terms of improving community resilience?

- 145 activities have strengthened relationships and engagement with communities (CR1)
- 110 activities have increased connections between communities and statutory services (CR2)
- 127 activities have increased local skills and expertise (CR3)
- 89 activities have increased community infrastructure (CR4)
- 112 activities have increased community voice (CR5)
- 130 activities have increased peoples hope and belief for change (CR6)
- 69 activities have improved relationships with PSNI (CR7)
- 19 activities have increased individual protective factors (PF1)
- 19 activities have increased ex-prisoner reintegration (PF5)

Delivery partners predicted that there would be over 15,000 individuals involved in CIT activities between April 2024 – March 2025



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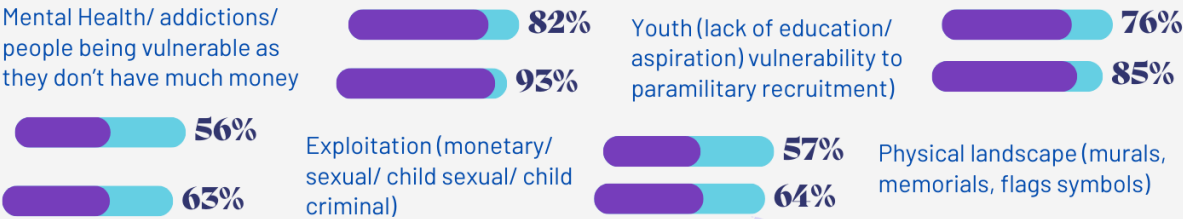
**Communities
in Transition**

COMMUNITIES IN TRANSITION
Attitudinal Change

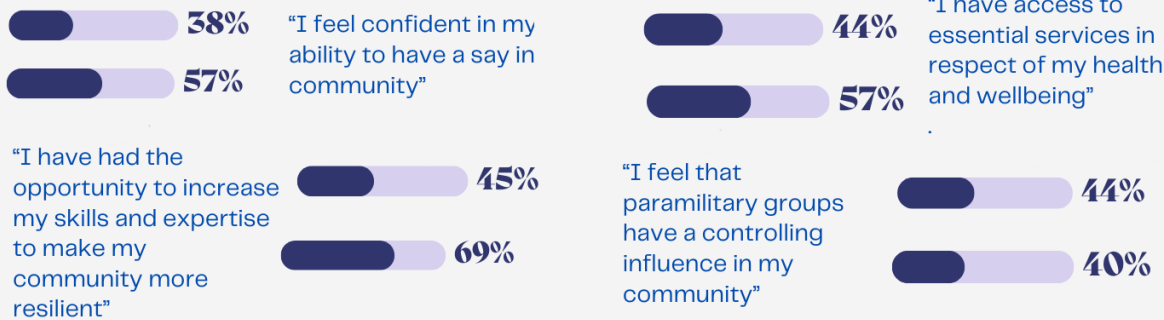
Comparing the data from the Entrance and Exit surveys completed by CIT participants. We have received 1658 entrance surveys and 846 exit surveys from over 16s (51%)

WHEN ASKED WHAT NEGATIVELY IMPACTS COMMUNITY RESILIENCE, PARTICIPANTS STATED

In each of these results, the entrance survey is the top line and exit survey is the bottom line.



WHEN ASKED IF THEY AGREE WITH THE FOLLOWING STATEMENTS, PARTICIPANTS SAID



When asked if they agreed with the statement "My community is resilient to paramilitarism", This figure changed from 31% to 41% after participation in the programme



TRUST IN THE POLICE



18% of participants reported that they trusted the police at the entrance survey

This has increased to 29% at the exit survey,



These results are from data received on 31st March 2025. Additional exit surveys were still to be completed

COMMUNITIES IN TRANSITION
Attitudinal Change

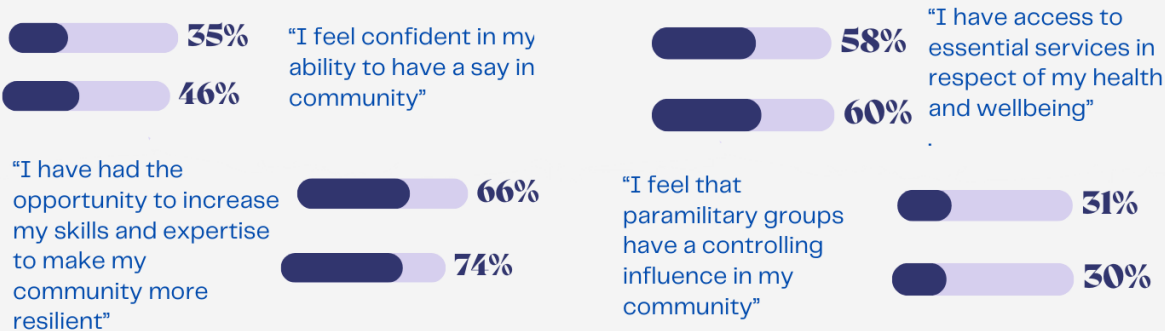
Comparing the data from the Entrance and Exit surveys completed by CIT participants. We have received 1176 entrance surveys and 707 exit surveys from under 16s (60%)

WHEN ASKED WHAT NEGATIVELY IMPACTS COMMUNITY RESILIENCE, PARTICIPANTS STATED

In each of these results, the entrance survey is the top line and exit survey is the bottom line.



WHEN ASKED IF THEY AGREE WITH THE FOLLOWING STATEMENTS, PARTICIPANTS SAID



When asked if they agreed with the statement "My community is resilient to paramilitarism", this figure changed from 46% to 56% after participation in the programme



TRUST IN THE POLICE

"My community trusts the police"

"I trust the police"



These results are from data received on 31st March 2025. Additional exit surveys were still to be completed

Victims and Survivors

The new Victims and Survivors' Strategy 2024-2034 was approved by Ministers and received Executive endorsement on 2 October 2024.

The Strategy marks the latest milestone in improving support for victims and survivors and aims to build on the progress and arrangements currently in place.

Work is ongoing on the development of specific action plans to take forward the commitments outlined in the Strategy and the design of new funding programmes which will align with the new Strategy.

This work will include development of specific targets and identification of resource requirements. It is anticipated that the overarching objectives for the period of the Strategy (10 years) will fall broadly into the following three work streams:

- (a) Immediate actions: actions which are required to be delivered immediately to ensure support and services for victims and survivors continue;
- (b) Short term actions: actions prioritised within the first 5 years of the strategy; and
- (c) Longer term actions: actions which will require work to be completed on shorter term actions prior to being able to be taken forward.

Funding for Victims and Survivors programmes is in place for 2024-26 totalling £25.9m.

The VSS programmes are designed to sit alongside and complement the Victims PEACE funding and the development of an integrated Mental Trauma Service, now known as the Regional Trauma Network (RTN).

The overall purpose of the RTN is to improve lives through world leading trauma care. Implementation of the RTN will take a phased approach. Phase 1 of a pilot (that will last no less than 3 years) has a focus on victims and survivors. Lessons learned will help inform the roll out of Phase 2.

VSS is the Lead Partner for the PEACEPLUS PULSE project which received approval on 21 May 2024. The PULSE project focuses on improving the health and wellbeing of victims and survivors by increasing access to high quality, trauma informed services across Northern Ireland, Great Britain and the Republic of Ireland, through the continued development and enhancement of an integrated, outcomes based, holistic community led support programme. The PULSE Partnership is a collaborative model of delivery which will work with community partners to deliver a holistic service bespoke to the needs of victims and survivors which is not replicated or available within the statutory or mainstream care system.

The Victims' Payment Scheme for Permanent Disablement

The purpose of the Scheme, as set down by the NIO, is to provide those living with permanent disablement (either physical, psychological or both) caused by injury through no fault of their own in a relevant incident, with payments primarily in acknowledgement of the acute harm which they have suffered.

It will also provide a measure of recognition of the implications of living with a disablement caused by a serious injury and the associated impact of such disablement on carers (who are often family members) and recognition that in many cases coping with disablement caused by the serious injury had an adverse financial impact on individuals and their families.

The Scheme opened for applications on 31 August 2021 and is currently scheduled to close to applications on 30 August 2026. Issues relating to operation of the Scheme fall under the responsibility of the Victims Payment Board (VPB). TEO is responsible for the overall sponsorship and governance of the Scheme and sponsorship of the VPB.

Help and advice on making an application to the scheme is available to victims and survivors. Funding has been provided to a number of Victims and Survivors organisations by TEO to help applicants, and to manage the demand for support and advice. This includes funding to provide additional welfare staff and additional administrative support in a number of VSS funded organisations.

As at week commencing 7 April 2025, 11,023 applications had been submitted to the Scheme. The Board has made Determinations on 3,116 cases with 2,051 of these recommended for payment and 430 determined as not eligible for payment. Over £85m has been paid to eligible applicants since the Scheme opened.

Historical Institutional Abuse - Implementation of the Hart Report

The Historical Institutional Abuse (Northern Ireland) Act 2019 came into force on 5 November 2019 and The Historical Institutional Abuse (Applications and Appeals) Rules (Northern Ireland) 2020 came into force on 31 March 2020. The Historical Institutional Abuse (Northern Ireland) Act 2019 (Commencement No. 1) Order (Northern Ireland) 2020 came into force on 27 March 2020, commencing the provisions in Part 1 and Schedule 1 of the Act, i.e. the Redress Board.

The Historical Institutional Abuse Redress Board (HIARB) became fully operational on 31 March 2020 and its primary function is to receive, process and make determinations of awards of compensation to applicants who were victims and survivors of historical institutional abuse in accordance with the governing legislation. The compensation award levels are from £10,000 to £80,000; for those children who were part of the Child Migrants Programme and who were sent from here to Australia under that UK-wide Programme, a further £20,000 is available.

By 31 March 2025, the HIARB had received over 5,000 applications and some £100m had been paid directly into the applicant or applicant's solicitor's bank account.

The HIARB's fourth Annual Report for 2023-24 was laid in July 2024.

The final date for applications to be submitted to the HIA Redress Board was 2 April 2025.

The Commissioner for Survivors of Institutional Childhood Abuse (COSICA) was established in December 2020. The Commissioner acts as the primary voice for Victims and Survivors of

historical institutional abuse within the wider strategic context of the implementation of the Inquiry report recommendations.

The HIA Support Service administered by the Victims and Survivors Service, launched in December 2020, continues to provide dedicated health and wellbeing support services to survivors of Historical Institutional Abuse. An independent statutory review of COSICA was carried out by Professor Alexis Jay CBE, a safeguarding expert with extensive experience dealing with non-recent child abuse, and the final report submitted to TEO in February 2025. Ministers have accepted the recommendation that COSICA continue for a further 2 years, until December 2027.

An apology was offered to victims and survivors on 11 March 2022 by 5 Executive Ministers. Work is ongoing on implementation of the remaining Inquiry recommendations, a memorial and contributions from institutions to the cost of redress and specialist services. Payments have been received from the Good Shepherd Sisters, Barnardo's, the De La Salle Order, and an additional contribution from the Diocese of Down and Connor specifically in respect of De La Salle-run homes. Discussions on appropriate contributions from the Irish Church Missions, the Sisters of Nazareth, and the Sisters of Saint Louis are ongoing. Details of the amounts received will be published once the process has finished.

The Interdepartmental Working Group on Mother and Baby Homes and Magdalene Laundries and Historical Clerical Child Abuse (IDWG) was set up in 2016-17 to deliver recommendations on two areas of abuse that fell outside the HIA Inquiry. Work on the Mother and Baby Homes and Magdalene Laundries completed in 2021-22 but that on Historical Clerical Child Abuse (HCCA) continues. IDWG during 2024-25 oversaw the procurement of academic researchers to deliver 3 separate research studies. All 3 studies will report in early 2025-26, after which the IDWG will collate their findings on the extent and systemic nature of such abuse and make recommendations to Ministers.

Lisa Caldwell, the IDWG Independent Chair, had her term extended for a further year from November 2024.

The Truth Recovery Programme

On 15 November 2021 the deputy First Minister made a statement to the Assembly regarding the Truth Recovery Design Panel's report on [Mother and Baby Institutions, Magdalene Laundries and Workhouses in NI](#). In this statement the deputy First Minister accepted, on behalf of the Executive, the five key recommendations of the Report and agreed to implement them in full.

The Report provides a comprehensive way forward to achieve Truth, Acknowledgement and Accountability for those individuals and their families that have long been affected by their time and experience of and in these institutions.

In line with the implementation of Recommendation 2 of the Report, TEO's Truth Recovery Programme team (TRP) undertook to take the lead role on co-ordination of the Programme in addition to significant strands of work, such as the establishment of the Integrated Truth Investigation comprising an Independent Panel and a Public Statutory Inquiry. The most

significant elements of the recommendations will require legislation to proceed (the Inquiry and the Redress Scheme).

Regular engagement has taken place between TEO officials and victims-survivors who are central to the implementation of the Report's recommendations. These engagements provide both a support and challenge function to the Department ensuring decisions taken are fully informed by, and consistent with, the needs and requirements of victims-survivors. A Public Consultation on policy proposals took place between June – September 2024 which included face to face public meetings and online events - 269 Consultation responses were received.

TEO has dedicated and specialist health and wellbeing support and other ancillary services for victims and survivors of Mother and Baby Institutions, Magdalene Laundries and Workhouses in Northern Ireland, including those impacted by related institutions and historical adoption practices associated with related institutions. By the end of March 2025, approximately 400 people had been supported.

The broad areas of current and future service needs identified by VSS are broadly in line with those identified by the Truth Recovery Design Panel. The support needs identified by VSS through its co-design exercise are:

- Health and Well-being Support;
- Social Support (including group and peer support);
- Information Recovery and Family Tracing;
- Financial and Welfare Support; and
- Advocacy Support.

The non-statutory Independent Panel. has continued to focus on oral testimony, archival records and engagement. A large number of Victims and Survivors have registered interest in providing testimony to the panel and significant number of testimonies have been completed.

The Independent Panel produced their [interim report](#) in May 2024.

TEO have commissioned Public Records Office NI to survey and digitise up to 4,500 institutional records which is a critical part of investigation and redress processes.

T:BUC and Good Relations Division

The Division is responsible for good relations strategy and delivery. The work can be divided into T:BUC Strategy; wider good relations; and PEACE funding.

T:BUC Headline Actions

TEO oversees the allocation and monitoring of Executive Good Relations Funding for delivery of the T:BUC Strategy. This funding facilitates delivery of the T:BUC Headline Actions, Central

Good Relations Fund and an element of the District Council Good Relations Programme. There are seven Headline Actions:

- (i) The Uniting Communities through Sport and Creativity Programme, delivered by DfC (Department for Communities) came to a close in June 2023, and DfC will no longer take responsibility for taking forward this TBUC Headline Action.
- (ii) The Department for Economy's Peace4Youth programme, delivered by the Special EU Programmes Body (SEUPB), is an integrated programme that supports disadvantaged and marginalised young people aged 14 – 24, to develop their employability and improve their life chances. 11 lead projects have delivered programmes under Peace4Youth across NI and the Border Counties of Ireland, to over 7,500 participants. An independent evaluation of Phase 2 (October 2022) was highly positive. Of the participants surveyed, 93% achieved at least one qualification in areas such as personal development, good relations, citizenship and essential skills and 88% of young people indicated that they intended to progress to areas such as education, training, employment or voluntary/community work. To continue with this positive work, the PEACEPLUS Youth Programme (funded via PEACEPLUS Investment Area 3.2) will target 7,500 young people from the same target group, offering an additional two outcome areas of Employability and Positive Progression. Project activity commenced during the Autumn of 2024. By the end of November 2024 1,704 people had participated on the programme across 6 projects.
- (iii) Under the Shared Education Campus Programme (SECP) three shared projects involving Controlled and Maintained schools are progressing. Construction was completed on the Limavady Shared Campus in August 2023 and the Campus was officially opened by the First and Deputy First Ministers in February 2024. The evaluation is ongoing, and the Year 1 report has been received and is positive. The appointment of a contractor for the Ballycastle SEC was confirmed in April 2023 and construction commenced on 6 May 2025. The first phase, which is the hockey pitch, was completed and handed over to the school on 20 May 2025. Full completion is programmed for autumn 2027. Progress continues to be made in developing the business case for the primary project at Brookeborough.
- (iv) The target in the T:BUC strategy of building 10 Shared Neighbourhood developments has now been achieved, providing 483 new homes. Furthermore, the delivery of shared housing through T:BUC has acted as a catalyst for the delivery of additional shared housing. The 'Housing for All' Shared Housing Programme successfully transferred from DfC to the NIHE and now supports 12 Housing Associations working across 85 developments, totalling 2,925 homes. 49 schemes with 1,399 households are complete and celebrated as Shared. Each shared development is supported through the establishment of an Advisory Group and the development and delivery of a five-year Good Relations Plan. The Plan is delivered to the new shared community, and between all communities within a five-mile radius of the shared scheme.
- (v) The Department of Justice (DoJ) and partners engage interface communities in Belfast, Portadown/Lurgan and Derry-Londonderry through the Interfaces Programme.

A third of the 59 interface security structures – sometimes referred to as ‘peace-walls’ - have been removed and a third have been reduced. Work to develop viable interface reduction or removal schemes continues at remaining locations. The removal of two solid interface barriers on Flax Street in North Belfast enabled the installation of vehicular and pedestrian gates to provide access for local people 15 hours a day, 365 days per year. The transformational scheme complemented nearby retail and housing led regeneration projects. In Derry/Londonderry, most of the remaining interface security apparatus along Derry’s Walls has now been removed. Three projects are live currently: Donaldson Crescent, Springmartin Gate and Holy Cross, all in Belfast. Discussions on-going with community and elected reps on the future use of the interface ‘no man’s land’ on Madrid Street, East Belfast for community benefit.

- (vi) An updated Capital Plan approved by Ministers in November 2024 will see £125m being invested in a diverse range of capital build proposals brought forward by communities to develop thriving spaces within the five Urban Village areas.

75 capital projects comprising of community facilities, parks and public realm are progressing through the capital development lifecycle with 59 now complete. £50.5m, including £14.3m of partnership funding, has been invested in capital projects in Urban Village areas so far.

A further 3 projects were completed during 2024-25 with an overall value of £6.2m – the redevelopment of Pitt Park, Gasyard Heritage & Exhibition Centre and Hosford Community Homes: Inclusion Hub. Construction commenced on the redevelopment of Ballysillan Playing Fields in North Belfast, Sandy Row Arts & Digital Hub and Coffee Culture in South Belfast and Titanic People in East Belfast.

Revenue and cross-cutting under the Urban Villages Initiative was completed in March 2024, with the capital programme continuing during 2024-25. From 2016 to March 2024, in partnership with local communities, Urban Villages delivered 1,635 events with more than one million attendees, 3,271 training courses and 3,710 workshops.

The Urban Villages Initiative is an important good relations programme leading to positive good relations outcomes. For example, 79% of participants feel more favourable towards people from a different background, 88% of respondents are more likely to take part in shared groups/activities with people from a different background, and 90% of respondents feel more strongly that the culture and traditions of different backgrounds adds to the richness and diversity of society.

Successful delivery of the remaining capital projects will increase access to shared space facilities and continue to promote integration across the five Urban Villages areas and beyond. Strategic direction for Urban Villages includes:

- Completing the current Urban Villages plan, with a focus on delivering the remaining capital portfolio projects.
- Investing to help secure the sustainability of capital projects. This is being delivered through grant support for capacity building to support community organisations taking forward large capital projects

- Planning for the future, by taking forward the development of the next phase of the Urban Villages programme, which includes joined up delivery between departments to catalyse the linkages Urban Villages has made in supporting Ministerial priorities.

This approach will fully demonstrate TEO's impact in Urban Village areas of building good relations by fostering positive community identities, building community capacity and improving the physical environment.

- (vii) The T:BUC Camps Programme provides young people aged between 9 and 25 with opportunities to build positive relations and long-lasting friendships with other young people from different backgrounds. Since the Programme began in 2015 over 970 Camps have been delivered to over 33,000 young people with a total investment over £11.9m. A further 112 camps were successfully delivered (against a target of 100) in 2024-25 with a budget of over £1.5m.

The latest key outcomes from the evaluation of the 2023-24 T:BUC Camps Programme are set out in the infographic below:



Wider Good Relations

In addition to the T:BUC Programme, TEO leads a range of wider Good Relations initiatives including providing advice to Ministers on matters relating to the Report of the Commission on Flags, Identity, Culture and Tradition (FICT) which was published on 1 December 2021, and delivery of over £10m worth of good relations projects through the Central Good Relations Fund (£1.4m baseline plus £1.045m additional allocations for 2024-25), District Council Good Relations Programme (2024-25 £1.9m TEO plus £0.66m from Councils), Planned Interventions Programme (£0.4m) and the budget for Northern Ireland Community Relations Council (totalling circa £3.5m of TEO baseline funding). Further information on the Central, District Council, Planned Interventions and pilot T:BUC Trees programmes are set out in the following infographics.

Further information on the Northern Ireland Community Relations Council is set out in the Consolidation section on page 72.



Scorecard 2023/2024

In 2023/24, CGRF awarded £1.66m in funding to 40 projects and reached over 17,000 participants. 13 small grants projects were delivered reaching an additional 600 participants



61.9% (12yrs and under) and 77.6% (13yrs+) responses reported feeling more knowledgeable about different cultural traditions and backgrounds



39.9% (12yrs and under) and 55.3% (13yrs+) responses reported a positive change in attitude toward people from a different religious background.



34.9% (12yrs and under) and 53.1% (13yrs+) responses reported a positive change in attitude toward people from a different ethnic background.



Across all knowledge, behaviour and attitude questions, 67.6% (12yrs and under) and 82.6% (13yrs+) responses indicated a positive change.



706 accreditations/qualifications/course participation achieved by participation on a CGRF project.

T:BUC Priorities

28 Children and Young People projects

8 Shared Community projects

2 Safe Community projects

2 Cultural Expression projects

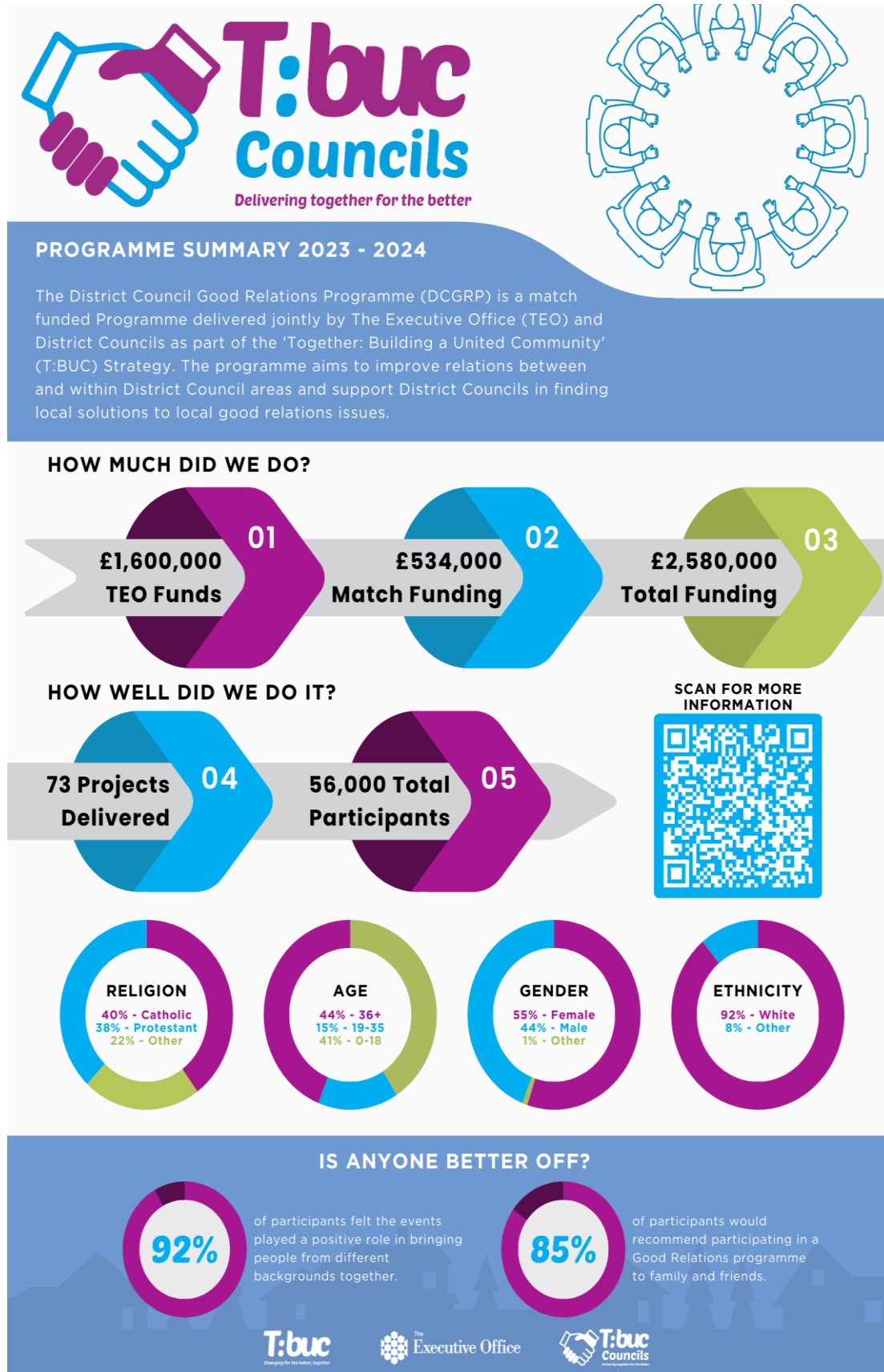


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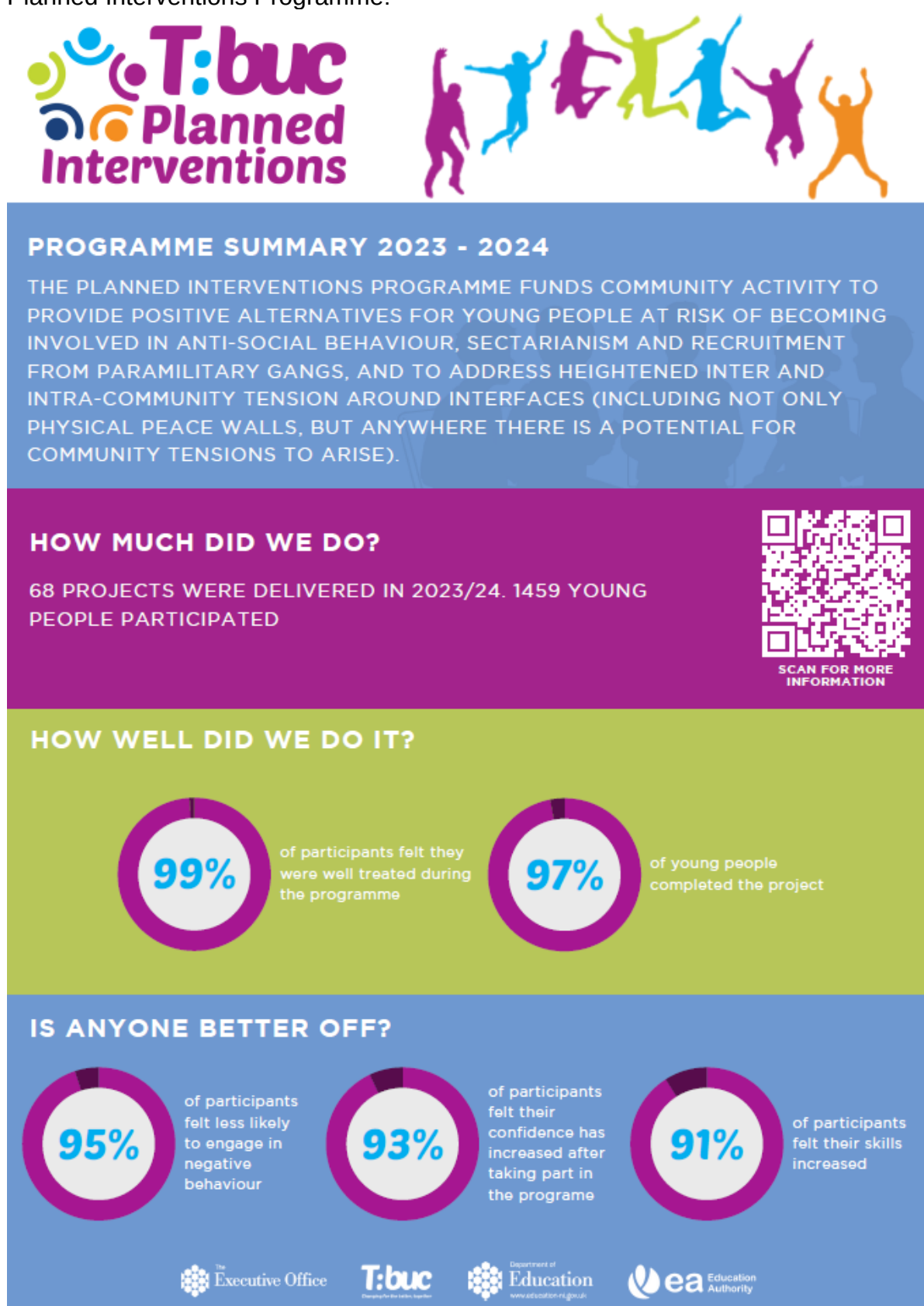
The infographic below shows the most recent available verified outcomes data for 2023-24 for the District Council Good Relations Programme:



The infographic below shows the most recently available outcomes data for 2023-24 for the T:BUC Trees Programme:



The infographic below shows the most recently available outcomes data (2023-24) for the Planned Interventions Programme:



Good Relations Outcomes

TEO officials continue to develop and promote outcomes focus in all good relations programmes funded through TEO. Agreed methodology for data collection is in place for a number of programmes. This continues to enable Good Relations programme participants to complete one-off event and pre and post project surveys. During 2024-25, data collected in 2023-24 was analysed.

The table below presents the percentage of aged 13 or over participants providing positive responses to key questions asked in 2023-24:

Type of Participation	One-Off Event	Project (over time)
Increased knowledge of other community backgrounds	82%	76%
Experienced a positive attitudinal change towards people from different ethnic backgrounds	63%	54%
Experienced a positive attitudinal change towards people from different religious backgrounds	66%	56%
Overall Positive Change	N/A	80%

PEACE IV and PEACEPLUS

TEO is the Accountable Department for actions under three of the four main objectives of the **PEACE IV** Programme, totalling €110m with €13m of match funding. Delivery on PEACE IV concluded on 31 December 2023, and the programme is now progressing through closure.

All Local Authorities successfully completed their action plans, and SEUPB are now progressing the payment of final outstanding claims.

SEUPB has continued to open and close calls for Peaceplus funding throughout 2024 and the assessment process has progressed. Investment Area 1.1 has been allocated €110m with TEO contributing 20% in match funding. The investment area will see 17 Councils develop and deliver codesigned Local Community Action Plans (LCAPs) built around 3 themes to target local good relations needs:

1. Local community regeneration and transformation;
2. Thriving and peaceful communities; and
3. Building respect for all cultural identities.

The final call for Council applications under IA1.1 closed in June 2024. 16 out of 17 Council's LCAPs have now been approved by steering committee, 12 of these Councils now have their letters of offer in place and delivery is progressing. It is anticipated the final Council LCAP will be approved by the Steering Committee on 1 July 2025.

Call for applications under IA1.3- Building Positive Relations, closed in June 2024. This call invited applications for projects that would transcend local boundaries, with cross border dimension where possible. Particular emphasis was placed on providing support to those most marginalised within our communities. Assessment progressed throughout the remainder of 2024 and steering committee met at the end of February 2025 and allocated funding to 15 projects, with a further 7 on the reserve list should further funding be reallocated to IA1.3 from other investment areas. SEUPB are now working to get letters of offer in place so that delivery on these projects may commence.

Equality, Rights and Identity

TEO is responsible for implementing the provisions of the Identity and Language (NI) Act 2022, namely the establishment of:

- The Office of Identity and Cultural Expression;
- The Irish Language Commissioner; and
- The Commissioner for the Ulster-Scots and Ulster British tradition.

The Public Appointment competitions to recruit the Director and other members of the Office of Identity and Cultural Expression, the Irish Language Commissioner, and the Commissioner for the Ulster Scots and the Ulster British tradition commenced on Monday 10 March 2025. All three competitions closed for applications on 28 March 2025. It is anticipated appointments will be made in the coming months.

Period Products Free Provision

TEO has responsibility for Section 1 of the Period Products (Free Provision) (Northern Ireland) Act 2022. From 12 May 2024, TEO, in partnership with Libraries NI, has made free period products available to the public throughout the network of 96 static and 11 mobile Libraries.

The Act also placed a duty on TEO to lay draft regulations in the Assembly to require each of its specified public bodies to provide free period products to anyone who needed them while on their premises. Regulations were made in September 2024.

The Equality Policy and Legislation team continues to engage with key stakeholders to ensure appropriate provision in line with the legislation.

Windsor Framework Article 2: Rights of Individuals

Through the work of an Interdepartmental Working Group, the Department co-ordinates the development of understanding/implementation of the non-diminution after the UK's withdrawal from the EU of certain Belfast/Good Friday Agreement rights, safeguards and equality of opportunity. This is complementary to TEO's wider Windsor Framework Co-ordination role as described on page 13.

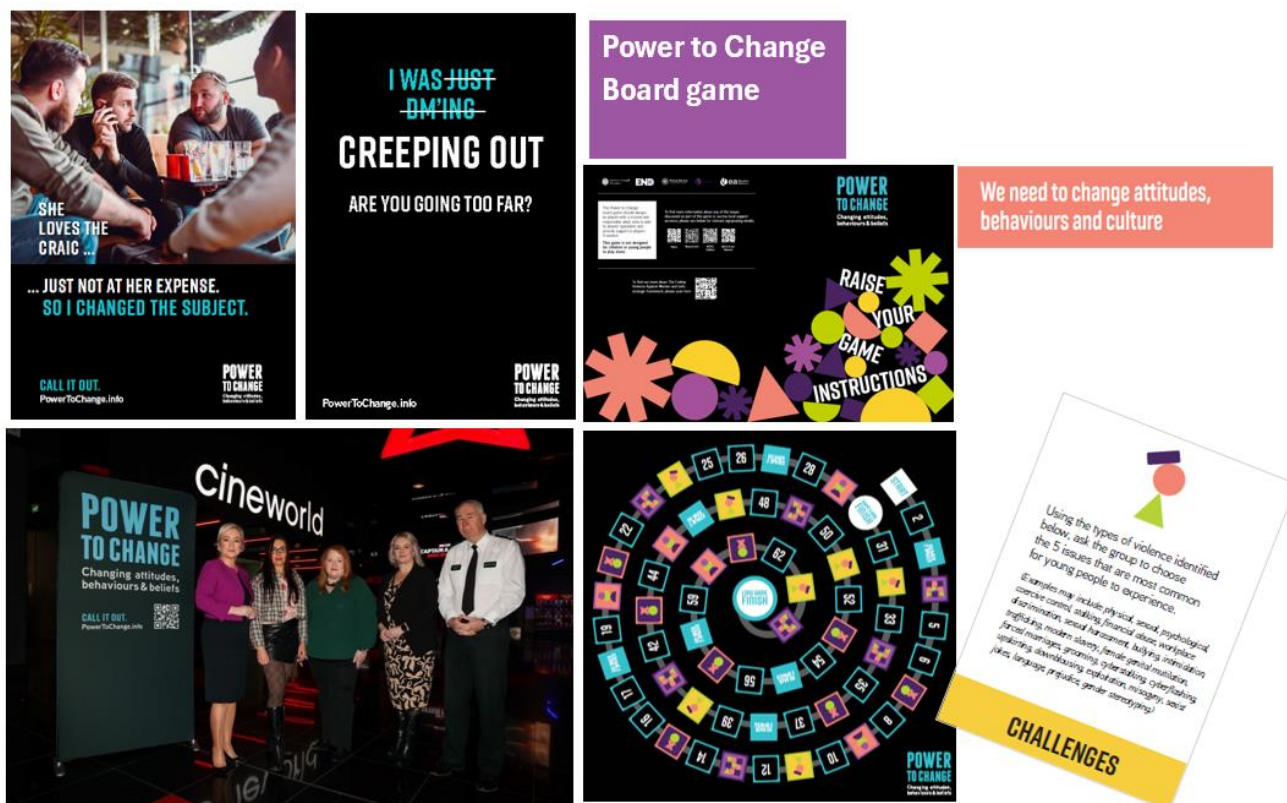
Ending Violence Against Women and Girls (EVAWG)

The Ending Violence Against Women and Girls Strategic Framework 2024-31 and first Delivery Plan 2024-26 were launched on 16 September 2024. The Delivery Plan sets out key actions to support collaboration across government and wider society. It focuses on prevention and early intervention through to March 2026. Key actions in the year up to March 2025 include the following:

- Community investment of £1m through our Change Fund in partnership with local government;
- Seed funding of £0.475m to develop technological innovations to help women and girls be safe online and everywhere;
- Establishment of four sectoral forums to champion action in their subject areas;
- Delivery of our Power to Change campaign in partnership with DoJ and PSNI;
- Development of a board game and support materials by young people to help young people explore the issues in Power to Change;
- Completion of an evaluation of the Belfast and Lisburn Women's Criminal Justice Support Worker pilot in the Belfast court district and its impact on attrition rates within the justice; and
- Delivery of a mapping/gap exercise for Violence Against Women and Girls General Service provision to inform future policy development and service delivery.

In detail, the work of the year has included EVAWG working in partnership with PSNI and DOJ to develop a targeted campaign to challenge attitudes and behaviours of men and boys and to promote active bystander approaches. The campaign was successfully launched on

the 29 January 2025, with an immediate media uptake of 96 items in 24 hours and many more to follow. EVAWG Education Authority youth panels were engaged and input to the campaign concept development. The Youth Panels also developed a boardgame called 'Raise your Game' to further support the roll out of the Power to Change campaign for other young people, on a community level, across youth settings and in schools. Armagh Banbridge and Craigavon Borough Council adopted the Power to Change campaign and rolled it out in outdoor and a range of indoor settings across the council area.



The second campaign is the Coercive Control Awareness and Response Initiative (CARI) developed in partnership with Ulster University and CVS/lived experience stakeholders with the support of a Design Agency. The campaign will reach all ages, from the very young to later in life, and women and girls from every background, to enable them to understand coercive control, to know how it makes them feel and to know how to take action. It will also reach men and boys to increase their understanding and responses. A targeted pilot was tested in Quarter 1 and the plan is for roll out to a wider demographic into 2025-26.

EVAWG are supporting DOJ in developing a 'My Justice Journey' digital platform, with a view to improving the journey for women and girls having to move through the justice system, to build their confidence and understanding of the process. The first stage of the project will be an initial information-based systems process. While work has been delayed due to a lack of resource 2024-25, the work will be reviewed with partners in DOJ and reset for 2025-26.

The EVAWG Codesign Group has supported development of the Insight and Reference Network (IRN). This Network connects those community & voluntary, public and private

sector organisations and representatives, and people with lived experience, who are directly involved in the delivery of the 14 key actions in the first EVAWG Delivery Plan 2024-26. The IRN will provide opportunity to grow the EVAWG coalition by connecting members and their wider networks, and by working together to drive society wide delivery on prevention and early intervention. IRN members will receive regular updates on the programme and will be invited to events and activities and share their news across the programme.



Collaboration is at the core of the EVAWG Strategic Framework, bringing together sectoral groups through; Healthy Relationships forum with DE, the Tertiary Education forum led by DfE, the Workplace Forum chaired by the Labour Relations Agency and the Safer Socialising Steering Group. These groups provide a forum for members to identify key issues which need to be addressed, share best practice, raise awareness, share communications and campaigns and other initiatives that improve safety. The Workplace Forum and the Safer Socialising Steering Group are seeking to develop Action Plans with actions for specified members and collectively as appropriate.

EVAWG secured an additional £0.475m capital research funding from DfE for two Small Business Research Initiative (SBRI) Phase 1 Challenges to deliver the commitment to support technological and other innovations by the private sector to improve the safety of women and girls. Six suppliers were selected to undertake Phase 1 proof-of-concept projects. Suppliers' interim presentations took place on 28 January 2025, with final presentations taking place in April 2025.

During 2024-25, EVAWG progressed work on the Change Fund in conjunction with local Councils. The Change Fund is intended to build on and complement prevention work and will support grassroots groups and community and voluntary sector organisations to do more, further build capacity and be better equipped to address the significant issues in their area. The focus is on prevention.

The Change Fund initially had an allocation of £0.5m to invest in grassroots community groups and Community and Voluntary Sector EVAWG experts to expand vital on the ground projects and responses that raise awareness, build capacity to take action and equip people to have safe and healthy relationships.

A further bid for £0.5m was approved which would support additional Community Investment, allowing for the creation of Strand one and Strand two of the Change Fund. Strand One of the programme focuses on local grassroots community groups and Strand two focuses on a

Regional Change Fund that provides grants to regional expert organisations in this field to support their awareness raising, prevention and capacity building work.

Under the Local Change Fund, Momentum Funding was provided across all 11 Councils in 2024-25 to enable them to implement emergency responses, raise awareness and build on the ground momentum.

The Regional Change Fund investment was announced on 21 January 2025 by the First Minister and deputy First Minister. It will deliver funding of just under £1.2 million to 8 CVS organisations with EVAWG expertise, who are already leading the way regionally in tackling violence against women and girls. The Regional Change Fund is being delivered in partnership with Belfast City Council who will administer the fund.



HOW THIS SUPPORTS THE EAWG STRATEGIC FRAMEWORK



The **Strategic Framework for Ending Violence Against Women and Girls** was launched by the First and deputy First Ministers in September 2024. It is supported by an initial 2-year **Delivery Plan**.

14 key actions over 2024-26 to drive delivery, increase collaboration and embed a focus across government and wider society on prevention and early intervention



Key Action 1

Launch and support delivery and impact of a community focused Change Fund to equip community groups to prevent and respond to violence against women and girls; and resource and mobilise regional community and voluntary sector (CVS) to drive society wide action so that everyone understands what VAWG is and knows how to prevent it



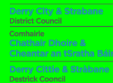
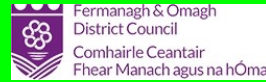
LOCAL approaches

Equip community groups to prevent and respond to violence against women and girls

REGIONAL delivery

Resource and mobilise regional community and voluntary sector (CVS) to drive society wide action so that everyone understands what VAWG is and knows how to prevent it

Local approaches



Local Change Funds

Momentum initiatives

On the ground delivery and investment in all council areas

Funding from the Executive Office (TEO) to every district council to launch a Change Fund and localised scheme supporting community groups and other organisations in their respective areas

These schemes will make awards to local groups ranging from £1,000 up to £25,000

Councils opened calls for applications during January-March 2025, and awards will support projects delivering from April 2025 to March 2026

All councils also took forward initiatives over January-March 2025 to build momentum prior to local awards and the capacity of communities to respond:

- Conferences and events, including with keynote expert speakers, to raise EAWG awareness and maximise the impact of International Women's Day
- Awareness raising and public engagement on EAWG and the Change Fund
- Public meetings & roundtable events to mobilise local action and partnerships
- Working with community partners to provide emergency responses on safety, support services and assistance to vulnerable groups
- EAWG training for council and community sector frontline staff
- Sharing good practice on trauma informed approaches
- Creation of digital content, local campaigns, publicity resources and EAWG toolkits
- Supporting links across local EAWG provision, domestic & sexual violence services, and policing and community safety approaches



- **NSPCC** will expand support for healthy relationships education and safeguarding. This will include the 'Talk PANTS' initiative in primary schools; the 'Speak Out, Stay Safe' programme helping children aged 4-11 recognise and speak out against harm/abuse; the 'Talk Relationships' initiative supporting post-primary educators to confidently deliver Healthy Relationships education and a whole school approach.
- **Relate NI** will deliver a community-based programme for young women to help challenge societal myths and norms perpetuating gender-based violence. The 'Relate-Ed' will help young people understand the root causes of VAWG and equip them with tools to sustain healthy relationships. Specialist EVAWG counselling will help those impacted by VAWG to rebuild resilience and self-esteem.
- **White Ribbon NI** will expand delivery of its 'Listen, Learn, Lead' programme to more people, schools, workplace and community settings. Work with male dominated organisations and environments, such as sports teams and governing bodies, and in prisons, will challenge attitudes and beliefs which lead to violence against women and girls and emphasise participants' ability to play a role in preventing it.
- **Women's Aid Federation NI** will expand support and resources for Early Years practitioners via its 'Helping Hands' project; train post-primary teachers to respond to VAWG; and support young people to have healthy and respectful relationships. Training provided for those working in pre-employment settings (social, healthcare, youth, community workers), and support for EVAWG Champions across institutions.
- **Women's Resource and Development Agency (WRDA)** will deliver its 'Raise Your Voice' project across council areas and help participants understand ways harassment and sexual violence impact on those it targets and how to develop approaches tackling this impact. Awareness raising will be supported through enhanced strategic communications, social media and public engagement.
- **Youth Action NI** will engage young people aged 14-25, including those from diverse cultural backgrounds. Youth work approaches will be developed to address EVAWG, and programmes shaped by participating young people will support them in building the confidence, knowledge and skills to make informed decisions about their lives and ways to address EVAWG within their wider community.



PERFORMANCE ANALYSIS

In the 2024-25 year, TEO used a range of methods of performance monitoring, such as financial reporting, balanced scorecards and departmental/divisional business plans (which outline the Department's key objectives), risk registers and assurance statements. Monitoring performance against key objectives was carried out by way of regular written updates with quantitative and qualitative analysis provided on progress where this information was available.

FINANCIAL PERFORMANCE

Table 1: TEO Outturn against Estimate by Category of Spend

Table 1 provides a breakdown of the total outturn figure, as compared against Estimate, by category of expenditure.

2024-25	Estimate £000s	Outturn £000s	Underspend/ (Overspend)	
			£000s	%
Administration Costs	23,162	22,569	593	2.56%
Grants	33,263	32,672	591	1.78%
Other Current (including accruing resources)	1,133,170	837,996	295,174	26.05%
Total Resources	1,189,595	893,237	296,358	24.91%
Capital	21,726	21,260	466	2.14%
Departmental Total	1,211,321	914,497	296,824	24.50%

Note - Figures presented on a Consolidated basis

The Departmental Group's total Resource Outturn for the 2024-25 financial year was £893.2m against an Estimate of £1,189.6m. Total Capital Outturn for the 2024-25 financial year was £21.3m, against an Estimate of £21.7m.

Resource Outturn - Analysis of Resource Underspend by Request for Resource

Table 2: Summary of Resource Outturn by Request for Resource

Request for Resource (RfR)	Estimate	Outturn	Underspend/ (Overspend)	
	£000s	£000s	£000s	%
RfR A	1,189,595	893,237	296,358	24.91%
Departmental Total	1,189,595	893,237	296,358	24.91%

Note - Figures presented on a Consolidated basis

Request for Resources A (RfR A)

Driving investment and sustainable development; making people's lives better through support for equality, human rights and community relations; and the effective operation of the institutions of Government.

The net underspend against RfR A of £296.4m can be analysed as resulting primarily from:

- TDPDPS (Victims' Payment Scheme) year-end provision less than estimate set at Spring Supplementary Estimates (£280m);
- FTC amortisation (£10.8m);
- Lower than anticipated revaluation of land and buildings at Ebrington and MLKDC (£3.52m);
- Equality Commission for Northern Ireland write back of provision for dilapidation costs (£0.75m); and,
- Overall underspend in earmarked areas (£0.6m).

Capital Outturn - Analysis of Capital Underspend by Request for Resource**Table 3: Summary of Capital Outturn by Request for Resource**

Request for Resource (RfR)	Estimate	Outturn	Underspend/ (Overspend)	
	£000s	£000s	£000s	%
RfR A	21,726	21,260	466	2.14%
Departmental Total	21,726	21,260	466	2.14%

Note - Figures presented on a Consolidated basis

Request for Resources A (RfR A)

The Departmental Group had a total capital underspend against Estimate of £0.5m relating primarily to lower than anticipated capitalised FTC loan interest due to the volatility around interest and discount rates.

Assets Valuation

TEO and MLKDC Land and Buildings are valued annually by Land and Property Services. In the 2024-25 financial year TEO impaired its land and buildings by £0.09m, (2023-24 - £0.2m (Note 7)) which was funded by Annually Managed Expenditure budget.

Net Cash Requirement

The net cash requirement for 2024-25 was £195.6m. This is £32.2m lower than the Spring Supplementary Estimates net cash requirement of £227.8m.

The reduction in requirement was mainly due to lower than anticipated payments for both the Historical Institutional Abuse Redress Scheme and the Victims' Payment Scheme, as well as anticipating the need to make payments in respect of the PEACEPLUS programme which launched during the year. The issue is one of timing rather than overall anticipated costs or entitlement.

Forward Look Financial Position

A one-year budget for NI Departments has been agreed by the Executive on 3 April 2025. TEO was allocated funding for 2025-26 of £240.1m Non-Ringfenced Resource DEL and £14m Capital DEL. As with all Departments, this is significantly less than the amounts requested.

Of the total Resource DEL allocation, it must be noted that, as with every year, a significant element relates to Earmarked funding for areas relating to victims, such as Victims' Payments Scheme, Truth Recovery (Mother and Baby Homes and Magdalene Laundries) and Ending Violence Against Women and Girls. Of the total increase in allocation on 2024-25, nearly all of the uplift relates to demand led funding for victims. The Department is working with Ministers to ensure that funding is directed towards maintaining and developing frontline delivery and to maximise value and achievement of strategic objectives.

Long Term Expenditure Trends**Note - All figures presented on a Consolidated basis**

The Resource DEL outturn for 2021-22 has not been adjusted for the prior period adjustment of (£26.3m) in respect of FTC amortisation reflected in the accounts.

Total Departmental Spending	Outturn 2020-21 £'000	Outturn 2021-22 £'000	Outturn 2022-23 £'000	Outturn 2023-24 £'000	Outturn 2024-25 £'000
Resource DEL	97,166	128,238	147,956	150,996	181,083
AME	87,064	102,711	(41,712)	(6,502)	712,154
	184,230	230,949	106,244	144,494	893,237
Capital DEL	119,056	34,983	60,811	19,948	21,260

	Outturn 2020-21 £'000	Outturn 2021-22 £'000	Outturn 2022-23 £'000	Outturn 2023-24 £'000	Outturn 2024-25 £'000
Resource DEL					
RfR A	97,166	128,238	147,956	150,996	181,083
Of Which:					
Staff Costs (Baseline)	16,901	17,392	21,694	25,802	29,328
ALBS	29,040	40,350	33,453	32,006	27,818
Other	8,054	6,442	7,646	10,264	9,205
Earmarked Funds (including directly attributable Salary costs)	37,674	56,902	79,780	80,142	105,257
Baseline Programme	5,497	7,152	5,383	2,782	9,475
Total Resource DEL	97,166	128,238	147,956	150,996	181,083

The most significant movement relates to the delivery of Redress in respect of the Victims' Payment Scheme which is funded through Earmarked Funds.

	Outturn 2020–21 £'000	Outturn 2021–22 £'000	Outturn 2022–23 £'000	Outturn 2023–24 £'000	Outturn 2024–25 £'000
Resource AME					
RfR A	87,064	102,711	(41,712)	(6,502)	712,154
Of Which:					
Diminution of Value of PPE	2,531	1,051	2,950	3,277	(110)
Increase/(Decrease) in Provision	392	101,660	(44,662)	(9,910)	711,874
Unrealised Exchange Gains/Losses	-	-	-	131	390
Impairment FTC loans	84,141	-	-	-	-
Total Resource AME	87,064	102,711	(41,712)	(6,502)	712,154

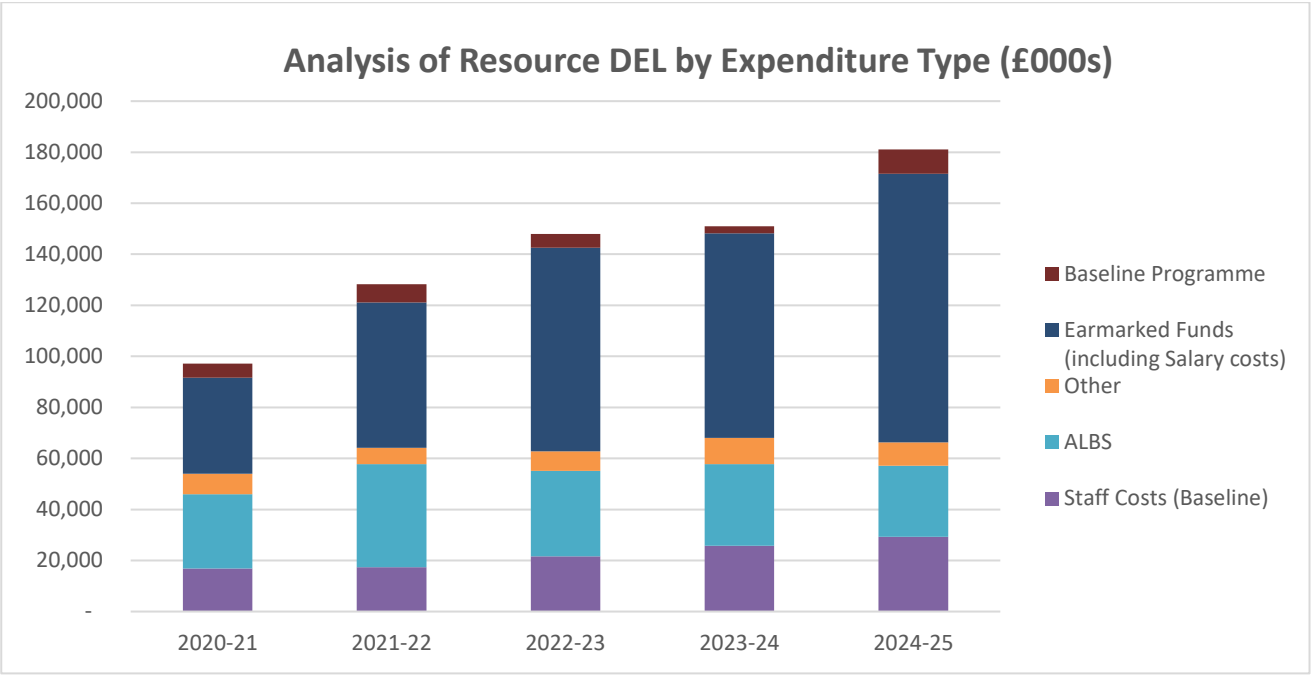
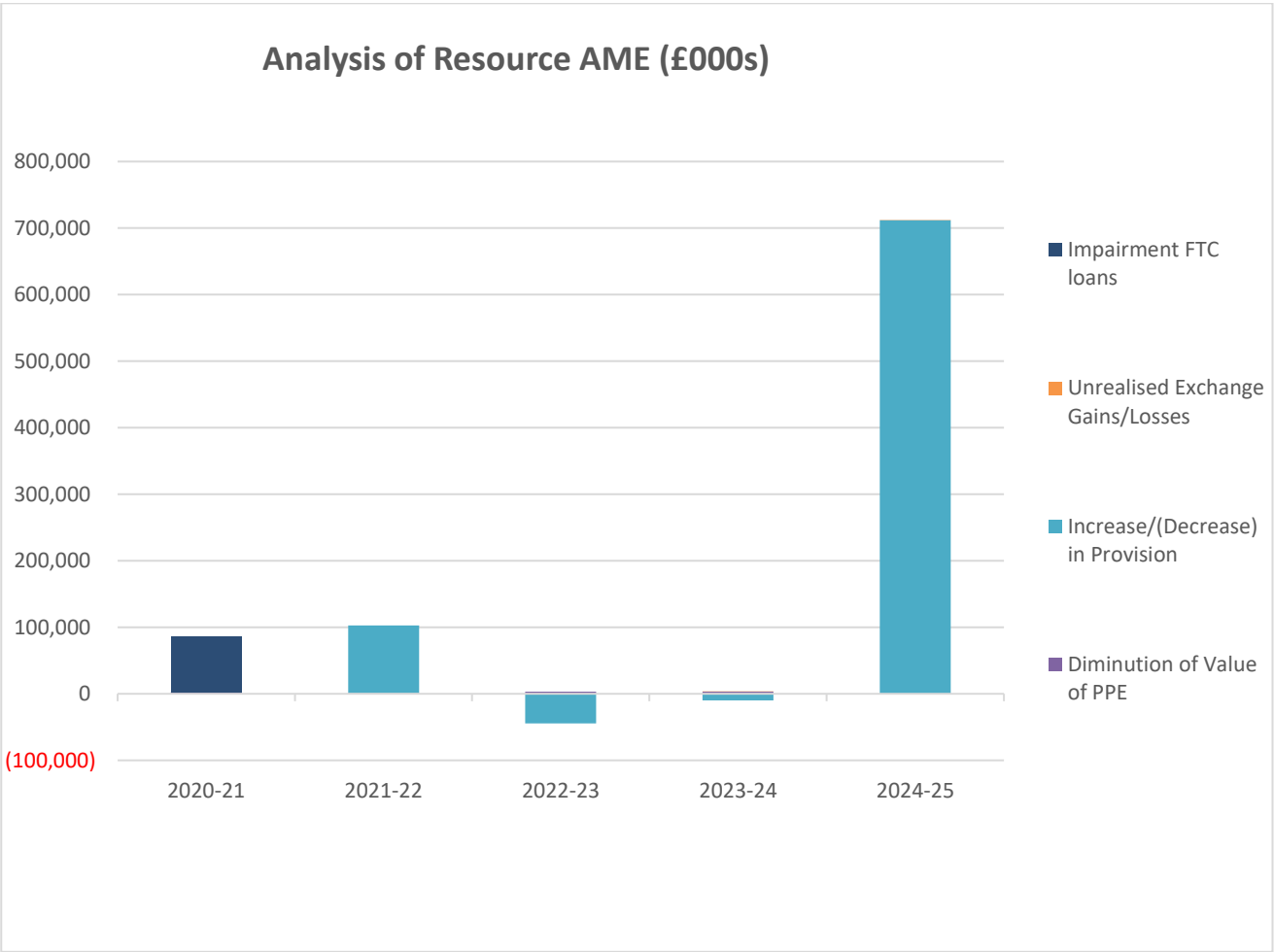
Provisions were created in 2021-22 in respect of the total future anticipated costs of the Redress Scheme for HIA and in 2024-25 for the Victims' Payment Scheme.

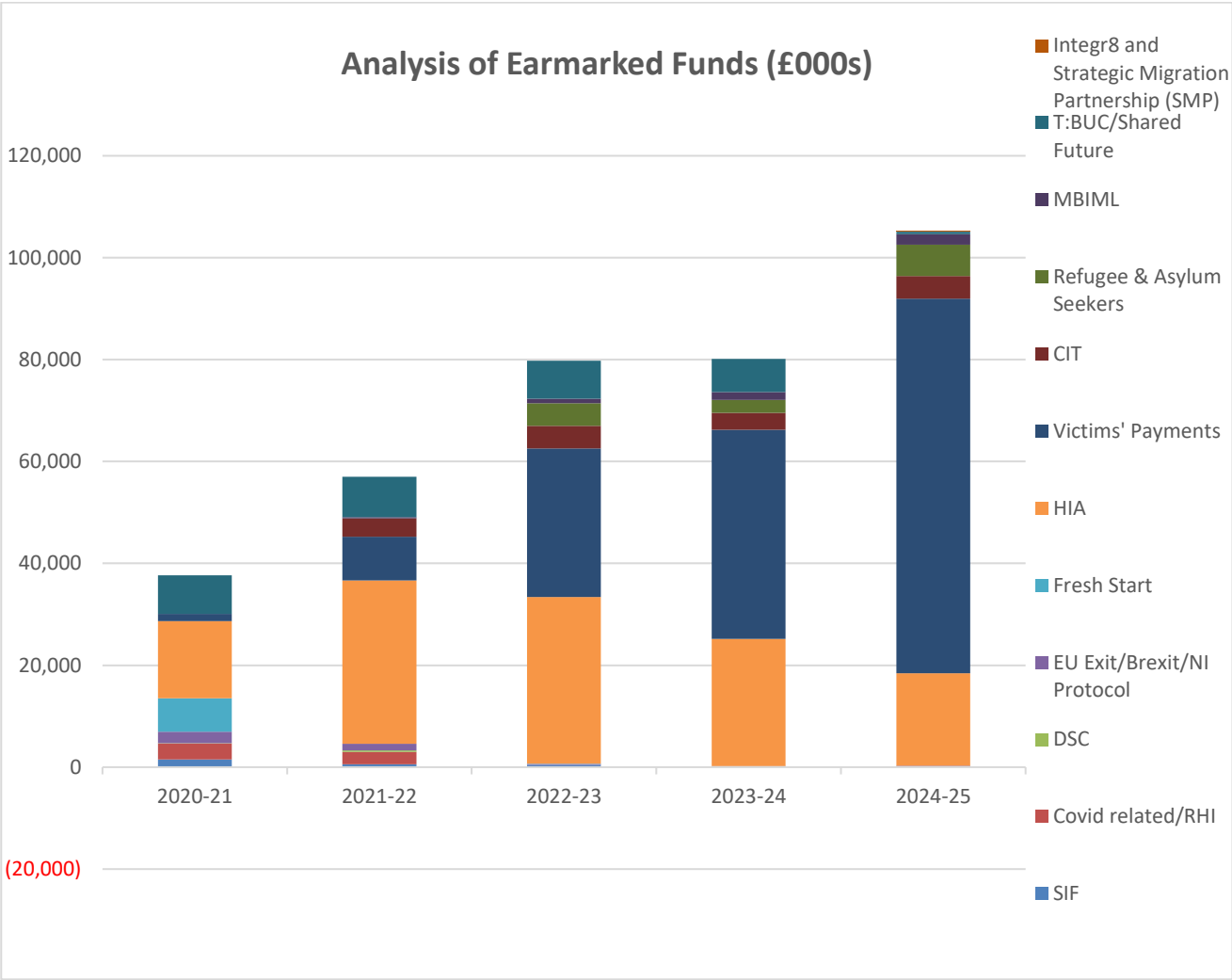
	Outturn 2020–21 £'000	Outturn 2021–22 £'000	Outturn 2022–23 £'000	Outturn 2023–24 £'000	Outturn 2024–25 £'000
Capital DEL					
RfR A	119,056	34,983	60,811	19,948	21,260
Of Which:					
Property, Plant and Equipment	1,850	6,190	3,199	3,803	3,297
Intangible Assets	349	63	496	319	281
Financial Transactions Capital (Net of Repayments)	105,725	22,800	50,313	7,541	8,225
Capital Grants	11,132	5,930	6,803	8,285	9,457
Total Capital DEL	119,056	34,983	60,811	19,948	21,260

The Department and SIB work with other NICS Departments (DoF and DfE) to ensure delivery of Financial Transactions Capital finance to relevant projects. Further information is available in the Governance Statement and notes 8 and 9 to the accounts.

	Outturn 2020–21	Outturn 2021–22	Outturn 2022–23	Outturn 2023–24	Outturn 2024–25
Earmarked Funds (including Salary costs)	£'000	£'000	£'000	£'000	£'000
Social Investment Fund (SIF)	1,516	580	465	2	-
Covid related/RHI	3,166	2,428	-	-	-
Delivering Social Change (DSC)	25	271	-	-	-
EU Exit/Brexit/NI Protocol	2,239	1,292	148	206	269
Fresh Start	6,575	(95)	79	-	-
Historical Institutional Abuse (HIA)	15,129	32,098	32,731	24,992	18,193
Victims' Payments	1,450	8,575	29,120	41,051	73,466
Communities in Transition (CIT)	-	3,610	4,438	3,296	4,477
Refugee & Asylum Seekers	-	-	4,458	2,529	6,127
Mother and Baby Institutions and Magdalene Laundries (MBIML)	-	211	905	1,534	2,078
T:BUC/Shared Future	7,574	7,932	7,436	6,532	500
Integr8 and Strategic Migration Partnership (SMP)	-	-	-	-	147
Total	37,674	56,902	79,780	80,142	105,257

Total Departmental Spending	Outturn 2020–21	Outturn 2021–22	Outturn 2022–23	Outturn 2023–24	Outturn 2024–25
	£'000	£'000	£'000	£'000	£'000
Of Which					
Total DEL	216,222	163,221	208,767	170,944	202,343
Total AME	87,064	102,711	(41,712)	(6,502)	712,154
	303,286	265,932	167,055	164,442	914,497





NON-FINANCIAL PERFORMANCE

Equality

TEO Equality, Rights and Identity Division is responsible within the Department for advising and supporting officials in relation to their 1) equality of opportunity and good relations duties in Section 75 of the Northern Ireland Act, and 2) Disability Discrimination Act duties to promote positive attitudes towards disabled people and encourage their full participation in public life. The Division is also responsible for the production of the Department's Equality Scheme and Disability Action Plan and for reporting annual process on both to the Equality Commission. Across the NICS, the Division is responsible for promoting the Section 75 duties and for arranging appropriate training on these duties for all NICS staff.

Human Rights

TEO aims to promote a culture of rights and responsibilities within the civil service and to promote awareness of other human rights considerations under international instruments to which the UK is a signatory.

TEO has specific responsibility for responding to the United Nations on:

- The international covenant on civil and political rights;
- The international covenant on economic, social and cultural rights; and
- The convention on the elimination of racial discrimination.

Equality Data Accessibility

TEO is developing an analysis tool for the wealth of NICS equality data distributed across the NICS. This is a multi-annual project and in 2024-25 it has concentrated on the development of the basic tool with refinements, additional functionality and data sets to be added in future years.

Freedom of Information

During the 2024 calendar year, TEO dealt with 125 requests for information under the Freedom of Information Act. This is an increase of 34 (37%) on the number of requests received in 2023. Of those FOI requests commissioned, 59% came from members of the public and 26% from the media. The remainder came from businesses, members of the public campaigning groups, and public representatives.

In addition to the 125 FOI requests, a further 63 requests for information were responded to under normal course of business; an increase of 4 (6.8%) on 2023.

There were 7 requests for an internal review of the Department's response to a request for information (a decrease of 1 on 2023).

There were 3 complaints, under the Freedom of Information Act made to the Information Commissioner, to the Department's response (the same as in 2023).

Compliance rates are available on the TEO website: [The Executive Office FOI annual report 2024](#).

During 2024, the Department reviewed 221 historical files, in line with FOIA for transfer to the Public Record Office of Northern Ireland (PRONI) for potential release through PRONI.

Information Assurance and Management

The Information Management Unit (IMU) continues to provide central advice, assistance and business delivery in regard to records management; supporting the Senior Information Risk Owner (SIRO), and Information Asset Owners (IAOs) in meeting the Department's information governance obligations, including the management of internal controls for information and data management. During the year the Records Team rationalised many of the internal controls and delegated day-to-day operational issues to Power Users throughout the department to allow the team to concentrate on a major overhaul of the Content Manager system. The system was split, creating a new database that will greatly enhance overall operational capacity and the old database was archived in line with records management and legislative controls.

Data Protection Compliance

The Department's Data Protection Officer (DPO) continues to fulfil the legal and organisational functions required under the UK General Data Protection Regulation and the Data Protection Act 2018; ensuring data protection governance, transparency and accountability, and providing assurance of data protection compliance to the Senior Information Risk Owner and the Senior Management Team.

In this regard, during 2024 the DPO issued several Data Protection Guidance Notices to all staff addressing issues such as using personal data when the department is contracting expertise. The DPO continued to monitor data protection compliance and provided data protection awareness sessions. They also advised on data protection obligations around the data protection principles, data subjects rights, lawful bases for processing, records of processing activities, data protection impact assessments (DPIAs), data sharing, privacy notices, data security and data breach management. Also acted as the contact point for both data subjects and the Information Commissioner's Office. A number of Data Protection Health Checks were conducted with a number of distinct business areas to ensure compliance around the processing of personal data.

The Department had one data breach during 2024 which was reported to the ICO and for which the ICO considered no further action on behalf of the Department was required.

Also, during 2024-25, as provided for under Article 15 of the UK General Data Protection Regulation (UK GDPR) and Section 45 of the Data Protection Act 2018, the Department received, and responded to, three subject access requests.

IT Security and Cyber Resilience

The Digital Systems Unit (DSU) provide an IT Security and Cyber Resilience service, supporting departmental staff with the use, implementation and adoption of IT systems and platforms. They promote a culture of "Think Cyber First" for all services and initiatives that have a reliance on ICT for success.

In 2024-25, DSU conducted an internal IT Governance review to ensure that IT assurance procedures were fit for purpose. As a result of this review, several process improvements were proposed to further enhance the Department's cyber resilience. These proposals were subsequently reviewed and endorsed by the Northern Ireland Civil Service (NICS) Internal Audit Service as part of an IT Governance Audit. The DSU received a Satisfactory rating in this audit and is currently in the process of implementing the recommended improvements.

The DSU has also accomplished several milestones during this period, including:

- Conducted reviews and evaluations of several emerging cyber security risks.
- Enhanced information sharing regarding potential cyber risks with TEO Arm's Length Bodies and Non-Departmental Public Bodies.
- Hosted a cyber security student placement.
- Integrating cyber risk assessments into TEO's quarterly assurance statements.
- Presenting the annual cyber paper to the TEO Accounting Officer and the Audit and Risk Assurance Committee (ARAC).
- Approved the mandating of MetaCompliance Cyber Awareness training for all TEO staff, to be implemented in the 2025-26 fiscal year.

Notably, the Department did not encounter any cyber security breaches during this reporting period.

Counter Fraud, Raising Concerns and Complaints Branch Update

TEO is committed to providing the highest standards of customer service, including investigating and addressing any cause of dissatisfaction, as well as investigating any allegations of fraud or other wrongdoing. Any customer who is unhappy with the quality of service received from TEO is able to have their complaint addressed through the Complaints Procedure. Details are available at: [TEO Complaints Procedure](#)

Fourteen complaints were received during the 2024-25 financial year; however, only five related to TEO. Other complaints were referred directly to the relevant authority by TEO and the complainant informed. There was one open complaint at the year end.

Corporate Social Responsibility

The Department maintained a Corporate Social Responsibility (CSR) Framework Document, addressing its CSR responsibilities in the environment, marketplace, community and workplace.

Payment to Suppliers

The Department is committed to the prompt payment of bills for goods and services in accordance with the Late Payment of Commercial Debts (Interest) Act 1998. Unless otherwise stated in the contract, payment is due within 30 days of the receipt of the goods or services, or on presentation of a valid invoice or similar demand, whichever is the latter. In 2024-25, the Department's performance in relation to the payment of invoices within 30 days was an average of 95%; this is unchanged in performance compared to the previous year and is slightly below the NICS average. In 2024-25 an average of 88% of invoices were paid

within 10 days; this is unchanged in performance compared to the previous year and is slightly below the NICS average.

TEO Prompt Payment Performance 2024-25 and 2023-24

Prompt Payments Rates	2024-25		2023-24	
	TEO	NICS	TEO	NICS
Total number of invoice payments	3,587	174,269	2,977	168,563
Number of invoice payments within 30 days	3,395	169,857	2,836	163,174
Percentage paid within 30 days (%)	95%	97%	95%	97%
Number of invoice payments within 10 days	3,717	163,282	2,629	154,101
Percentage paid within 10 days (%)	88%	94%	88%	91%

- Figures for ALBs can be found in their respective Annual Report and Accounts on their websites

TEO did not incur any statutory penalties for late payments under the Late Payment of Commercial Debts (Interest) Act 1998 in 2024-25 or 2023-24.

A link to the AccountNI Prompt Payment tables can be found at: [Account NI NICS Prompt Payment Tables](#)

Environmental and Sustainability Matters

Departmental Premises Officers energy management and energy related responsibilities include implementing, within their building, Departmental strategies and policies in relation to the efficient use of energy and which contributes to the Department's sustainability initiatives. This includes a commitment to raise awareness through the publication of intranet articles and sustainability themed briefings. Sustainable behaviours are promoted through encouraging staff to travel by sustainable methods, for example, the Cycle to Work initiatives, car sharing, car parking spaces with electric charging points and the mandatory use of recycled paper from legal and sustainable sources. The Department is also represented on the NICS Plastic Reduction Action Plan (PRAP) working group, whose aim is to reduce the use of unnecessary single use plastic across the government estate.

Departmental Premises Officers in larger buildings have access to a building energy management interface to provide direct access to temperature variables and overtime settings. This provides a facility for Premises Officers to fine tune temperature settings to reduce energy consumption and reduce Helpdesk calls.

TEO uses four hybrid official cars within the Department. In line with the NI Executive's commitment to the COP26 Joint Declaration, the Department will work towards all new cars being zero emissions by no later than 2035.

The Department has reduced the number of printers and installed multi-functional devices throughout its buildings. Due to the number of staff availing of hybrid working, the cost for printing has reduced by 11% compared to pre-Covid.

In line with NICS Policy the Department supports the use of Fair-Trade products. The Stormont Estate has a dedicated staff allotment site which provides opportunities to promote more sustainable living.

Finally, TEO has continued implementation of the duties placed upon it by the Climate Change Act (Northern Ireland) 2022. This has included supporting the development of the Executive's first Climate Action Plan, along with all Executive Departments. More specifically, TEO has been tasked (through the Climate Change Act (Northern Ireland) 2022) to lay regulations to establish the office of the NI Climate Commissioner. Work on this culminated with the NI Climate Commissioner Regulations (Northern Ireland) 2025 being debated and made by the NI Assembly on 8 April 2025.

Rural Needs

The Rural Needs Act (Northern Ireland) 2016 came into operation for departments and district councils on 1 June 2017 and for remaining specified public authorities from 1 June 2018. The Act provides a statutory duty on public authorities to "have due regard to rural needs" in the development and delivery of strategies and policies. A Rural Needs Impact Assessment is required to be carried out in each case. Details of these assessments are required to be provided to the Department of Agriculture, Environment and Rural Affairs (DAERA) for publication in its Rural Needs Annual Monitoring Report for each financial year. Nine Rural Needs Impact Assessments were completed by policymakers within The Executive Office under Section 3 of the Act between 1 April 2024 and 31 March 2025.

Approved and signed

A handwritten signature in blue ink, appearing to read 'D. Marshall', with a horizontal line underneath.

Accounting Officer
27 June 2025

ACCOUNTABILITY REPORT

THE ACCOUNTABILITY REPORT

CORPORATE GOVERNANCE REPORT

The purpose of the corporate governance report is to explain the composition and organisation of the Department's governance structures and how they support the achievement of the Department's objectives.

DIRECTORS' REPORT

TEO presents its Accounts for the financial year ended 31 March 2025 as directed by the Department of Finance under section 9(1) of Government Resources and Accounts Act (Northern Ireland) 2001. These accounts have been prepared in accordance with the appropriate form and disclosure requirements of the Government Financial Reporting Manual.

Accounting Boundary

The departmental boundary is determined by the way in which in-year budgetary control is exercised by the Department. For the year 2024-25 in addition to the TEO core Department the following are considered to be within the boundary and their financial performance is consolidated in the Department's resource accounts:

- **Attorney General for Northern Ireland**

The commencement of Sections 22-26 of the Justice (Northern Ireland) Act 2002 on 12 April 2010 (when policing and justice powers were devolved) established the position of the Attorney General for Northern Ireland as a statutory office within the devolved administration. The Attorney General is an independent statutory office holder appointed by the First Minister and deputy First Minister for a fixed term in accordance with the terms of the appointment and the provisions of the Justice (Northern Ireland) Act 2002. Ministers appointed Dame Brenda King as Attorney General in June 2020 and this appointment was due to run until June 2025. In April 2025, Ministers have agreed to appoint Dame Brenda King for a further five years until June 2030. Further details are available at www.attorneygeneralni.gov.uk.

- **Commissioner for Public Appointments for Northern Ireland**

The post of Commissioner for Public Appointments for Northern Ireland (CPANI) was established in 1995 on the recommendation of the Committee on Standards in Public Life. The Commissioner is appointed by the First Minister and deputy First Minister and is a statutory office holder operating at arm's length from the Department. The Commissioner's role is to publish a code of practice, and regulate, monitor and report on Ministerial appointments to a range of public bodies as outlined in legislation. Further details are available at www.publicappointmentsni.org

The CPANI Annual Report is normally due no later than June each year however the CPANI position is currently vacant and interim measures put in place include deferring the submission of the Annual Report until the position is filled. A competition to appoint a Commissioner launched in March 2025 and a formal appointment is expected in Summer 2025.

- **North South Ministerial Council Joint Secretariat (North)**

Established under the terms of the Belfast/Good Friday Agreement, the North South Ministerial Council brings together Ministers from the Northern Ireland Executive and the Irish Government to develop consultation, co-operation and action on matters of mutual interest. The North South Ministerial Council is supported by a Joint Secretariat, based in Armagh and staffed by civil servants from TEO and the Irish Civil Service. The North South Ministerial Council Joint Secretariat (North) provides advice and support for Ministers in relation to their participation in the North South Ministerial Council. Following restoration of the NI Executive, the North South Ministerial Council resumed operation by holding a Plenary meeting in Armagh on 8 April 2024. A number of NSMC sectoral meetings took place followed by a further NSMC Plenary and Institutional meeting held in Dublin on 13 September 2024. Further details are available at www.northsouthministerialcouncil.org

- **Historical Institutional Abuse Redress Board**

The Historical Institutional Abuse Redress Board was established by the Historical Institutional Abuse (Northern Ireland) Act on 5 November 2019 and came into operation on 31 March 2020. The Redress Board falls within TEO's Departmental boundary.

- **Victims' Payments Board**

The Victims' Payments Board was established by the Victims' Payments Regulations 2020, which came into force on 24 February 2020 and 29 May 2020. The Victims' Payments Board was established in February 2021. The Victims' Payments Board also falls within TEO's departmental accounting boundary.

Consolidation

TEO's Arms' Length Bodies below are consolidated within the group Accounts to ensure the alignment the boundaries of budgets, estimates and accounts as far as it is practicable, including consolidation of NDPBs and other central government bodies in Estimates and accounts.

The bodies included within the 2024-25 departmental boundary are detailed in note 20 to the accounts. The list of bodies is subject to change each year and the final list of bodies to be included within the departmental boundary will be designated each year in an Estimates and Accounts (Designation of Bodies) Order for consolidation into TEO's annual Estimates and Accounts. However, some further detail is provided below:

- **Northern Ireland Community Relations Council**

The Community Relations Council (CRC) is a non-departmental public body of The Executive Office and a key partner in the delivery of good relations funding schemes under the wider T:BUC Strategy. CRC also facilitates wider stakeholder engagement on behalf of The Executive Office to influence the effective implementation of the strategy through delivery of the T:BUC Engagement Forum which is held three times per year. They deliver a programme of shared learning events for community and voluntary groups and organise the delivery of events for Good Relations Week which takes place annually in September.

The CRC also manages the North Belfast Strategic Good Relations Programme (NBSGRP) which seeks to improve relations between and within communities in North Belfast, and to contribute to the four key aims of the T:BUC strategy. Further information, including its Annual Report and Accounts, can be obtained at www.community-relations.org.uk.

- **Commission for Victims and Survivors for Northern Ireland**

The Commission for Victims and Survivors for NI was established as an executive NDPB in June 2008. The principal aim of the Commission is to promote the interests of victims and survivors. Its duties include promoting an awareness of, and safeguarding matters relating to the interests of victims and survivors, and keeping under review the adequacy and effectiveness of law and practice and services provided for victims and survivors. Further information on the Commission's work can be obtained at www.cvsni.org.

- **Equality Commission for Northern Ireland**

The Equality Commission for NI is an executive NDPB established under the NI Act 1998 with statutory functions which include working towards eliminating unlawful discrimination and to promote equality of opportunity on the grounds of disability, sex, race and religious belief/political opinion. The Commission also has responsibilities under Section 75 of the NI Act 1998 in relation to the public sector equality duties. Further information, including its Corporate Plan and Annual Report and Accounts can be obtained at www.equalityni.org. The Equality Commission in conjunction with the Northern Ireland Human Rights Commission agreed to act as a "Dedicated Mechanism" to ensure no diminution of rights, safeguards and equality of opportunity following the UK's withdrawal from the EU.

- **Maze/Long Kesh Development Corporation**

The Maze/Long Kesh Development Corporation was established as an executive NDPB on 10 September 2012. The overall aim of the Corporation is to secure the regeneration of the Maze/Long Kesh site. The Corporation has its own Board and is funded by TEO. More information is available on <http://mazelongkesh.com/>.

- **Northern Ireland Judicial Appointments Commission**

The NI Judicial Appointments Commission (NIJAC) is a NDPB which was established on 15 June 2005 under the Justice (Northern Ireland) Act 2002, as amended by the

Justice (Northern Ireland) Act 2004. It is currently responsible for selecting and appointing, or recommending for appointment, applicants in respect of all listed judicial offices up to and including High Court Judge. In the year ended 31 March 2025 eight recruitment schemes were fully completed and a further six schemes were also commenced. NIJAC continued its engagement with the Judicial Appointments Commission in England and Wales and the Judicial Appointments Board for Scotland in order to benchmark and share best practice. NIJAC were successful in achieving Diversity Mark accreditation. Further information can be obtained at www.nijac.gov.uk.

- **Strategic Investment Board Limited**

The Strategic Investment Board Limited (SIB) is an executive NDPB and formed as a company limited by guarantee. SIB's vision is that Northern Ireland will build and sustain a public social and physical infrastructure fit for the needs of all its people. In pursuit of this, SIB's priorities are:

- To support the provision of physical and social infrastructure that makes Northern Ireland a great place to live, work and invest by delivering, to time and budget, the programmes and projects that it leads and supports;
- To maximize the money available for front line services by delivering cash savings through improving the efficient use of government assets;
- To improve the quality of public-sector decision-making through original research and the innovative analysis and exploitation of data, so that the best possible outcomes can be delivered with available resources; and
- To create opportunities for more people to have better jobs, including by improving the social return on public procurement by extending the use of 'Buy Social' models.

SIB has its own Board and is funded by TEO. A formal review of SIB was undertaken in 24/25 and the outworkings of that are now being considered.

Further details of the work of the Strategic Investment Board, the projects in which it is involved and other information can be obtained at www.sibni.org.

- **Victims and Survivors Service Limited**

The Victims and Survivors Service is an executive NDPB and formed as a company limited by guarantee. It was established by TEO's predecessor OFMDFM (Office of the First Minister and Deputy First Minister) to administer funding and support to victims and survivors and opened in April 2012. The Service provides funding to both individual victims and survivors through the provision of goods, services and financial assistance, and Victims Groups. Further information on the Victims and Survivors Service can be obtained at www.victimsservice.org.

- **Commissioner for Survivors of Institutional Childhood Abuse**

The Commissioner for Survivors of Institutional Childhood Abuse (COSICA) was appointed from 14 December 2020. The overall aim of COSICA is to promote the interests of any person who suffered abuse while a child and while resident in an

institution at some time between 1922 and 1995 (both inclusive). COSICA is funded by TEO. More information is available at <http://www.cosica-ni.org>

TEO Departmental Board

During the financial year, the Departmental Board was chaired by the Accounting Officer of TEO. The Board supports the delivery of effective Corporate Governance and operates within best practice guidelines outlined in *Corporate Governance in Central Government Departments: Code of Good Practice (Northern Ireland) 2025*. It advises on the operational implications and effectiveness of policy proposals and takes an objective long-term view of the business of the Department, leading its strategic planning process and supporting corporate governance responsibilities for the Department.

The roles and responsibilities of the Departmental Board and its sub committees are detailed in the Governance Statement at Pages 81-84. During 2024-25 the Departmental Board comprised the following members:

- David Malcolm, interim TEO Permanent Secretary and Accounting Officer from 17 June 2024.
- Jo Aston, Independent Board Member.
- Claire Keatinge, Independent Board Member.
- Chris Stewart, Deputy Secretary of Executive Support until 30 June 2024 when he stepped down from the Board.
- Gareth Johnston, Director of Good Relations and Inclusion and interim Accounting Officer until 17 June 2024.
- Karen Pearson, Director of Covid-19 Recovery, Civil Contingencies & Programme for Government.
- Gary Fair as Director of Corporate Services.
- Marcella Phillips*, NICS HR Strategic Business Partner.
- Ronan Murtagh as Director of Finance.
- Tom Reid, Director of EU Exit and International Relations.
- Alexander Gordon, Head of the Office of the Legislative Counsel.
- Claire Archbold, Director of Ending Violence Against Women & Girls.

**Marcella Phillips is not a member of the Board, she attends as an HR adviser*

Management

Jayne Brady was Head of the Civil Service and Dr Denis McMahon was the Accounting Officer until 4 September 2023. From 4 September 2023, Jayne Brady took on the Permanent Secretary Function and Gareth Johnston was appointed interim Accounting Officer.

David Malcolm took up post as Interim Permanent Secretary and Accounting Officer on 17 June 2024.

Departmental Reporting Cycle

This report provides a summary of the Department's performance and key achievements during 2024-25. The Department's original Estimates for the year were set out in *NI Main Estimates 2024-25*. These were updated through the Spring Supplementary Estimates. Estimate documents are available at <https://www.finance-ni.gov.uk/publications/estimates-publications> or from *The Stationery Office (TSO)*.

Pension Liabilities

The treatment of pension costs and liabilities is disclosed in the Remuneration Report and Note 1.8 of the accounts.

Register of Interests

DOF FD 04/21 guidance, contains a new requirement that the disclosure of interests for Special Advisers should be included in the Annual Report & Accounts, alongside the disclosure of Board members interests. Ministers' and Special Advisers' interests information is collated by DoF and can be found at: [DoF Weblink to Ministers' and Special Advisers' Register of Interests page](#).

No members of the Departmental Board held any positions outside the Department which may have conflicted with their management responsibilities. The Department's register of interest is available at: [TEO Register of Interests page](#).

A policy for the declaration and management of interests for all staff is under development. NICS-wide guidance is currently awaited from DoF.

Data Related Incidents

The Departmental Data Protection Officer continued to review and report to the Departmental Board on data resilience, vulnerabilities and risks during the year.

During the year one data breach was reported to the Information Commissioner and for which no further action was required.

Auditors

The Department's Accounts are audited by the Comptroller and Auditor General for Northern Ireland in accordance with the Government Resources and Accounts Act (Northern Ireland) 2001. The audit of the financial statements for 2024-25 resulted in a notional audit fee of £109,000 (2023-24 - £105,000) and is classified as notional costs in the statement of comprehensive net expenditure.

STATEMENT OF ACCOUNTING OFFICER'S RESPONSIBILITIES

Under the [Government Resources and Accounts Act \(Northern Ireland\) 2001 \(GRAANI\)](#) the Department of Finance (DoF) has directed TEO to prepare for each financial year, consolidated resource accounts detailing the resources acquired, held or disposed of during the year and the use of resources by the Department during the year inclusive of its sponsored non-departmental and other arm's length public bodies designated by order made under the GRAANI by Statutory Rule 2024 No. 114, as amended by Statutory Rule 2024 No. 217, (together known as the 'departmental group', consisting of the department and sponsored bodies listed at note 20 to the accounts).

The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the Department and the departmental group and of income and expenditure, Statement of Financial Position and cash flows for the financial year.

The Executive Office

In preparing the accounts, the Accounting Officer of the Department is required to comply with the requirements of the *Government Financial Reporting Manual* and in particular to:

- Observe the Accounts Direction issued by DoF including the relevant accounting and disclosure requirement, and apply suitable accounting policies on a consistent basis;
- Ensure that the Department has in place appropriate and reliable systems and procedures to carry out the consolidation process;
- Make judgements and estimates on a reasonable basis, including those judgements involved in consolidating the accounting information provided by non-departmental and other arm's length public bodies;
- State whether applicable accounting standards as set out in the *Government Financial Reporting Manual* have been followed, and disclose and explain any material departures in the accounts;
- Prepare the accounts on a going concern basis; and,
- Confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable and that he takes personal responsibility for the annual report and accounts and the judgements required for determining that it is fair, balanced and understandable.

The Department of Finance has appointed the Permanent Head of the Department as Accounting Officer of the Executive Office.

Gareth Johnston took on the role as Interim Accounting Officer from 4 September 2023. David Malcolm took up post as Interim Permanent Secretary and Accounting Officer on 17 June 2024.

The Accounting Officer of the Department has also appointed the most Senior Officials of its sponsored non-departmental and other arm's length public bodies as Senior Accountable Officials/Accounting Officers of those bodies.

The Accounting Officer of the Department is responsible for ensuring that appropriate systems and controls are in place to ensure that any grants that the Department makes to its sponsored bodies are applied for the purposes intended and that such expenditure and the other income and expenditure of the sponsored bodies are properly accounted for, for the purposes of consolidation within the resource accounts. Under their terms of appointment, the Accounting Officers of the sponsored bodies are accountable for the use, including the regularity and propriety, of the grants received and the other income and expenditure of the sponsored bodies.

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the assets of the Department or non-departmental or other arm's length public bodies for which the Accounting Officer is responsible, are set out in Managing Public Money NI published by DoF.

As the Accounting Officer, I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that TEO's auditors are aware of that information. So far as I am aware, there is no relevant audit information of which the auditors are unaware.

GOVERNANCE STATEMENT

Introduction

This statement is given in respect of the Departmental Accounts for 2024-25. It reflects the Department's governance, risk management and internal control arrangements for directing and controlling its functions; and, how assurance is provided to support me in my role as Accounting Officer for The Executive Office (TEO).

During 2024-25, the Department was responsible for twelve Arm's Length Bodies (ALBs). These, along with the Core Department, are consolidated into the Group Accounts. No new bodies were established during this year.

The twelve ALBs include independent bodies and executive Non-Departmental Public Bodies which sit within the Department's accounting boundary. Oversight of the ALBs is delivered by partnership divisions responsible for advising on, and monitoring of adherence to, all aspects of accountability and good governance.

The following statement incorporates key issues from within the Department's ALBs.

Budget Position and Authority

The Budget Act (Northern Ireland) 2025, which received Royal Assent on 6 March 2025, together with the Northern Ireland Spring Supplementary Estimates 2024-25 which were agreed by the Assembly on 17 February 2025, provide the statutory authority for the Executive's final 2024-25 expenditure plans. The Budget Act (Northern Ireland) 2025 also provides a Vote on Account to authorise expenditure by departments and other bodies into the early months of the 2025-26 financial year.

Compliance with Corporate Governance Code

NI Government Departments are expected to apply the principles of the Department of Finance (DoF) *Orange Book Management of Risk – Principles and Concepts (2020)* ('the Orange Book') and the DoF *Corporate Governance in Central Government Departments: Code of good practice (2025)* ('the Code') unless good governance can be achieved by other means.

The Department's compliance with the principles of good practice in the Orange Book and the Code, was confirmed as satisfactory by the most recent Internal Audit evaluation in February 2024. The Department continues to further strengthen its governance arrangements through the ongoing development of support and guidance for staff, including policies and procedures for the approval of departmental expenditure; an ALB Forum to promote partnership and collaboration with and between ALBs; learning and development seminars; and the continued development of communication and engagement channels between policy and support functions.

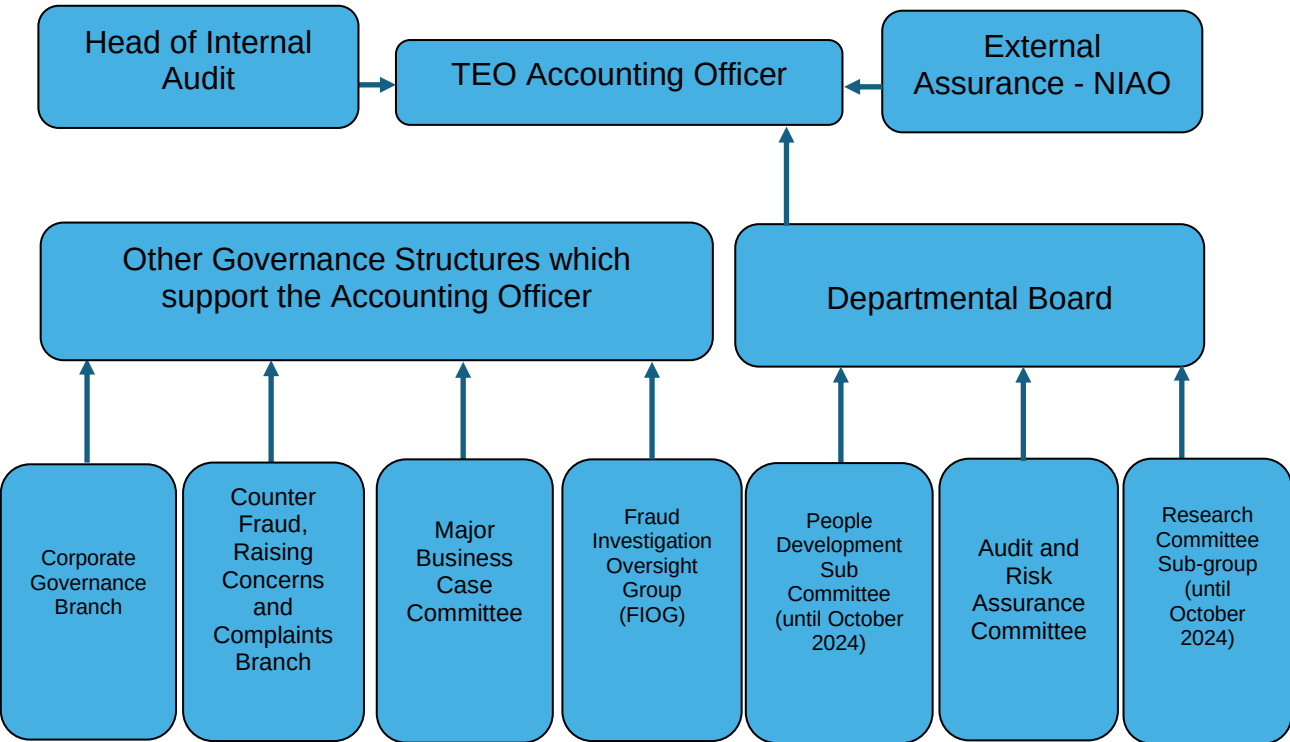
Corporate Governance Framework

Corporate Governance refers to the way in which organisations are directed, controlled and led. TEO’s governance framework, which sets out the structures, roles, responsibilities and procedures for the effective and efficient conduct of its business, is summarised in the following paragraphs. In compliance with the Code, TEO has established key organisational structures which support the delivery of departmental business, including: the Ministers; the Accounting Officer; the Departmental Board; the Audit and Risk Assurance Committee (ARAC), the Departmental People Development Sub-Committee and the Research Committee Sub-group and the Major Business Case Committee (MBCC).

The Department’s Corporate Governance Framework is regularly reviewed and updated to reflect best practice and the latest departmental structures and responsibilities.

The key structures which support the delivery of Corporate Governance in the Department are illustrated in the diagram below.

TEO Corporate Governance Structures



These key organisational structures within the Department’s Corporate Governance Framework, including the governance and accountability procedures in relation to its ALBs, and the assurance that they provide are discussed below.

Corporate Governance Responsibilities and Performance

Ministers

The First Minister and the deputy First Minister (acting jointly) lead the Department and are responsible and accountable to the Northern Ireland Assembly for the policies, programmes and actions of TEO, including its ALBs. They may designate their Junior Ministers to assist them in carrying out their duties.

The current First Minister and deputy First Minister were appointed on 3 February 2024, following the restoration of the Assembly and Executive.

Accounting Officer

The Permanent Secretary ordinarily has responsibility to the First Minister and deputy First Minister for the day-to-day operation of the departmental functions, and as Accounting Officer for the managing and controlling of the resources used by the Group. This responsibility also includes chairing the Departmental Board. Gareth Johnston was appointed Interim Accounting Officer on 4 September 2023, with Jayne Brady, Head of Civil Service, taking on the Permanent Secretary function. David Malcolm was appointed Interim Permanent Secretary (and Interim Accounting Officer) on 17 June 2024.

As Accounting Officer, they are responsible for maintaining a sound system of internal governance that supports the achievement of the Department's policies, aims and objectives. They also have responsibility for the propriety and regularity of the public finances voted to the Department and for safeguarding those public funds and departmental assets, in accordance with the responsibilities assigned to them in DoF's guidance *Managing Public Money Northern Ireland (MPMNI)*. In their role as Accounting Officer, they are supported by the Departmental Board ('the Board'). Their responsibilities to the Board include highlighting specific business issues or risks and, where appropriate, their implications and/or the mitigating measures that could be employed to manage these risks.

In addition, they are required to combine their Accounting Officer role with their responsibilities to the Ministers, which ordinarily include providing advice on the allocation of Departmental resources and the setting of appropriate financial and non-financial performance targets for ALBs.

Departmental Board

The Departmental Board leads the Department's strategic planning and supports the delivery of effective Corporate Governance. It operates within best practice guidelines outlined in DoF's *Corporate Governance in Central Government Departments: Code of Good Practice (NI) 2025 ('the Code')*. It does not decide policy nor exercise the powers of a Minister, as policy is decided by Ministers on advice from officials. The Board advises on the operational implications and effectiveness of policy proposals and takes an objective long-term view of the business of the Department, leading its strategic planning process and

assisting the Permanent Secretary/Accounting Officer in meeting their corporate governance responsibilities. It also provides support and advice to those members who have corporate responsibility for Executive matters such as the Programme for Government (PfG) and the Legislative programme.

The Board is supported by a secretariat located within the Office of the Permanent Secretary. The secretariat is responsible for organising the agenda and papers for Board meetings and ensuring that the Board members are provided with timely information to support full discussions at each meeting. In order to achieve the Board's objectives, a forward plan is maintained to schedule matters for its consideration. These requirements are set out in the Board Operating Framework.

The Board Operating Framework is in compliance with the Code and makes clear the Board's responsibility to establish and oversee the Department's Corporate Governance arrangements.

The Board advises on the five key areas set out in the Code:

- *Strategic Clarity* – the Board is responsible for ensuring that all TEO activities, either directly or indirectly, contribute towards the overall purpose of the Northern Ireland Executive of *Improving wellbeing for all - by tackling disadvantage and driving economic growth*. It is also responsible for ensuring that strategic decisions are based on a collective understanding of wellbeing and outcome-based policy issues; and that, through the appointment of its Non-Executive Board Members, the Department is challenged on its outcomes;
- *Commercial Sense* – the Board is responsible for ensuring sound financial management; and scrutinising the allocation of financial and human resources to support the delivery of The Executive Office's outcome-based PfG commitments and strategic objectives; setting the risk appetite and ensuring that controls are in place to manage risk; evaluation of the Board and its members; and succession planning;
- *Talented People* – the Board is responsible for ensuring that TEO has the capability to plan to meet, and to deliver, current and future needs;
- *Results Focus* – the Board agrees the operational business plan, including strategic aims and objectives. It monitors and steers performance against plans and scrutinises performance of sponsored bodies. It sets the standards and values for the Department; and
- *Management Information* – the Board is responsible for ensuring clear, consistent, comparable performance information is used to drive improvement.

Individual Board Roles and Responsibilities

The Chair

The Chair of the Departmental Board is now the TEO Departmental Interim Accounting Officer. The role of the Chair is to:

- facilitate Board meetings;
- ensure the Board fulfils its responsibilities;
- ensure that the business of Board meetings is conducted efficiently and effectively, that there is open debate and that all views are heard;
- sum up Board debates and seek agreed decisions;
- control the order of Board meetings;
- ensure that systems are in place to provide Board members with accurate and timely information of good quality to allow the Board to consider properly all matters in advance of the meeting;
- ensure that an evaluation of the Board's effectiveness is performed annually with independent input at least every three years, and that results are acted upon;
- disclose all Ministerial Directions to the Board at its next meeting;
- ensure adherence to the principles of good governance as set out in the Corporate governance in central government departments: Code of Good Practice NI 2025;
- notify the Board of any matters that threaten the regularity, propriety or value for money with which the Department carries out its business; and
- notify the Board of any significant issues which may impact on the Department's leadership, medium-term capability and significant risks to delivery of policy, along with mitigating actions taken.

The Chair encourages all Board members to make full use of their skills and expertise in order to robustly challenge, and thereby improve, the standard of discussion in Board meetings.

Executive Board Members

Each Executive Board Member:

- participates in the corporate decision-making process as a member of the Board;
- is the main policy adviser to Ministers for their area of responsibility, subject to the overall direction of the Accounting Officer;
- contributes to corporate governance arrangements within the Department;
- advises the Board of any matter that threatens the regularity, propriety or value-for-money with which The Executive Office carries out its business; and
- notifies the Board of any significant risks or issues which may impact on the Department's leadership, medium-term capability and significant risks to delivery of policy, along with mitigating actions taken.

The Board will act in an advisory capacity, offering advice to the Accounting Officer, while also exercising a challenge function. It is expected that this will be applied constructively.

Non-Executive Board Members

The Board includes two Non-Executive Board Members (NEBMs), appointed on merit in line with the Commissioner for Public Appointments' guidance. The appointment for a three-year fixed term is reviewed annually. The role of the NEBMs is to:

- support the good corporate governance of the Department and contribute to decision making on corporate governance issues;
- assist and advise on the development of Departmental business and strategic plans;
- use their experience to challenge and support the Board, acting corporately and not simply reflecting their own functions;
- monitor and challenge the Department's performance in relation to its objectives and commitments;
- ensure that the Board obtains and considers all appropriate information relating to the performance and progress of the Department, including the use of human and financial resources;
- challenge the Board on the operational and delivery implications of policy proposals;
- maintain a critical overview of the Department's financial controls and procedures for assessing and managing risk;
- advise the Board of any matters that threaten the regularity, propriety or value-for-money with which the Department carries out its business;
- advise the Board of any significant risks or issues which may impact on service delivery or on the Department's reputation;
- add rigour to Board processes; and
- provide a safe sounding board for new approaches.

One Non-Executive Board Member chairs the Departmental Audit and Risk Assurance Committee (ARAC) whilst the other chairs the Departmental People Development Sub-Committee (until it was stood down in October 2024).

Membership and attendance at the Departmental Board

Eight Departmental Board meetings were held in 2024-25. The members and their records of attendance are set out below. Following the outcome of the independent Board effectiveness review and a subsequent Board Workshop on 30 October 2024, a decision was taken to hold Board meetings every two months, instead of monthly.

Board Member	Grade	Role	Meetings attended
David Malcolm	G2A	Interim TEO Permanent Secretary and Accounting Officer (from 17 June 2024)	4/6
Alexander Gordon	G2A	Head of the Office of the Legislative Counsel	8/8
Claire Archbold	G3	Director of Ending Violence Against Women & Girls	5/8
Gareth Johnston	G3	Director of Good Relations and Inclusion (and Interim Accounting Officer until 16 June 2024))	8/8
Karen Pearson	G3	Director of COVID Recovery, Civil Contingencies, Programme for Government and NICS of the Future	7/8
Tom Reid	G3	Director of Inter-Governmental and International Relations	6/8
Chris Stewart	G3	Director of Executive Support (stepped down as a Board member from 30 June 2024)	0/3
Gary Fair	G5	Director of Corporate Services	8/8
Ronan Murtagh	G5	Director of Finance	7/8
Marcella Phillips *	G7	NICS HR Strategic Business Partner	7/8
Jo Aston	n/a	Non-Executive Board Member	8/8
Claire Keatinge	n/a	Non-Executive Board Member	8/8

* Marcella Phillips is not a member; she attends the Board as an adviser.

Board Decisions and Reporting

The Board offers rigorous challenge and collectively scrutinises the performance of TEO and its funded organisations. The Board has a strategic role in an advisory and consultative capacity (but makes key decisions on various matters falling within its remit) in the following areas:

- on the Departmental and ALB business plans for submission to Ministers;

-
- on cross-cutting matters for which senior Executive Office staff have lead responsibility e.g. Programme for Government, the Executive's Legislative Programme, Executive business, International Relations and external communications;
 - on financial, physical and HR resources required to implement the business plan and long-term capability of the Department;
 - on budget and resource allocation across Executive Office business areas;
 - on appropriate operational strategies to best implement policies set by Ministers and ensure coherence of policy across Executive Office business areas;
 - on key business risks that might affect the delivery of the Executive's and Department's priorities;
 - to inform Ministers of any changes likely to impact on strategic direction, performance and delivery of Departmental priorities;
 - on corporate leadership of the Department;
 - on issues of strategic importance to the management of The Executive Office and its business areas; and
 - to ensure that Section 75 and Human Rights issues have been fully considered.

Day-to-day operational matters are the responsibility of Directors and Deputy Directors of Divisions in The Executive Office. The Board considers information on each of the matters below at the frequencies indicated or as required:

- progress against business plan milestones and targets (quarterly);
- progress on cross-cutting Executive matters for which senior Executive Office staff have responsibility (every two months);
- financial performance (every two months);
- review and monitoring of the Departmental risk register (quarterly);
- scrutiny of performance of the Department's funded organisations in the delivery of the outcomes of the draft PfG (quarterly);
- workforce planning and absence management (every two months); and
- resilience and security matters such as civil contingencies, business continuity planning and information assurance (twice a year).

The Board also reviews, prior to publication, the Departmental Annual Report and Accounts incorporating the Governance Statement.

Quality of the Data used by the Board

A Board agenda has been developed that includes throughout the year updates on: the TEO business plan; the TEO Risk Register; the TEO Finance Report; Reports from the Audit and Risk Assurance Committee (ARAC); Assurance Reports on TEO's ALBs; health and safety matters; human resourcing issues; the TEO Business Improvement plan; the TEO Contracts Register; the TEO Business Continuity Plan; the TEO Learning and Development Plan; and updates on the Legislative Programme.

A standard reporting template provides a high-level strategic update on headline issues at each Departmental Board meeting. All reports/papers conform to a standard layout to ensure

the appropriate focus on key issues. Financial and performance data is extracted from the accounting and operational systems and is therefore subject to regular, planned internal quality assurance checks, independent audits and external assurance.

The Board considers the information provided to be sufficient to allow it to discharge its strategic planning and corporate governance responsibilities.

Review of Board Effectiveness

In line with best practice, the operational procedures of the Departmental Board are kept under continuous review. An independent review of the Departmental Board took place in August 2024 which confirmed that the performance of the Board was effective. The review highlighted clear evidence of a robust and transparent approach to governance executed by an evolving, but well-developed framework, and delivered by a range of individuals at Board and Committee levels who were all committed to the Department and its vision. A number of recommendations from the review, in relation to the form, focus and information requirements of the Board, are being taken forward by the Board Secretariat. The Board Operating Framework was last reviewed and updated in March 2025.

Conflicts of Interest

The Code requires that actual and potential Board Member conflicts of interest identified; and, how they have been managed, are published within the annual Governance Statement. The Board Operating Framework includes guidance on conflicts of interest. Conflicts of interest are identified through the requirement to declare actual and potential conflicts on induction to the Department; and, as and when they arise, thereafter. Board and ARAC members are required to declare any conflicts of interest, with the business to be discussed, at the start of each meeting. After declaration, consideration is given to the action needed to manage them appropriately.

No actual or potential Board Member conflicts of interest were identified in 2024-25.

Departmental Audit and Risk Assurance Committee (ARAC)

During 2024-25, the Board was supported and advised in its role by the Audit and Risk Assurance Committee (ARAC). The ARAC does not have executive powers, and its membership is independent of the Department. Its purpose is to support the Board and the Accounting Officer by monitoring the departmental risk, control and governance systems (including financial reporting). Additionally, the Committee will give advice to the Accounting Officer on the adequacy of the coverage of audit arrangements (internal and external) to provide the required assurances.

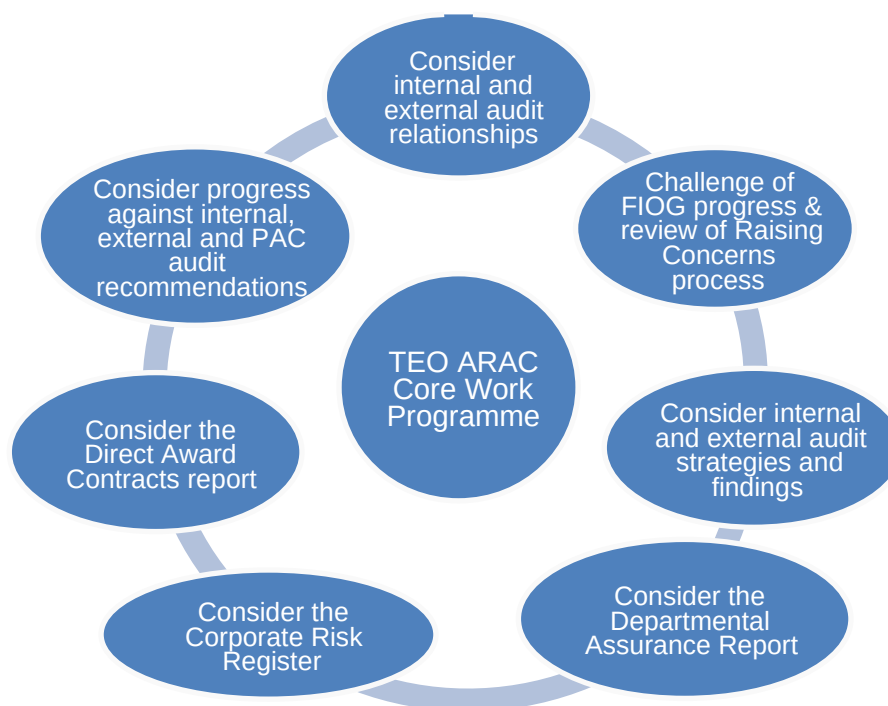
The Terms of Reference of the Committee are reviewed on an annual basis in accordance with best practice contained in the DoF Audit and Risk Assurance Committee Handbook (NI) and, in consultation with the Committee and Departmental Board members.

The Committee is chaired by one of the Department's Non-Executive Board Members (NEBMs) and includes the other NEBM and an Independent Member from another NICS Department. The Committee met 4 times during 2024-25.

A summary of the ARAC members' attendance is detailed below:

ARAC Member	Role	Meetings Attended 4
Jo Aston	Chair and Non-Executive Board Member	4/4
Claire Keatinge	Non-Executive Board Member and Chair of the Departmental People Development Sub-Committee (this Committee was stood down 14 November 2024)	4/4
Stewart Barnes	Independent ARAC Member appointed from Department of Finance (until 31 October 2024)	2/2
Heather Cousins	Independent ARAC Member appointed from Department of Education (from 1 November 2024)	2/2

A minimum of two members of the Committee is required to form a quorum and all meetings in 2024-25 were deemed quorate. ARAC meetings are normally attended by the Accounting Officer, the Director of Finance, the Head of TEO Corporate Governance Branch, the Head of Internal Audit and a representative from the Northern Ireland Audit Office. The ARAC may ask any other departmental official to attend to assist with its deliberations on any particular matter. In line with best practice set out in the DoF Handbook, the Chair set an agreed core work programme for each of the Committee's meetings. The components of the core work programme are illustrated below.

TEO ARAC Core Work Programme


In addition to its core work programme, the ARAC also scrutinises the Department's Annual Accounts, advising on the content of the Governance Statement. The Accounting Officer also reports annually to the Committee on the operation of the Department's Raising Concerns arrangements.

In 2024-25, the ARAC considered and commented on individual issues of internal governance and their implications for wider governance arrangements. These included reports on: the TEO Freedom of Information process; TEO's budget position; the status of TEO's Business Case approvals; the National Fraud Initiative Annual Report; reports on the test drilling of business cases and post project evaluations; reports on TEO's sponsor control arrangements; an annual review of the effectiveness of TEO's Raising Concerns Policy; and an update on Cyber Security and Risk Management. ARAC also received detailed briefing on the Troubles Permanent Disablement Pension Scheme.

The Chair of the Committee presented regular reports throughout the year to the Departmental Board on the ARAC's work and the main governance issues considered by it. The Chair also provides an annual report to the Board, based on the ARAC's annual work plan and performance.

In its annual report, the Committee recognised that this was another challenging year for TEO. However, the ARAC were significantly reassured by the close monitoring, control and reporting of expenditure by TEO's Finance Division. The Committee also noted the significant progress made during the year by the Department in respect of Business Case approvals.

The Committee were pleased to note the progress being made to bring forward the necessary legislative changes that will enable NI Departments to make Financial Transaction

Capital (FTCs) loans directly. The ARAC continues to press for and monitor progress for the passing of legislation necessary for the removal of the technical qualification of its accounts.

Throughout this period of considerable challenge, the Committee acknowledged the rigor with which the Department approached financial management; supported and challenged its ALBs; and, investigated suspected fraud. It commended the quality of reporting on governance matters. These factors helped to inform the ARAC's opinion that:

- the departmental systems of internal control are satisfactory;
- the ARAC operated in accordance with DoF's Audit and Risk Assurance Committee Handbook (NI) guidance; and
- there are no major issues that the Committee considers should be brought to the attention of the Accounting Officer which have not been satisfactorily resolved.

The ARAC considers its own effectiveness annually, using guidelines issued by the Northern Ireland Audit Office. Findings of the self-assessment are presented to ARAC for action as appropriate. A self-assessment review was carried out in 2024-25 and the overall assessment of the Committee members is that it operates in accordance with the good practice principles set out by the Northern Ireland Audit Office.

Major Business Case Committee (MBCC)

The MBCC has the overall objective of improving financial governance and management within TEO through the challenge of significant expenditure proposals.

Expenditure proposals are presented to a quorum of three Departmental SCS staff, comprising an Independent Departmental Grade 3 (G3) Chair, the Director of Finance and one other Independent Departmental G3. G3 MBCC members cannot have G3 Directorate responsibility for the project being proposed.

The MBCC Terms of Reference were reviewed in 2024-25 and were updated to ensure complete independence and impartiality in the MBCC review process and to reflect best practice regarding significant expenditure decisions. A summary of the main changes are as follows:

- The Accounting Officer no longer has a role within the Committee itself. The Accounting Officer will however retain the final approval of all cases considered by MBCC, after being informed of the recommendations of the G3 Chair;
- Any Departmental Grade 3 can now sit on the Committee (subject to the normal independence criteria), they are not required to be Board members;
- Amendment to the threshold for office accommodation leases - previously all leases required MBCC approval, MBCC approval is now required if the total cost exceeds £2m;
- Emphasis of the important role MBCC plays and that its consideration should not be seen as a tick box exercise; and to emphasise that decisions by the MBCC and Accounting Officer should not be pre-empted by business areas; and at no time, is a commitment given or implied in any correspondence, prior to the relevant MBCC and Accounting Officer approvals being secured;

-
- New guidelines relating to Conflicts of Interest, and retrospective approvals for spend; and
 - Clarifications provided regarding, the business areas' responsibilities for presenting the proposals, the maximum number of proposals that can be considered at each MBCC meeting, and the level of detail included in business cases for review.

In addition to the members, attendance by corporate governance and economist representatives brings a professional perspective to the scrutiny process. This provides an independent perspective as well as facilitating the sharing of knowledge, experiences and lessons gained from across the Department, which is of particular relevance in TEO, given its wide remit. In 2024-25, the Committee considered fifteen expenditure proposals, including for example, business cases in relation to the Ending Violence Against Women and Girls Programme, the Truth Recovery Programme, Communities in Transition Phase 3, the transfer of refugee functions from DfC to TEO, the Covid-19 Inquiry, an office accommodation lease for the North/South Ministerial Council, Ebrington and Urban Villages projects, and a PEACEPLUS application.

Departmental People Development Sub-Committee

The Departmental People Development Sub-Committee provided assurance to the Accounting Officer and the Departmental Management Board (the Board) by overseeing strategic resource planning of departmental staff from a financial, HR, capability, staff engagement, accommodation and IT enabled perspective.

The role of the Sub-Committee was to ensure the Department had the right people at the required levels, with the right skills and talent within the timeframes it needs to deliver on its overarching business objective of ensuring the wellbeing of citizens.

The Sub-Committee was stepped down following the Board Effectiveness Review and people issues will now be considered by an Internal resourcing group, which is not a sub-committee of the Board.

Internal Control and Risk Management

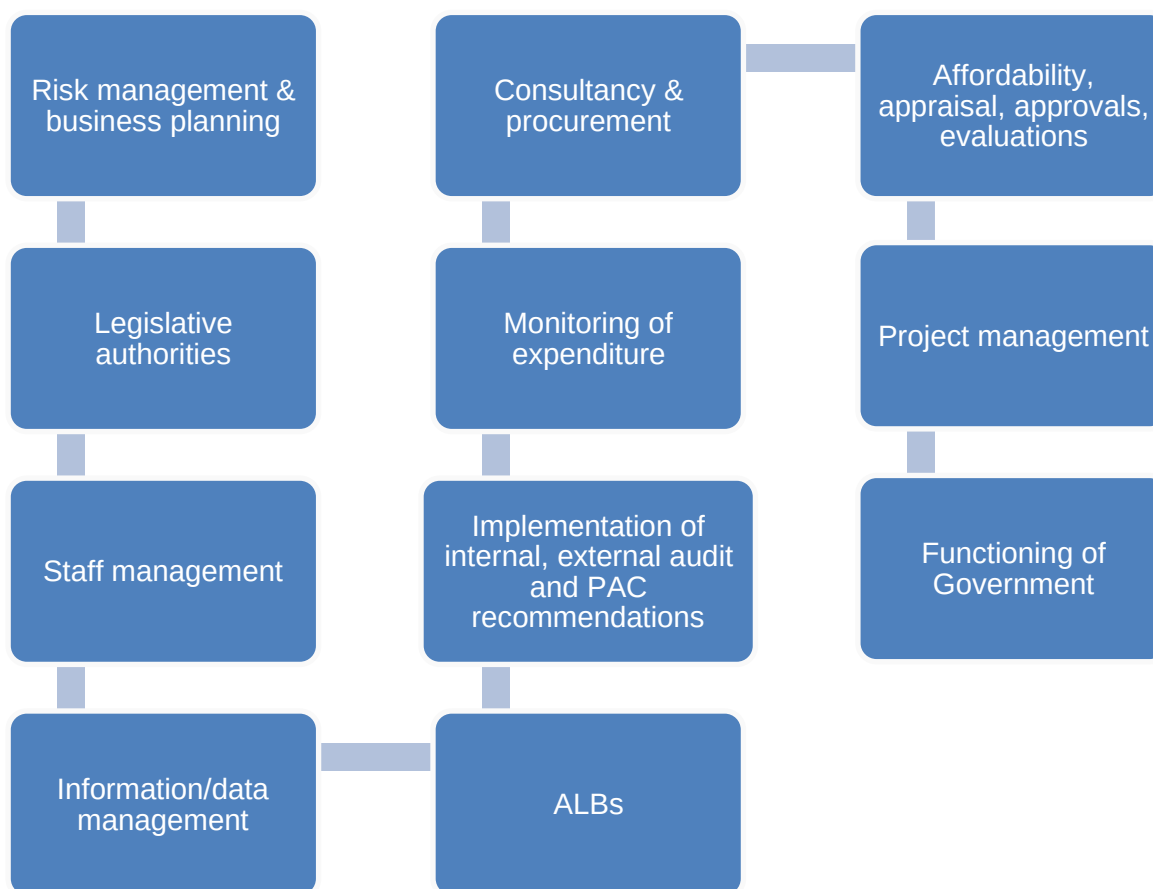
The system of internal control is designed to manage risk to a reasonable level, rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness.

The system of internal control is based on an ongoing process designed to:

- identify and prioritise the risks to the achievement of departmental policies, aims and objectives;
- evaluate the likelihood of those risks being realised and the impact should they be realised; and
- manage those risks efficiently, effectively and economically.

All relevant internal control considerations and risks are taken into account in the development of departmental policies, aims and objectives and, where necessary, are brought to the attention of the Ministers. The system of internal control has been in place in the Department for the year ended 31 March 2025 and up to the approval date of the Annual Report and Accounts and accords with DoF guidance.

A key element of the system of internal control is the Assurance Statement process. These statements provide assurance to the Accounting Officer that robust systems of internal control are in place and adhered to, for the period of the statement. By signing the assurance statement, officials are confirming their responsibility for maintaining a robust system of internal control whilst safeguarding public funds and assets under their control. They are also confirming that a thorough risk assessment has been completed against each of the risk factors set out in the Assurance Statement Checklist which is set out below.

TEO Assurance Statement – Key Internal Controls


Each Director and the Accounting Officer or Senior Accountable Officer in the Department's ALBs is required to provide a quarterly assurance statement. These statements are used as a basis for the authorisation of the annual Governance Statement by the Departmental Accounting Officer.

Other Governance Structures

There are a number of other policies and processes which also contribute to the Department's corporate governance:

- the development and monitoring of TEO's Business Plan, which identifies key departmental priorities and provides a basis for the allocation of resources;
- setting budgets and priorities and the in-year monitoring process;
- guidance on the policy and procedures for the approval of departmental expenditure and delegated limits is kept under review and disseminated throughout the Department;
- Corporate Governance Branch continues to provide advice and support to officials across TEO;
- test drilling exercises undertaken by departmental economists, of around 10% of all business cases/post project evaluations, highlighting lessons to be learned and the

embedding of good practice across this discipline. DoF also undertake periodic test drilling exercises;

- governance is reinforced through the ALB Partnership Forum which meets on a six-monthly basis (or more frequently if considered necessary) and includes the departmental lead official for the ALB and the ALB Accounting Officer/Senior Accountable Officer. These meetings promote partnership and collaboration combining skills and experiences that will improve the wellbeing of society as well as sharing relevant best practice and guidance;
- the Performance Management System;
- HR policies designed to ensure the Department complies with employment law and has the appropriate numbers of staff with suitable skills to meet its objectives;
- the Departmental Fraud Prevention Policy and Response Plan, which details responsibilities for the prevention of fraud and the procedures to be followed in the event of a fraud being detected or suspected. This document relates to fraud and loss both within the Department and its ALBs;
- the Fraud Investigation Oversight Group oversees the investigation of fraud related raising concerns allegations, allegations of financial irregularity, relevant PSNI action and options for action if funds have been obtained fraudulently;
- TEO did not find any cases of actual, suspected or attempted fraud in its most recent NFI investigations (2022-23 exercise), and takes positive assurance from this on the effectiveness of its internal control environment; and,
- the Departmental Raising Concerns policy and procedures for staff involved in managing Raising Concerns allegations. TEO is mindful of the new NICS Framework launched in respect of Raising Concerns and has taken steps to ensure that its policies and procedures are in line with the Framework.

Risk Management

Managing risk is particularly important in TEO, since the Department undertakes a wide range of services and activities either directly, or via its ALBs; many of which are within sensitive and challenging operational areas. The Department has established a robust risk management process to ensure the adequate and effective management of risks, to support the achievement of business objectives.

The TEO Risk Policy and Framework for Risk Management sets out the Department's approach to risk management, includes information on the roles and responsibilities in relation to risk management across the Department, and provides a framework to assist with the identification, assessment, management, reporting and monitoring of risk. It includes a standard Risk Register template which is used to capture risks at Corporate and Divisional levels (and Branch level as required). It also serves as a useful guide to be applied to risk management of Programmes and Projects led by the Department.

The policy has been developed in line with the principles and approach set out in HMT's Orange Book: Management of risk – Principles and Concepts and other best practice guidance. It has been endorsed by the Departmental Board and applies to all Business Areas within TEO and its Arm's Length Bodies (ALBs). The policy is designed to ensure that all staff are aware of their roles and responsibilities and can effectively discharge their duties in relation to risk management. It also ensures a consistent approach is adopted across the

organisations and supports effective and timely identification and management of risks at all levels.

The policy includes the Board's statement of its risk appetite in line with the Risk Categories and Appetites taken from [HMTs Orange Book](#):

AVERSE	CAUTIOUS	OPEN	EAGER
Property Risks	Legal Risks	Governance Risks	Strategy Risks
	Security Risks	Operational Risks	Technology Risks
		Financial Risks	Project/ Programme Risks (Small/Medium)
		Commercial Risks	
		People Risks	
		Information Risks	
		Project/ Programme Risks (Large/Complex)	
		Reputational Risks	

The Corporate Risk Register (CRR) is informed by an assessment of risk at each level of the Department, including at Corporate, Directorate, Divisional, Branch and Programme/Project levels. Each Corporate Risk is assigned a risk owner of at least Grade 5 level and an established process is in place to ensure timely identification of any risks that might need to be escalated/de-escalated to or from the Corporate Risk Register, and to support reporting on it.

The CRR is endorsed by the Accounting Officer and Departmental Board and is subject to regular revision in line with the business planning process. Assurance on the mitigation of identified risks is provided to the Accounting Officer, through the quarterly assurance statement process. Scrutiny of the CRR forms part of the Board and ARAC core work programme. The CRR is updated and reviewed by the Departmental Board and the ARAC on a quarterly basis.

The CRR aims to present the corporate-level risks which have the potential to impact on the achievement of strategic business objectives, while delegating to Divisions any risks that can satisfactorily be managed at business area level. Each risk is assessed in terms of inherent and residual risk rating and mitigations are divided into established controls and further planned actions.

The 2024-25 CRR is focused on seven key strategic and corporate risks as follows:

- **Capacity and Capability:** Insufficient staffing
- **People Management:** Demotivated and disengaged workforce

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- **Financial Management:** Ineffective use of/Insufficient Budget
 - **Expenditure Approvals:** Inefficient use of Public Funds
 - **IT and Information Management:** An incident or cyber-attack resulting in loss of IT Services and/or information held by the Department
 - **Oversight of ALBs:** Ineffective oversight of ALB performance
 - **Delivery:** Failure to deliver the Department's Aims and Objectives

Internal Audit reviewed the Department's Risk Management process in 2023-24 and concluded that its risk management arrangements operated at a satisfactory level.

The Senior Information Risk Owner (Gary Fair) continues to provide the overall lead in the important work of Information Risk Assurance, reviewing and developing TEO's information assurance and management policies and procedures. The Data Protection Officer has worked closely with Information Asset Owners and Senior Responsible Owners (Data Protection & FOI) to raise awareness of information issues and to provide training to staff on all aspects of UK information law. Several data protection compliance audits were conducted, providing assurance to asset owners that the personal data within their area is being handled and safeguarded appropriately. In addition, the Departmental Security Officer continues to review and report to the Departmental Board bi-annually on resilience, vulnerabilities and risks.

Along with other Northern Ireland Departments, the Department carried out a Security Health Check during the year. This check is in keeping with the principles outlined in the UK Government's Security Policy Framework. The Framework describes how organisations and third parties handling official information and other assets will apply protective security to ensure government can function effectively, efficiently and securely.

The Department receives its core business critical IT Services from IT Assist, Department of Finance. IT Assist recently achieved GovAssure cyber security assurance, having surpassed many of the baseline security standards recommended by the Cabinet Office. To improve the security posture of Line of Business systems, the Department requested that an IT Governance audit was undertaken by the Northern Ireland Civil Service (NICS) Internal Audit Service. The Department received a Satisfactory rating and is currently enacting a number of audit recommendations to further enhance cyber security, including the development of a Cyber Risk Register.

During the year, the departmental records team arranged for the splitting of the Department's Content Manager database which holds the official record, taking the opportunity to streamline the file plan and align it more closely with the Department's Retention and Disposal Schedule.

Work continues with the Public Record Office of Northern Ireland (PRONI) to facilitate the timely disposal of official records or their transfer to PRONI for permanent preservation. Considerable progress was made during the year, and negotiations are

ongoing with PRONI to agree how to best address the backlog of physical records currently held by TEO.

Following a review, the TEO Information Asset Register (IAR) has been updated and will transfer to a newly developed electronic version in 2025. This new version will mean information assets can be updated as required and will allow more relevant data on systems and assets to be captured. This will be crucial to assessing the risks around the use of Artificial Intelligence (AI) applications on departmental information.

All of the actions mentioned above ensure the continuing protection, assurance, legitimate processing and secure disposal of official and sensitive corporate business and personal information within a secure environment.

There was one personal data breach in the core Department during the year which was reported to the Information Commissioner's Office (ICO) and for which the ICO considered, due to the swift and transparent way in which TEO suppliers dealt with the matter, that no further regulatory action was necessary. Departmental officials kept those individuals affected by the breach updated at all times, through the supplier, as the risks were assessed.

During the year only minor data incidents occurred within the core Department and its ALBs. Data incidents, as opposed to breaches, are not reportable.

The Information Management Unit was the focus of an audit by Internal Audit in 2023-24 and was awarded a satisfactory rating in relation to Freedom of Information, Data Protection and Records Management policies and protocols.

Review of Effectiveness of the System of Internal Governance

As Accounting Officer, I have responsibility for reviewing the effectiveness of TEO's system of internal governance. I am advised by the Board and Audit and Risk Assurance Committee in this regard.

My review of the effectiveness of this system is informed by the work of the Internal Audit Service; and the executive directors within the Department, who have responsibility for the development and maintenance of the internal control framework. I also consider the comments made by the NIAO in its Report to Those Charged with Governance and other reports. I have considered the implications of this review and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Sources of Independent Assurance

The Department relies on Independent Assurance from the following sources:

- Internal Audit Service (IAS); and
- the Northern Ireland Audit Office (NIAO).

Internal Audit

The Departmental Internal Audit function operates to defined Public Sector Internal Audit and Global Standards. The Department's Head of Internal Audit (HIA) reports directly to the Departmental Accounting Officer and attends and provides regular progress reports to the DARAC. The HIA provides an independent and objective annual opinion on the overall adequacy and effectiveness of the Department's framework of governance, risk management and control.

The Internal Audit work programme includes a periodic assessment of the completeness and effectiveness of TEO's Framework of governance, risk management and control arrangements. This was most recently reported as satisfactory, in February 2024.

IAS has played a crucial role in their review of TEO by:

- focusing audit activity on the key business risks;
- guiding managers and staff through improvements in internal controls;
- auditing the application of risk management and control as part of Internal Audit reviews of key systems and processes; and
- providing advice to management on internal governance implications of proposed and emerging changes.

Internal Audit completed nine reviews within 2024-25. Of the nine reviews, seven reviews received satisfactory audit opinions, and two were provided with a limited audit opinion. Recommendations within these reports are given due consideration with changes made to improve governance, if required.

The following issues were identified:

- An overall limited audit opinion was provided for Civil Contingencies. Internal Audit acknowledged the work and efforts by management to improve a number of policies and processes following the Covid-19 pandemic, however, they identified a significant risk relating to capacity and capability to effectively support emergency preparedness, particularly should a level 3 emergency occur. A review noted that there were a number of vacancies in the departmental team and identified issues in relation to outstanding actions which remained to be implemented following a Lessons Learned review and the NIHUB Readiness Programme. The review also identified issues around the testing of the NIHUB; staffing which would be required for a level 3 emergency and the availability for a secure space for an emergency operations briefing room. Internal Audit acknowledged that the risks relating to these issues were detailed on the Corporate Risk Register with actions included to address the risks. Action to address these issues has already been taken and resourcing issues since addressed.
- The IT Governance Review received an overall satisfactory audit opinion however, one priority one recommendation was raised in relation to the delivery of the IT Governance Plan to address IT and cyber security risks.

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- A consulting review of the Truth Recovery Programme (TRP) included two priority one recommendations. The review identified that the governance and accountability structures over the TRP need to be strengthened further, particularly due to the complexity and sensitivity of this programme. The review also identified that there appears to be capacity and capability issues which may also impact the achievement of objectives.
 - The overall limited audit opinion which was provided during 2023-24 for the NI Bureau Washington DC office remains, pending a follow-up review. Work here is also underway to address concerns.
 - The Health and Safety (H&S) review received an overall limited audit opinion. Issues were identified in relation to non-compliance with H&S regulations, outdated H&S policy and procedures, a lack of clearly defined roles and responsibilities in the H&S Policy, a backlog of staff DSE risk assessments and incident reporting procedures for staff had not been established. Concerns were also raised in relation to capacity and capability in relation to H&S roles. Internal Audit also identified issues with H&S arrangements in Stormont Castle.

Internal Audit will perform follow-up reviews of the above areas within the 2025-26 Internal Audit Plan, to ensure that all recommendations accepted by management have been effectively implemented.

Internal Audit performed follow-up reviews of previously reported significant issues. These related to the Sponsor Control Arrangements for the Victims and Survivors Service (VSS) and the Legislative Authority for the Provision of Services by the VSS. These ratings were revised to satisfactory.

The Head of Internal Audit for DoF provides an inter-departmental report on all shared services provided by DoF to other Departments. The end-year inter-departmental report was provided on 2 June 2025.

The HIA has provided an overall 'satisfactory' audit opinion for the Department for 2024-25. This opinion is based on the work completed during 2024-25 and cumulative assurances from 2020-24.

Northern Ireland Audit Office (NIAO)

The Department is also subject to independent scrutiny from the NIAO. The NIAO is independent of Government and is tasked by the Assembly to hold the Northern Ireland Departments and their Agencies to account for their use of public money. As Head of the NIAO, the Comptroller and Auditor General works closely with the Assembly's Public Accounts Committee, which can require Accounting Officers and senior officials to account for their actions in relation to the stewardship of public funds.

Governance and Accountability of TEO's ALBs

The Department's ALBs are key to the delivery of its objectives and strong governance of them is critical to the Department.

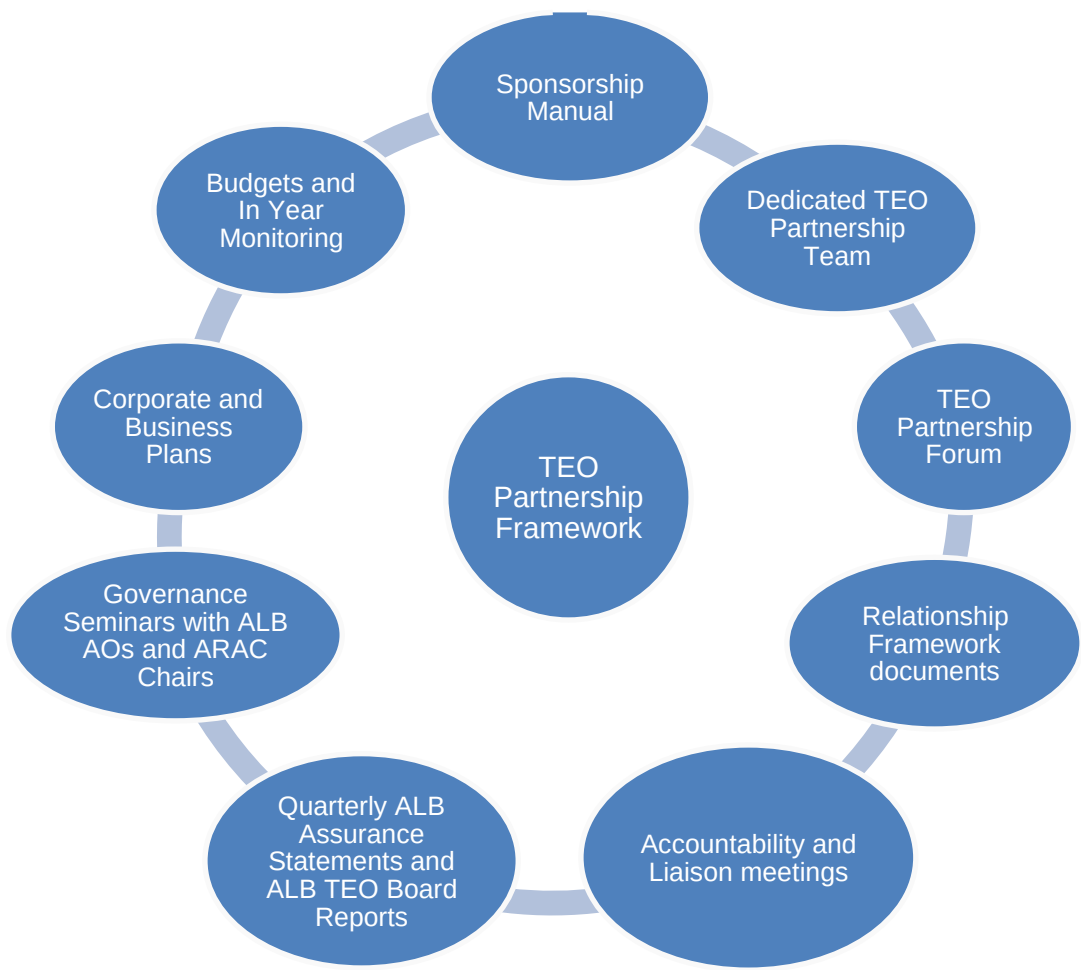
ALBs use their own governance structures developed in line with: Managing Public Money Northern Ireland; the requirements of the Department; and other relevant guidance. Each ALB, where required by statute, publishes its own Governance Statement within its Annual Report and Accounts.

ALB Boards have corporate responsibility for ensuring that their organisation fulfils its statutory responsibilities, and the aims and objectives set by the Department/Ministers, including promoting the efficient, economic and effective use of staff and other resources.

As Principal Accounting Officer, I have a duty to satisfy myself that all ALBs have adequate governance systems and procedures in place to promote the effective and efficient conduct of their business; and, to safeguard financial propriety and regularity.

In fulfilling the partnership and oversight role, a partnership framework is in place including key governance arrangements to provide effective partnership working with the Department's ALBs and to provide assurance to Ministers and the Accounting Officer. A Partnership Charter was developed collaboratively by a joint TEO / ALB task and finish group. This sets out the overall approach, including agreed principles, for the relationships between organisations in the TEO family of organisations.

TEO Partnership Framework



The relationship between the Department and each of its ALBs is set out in a Partnership Agreement, a Management Statement/Financial Memorandum, or a Memorandum of Understanding, and is managed through a nominated ALB partnership team within the Department. Specific risk-based delegated authority levels are in place for each ALB.

Departmental partnership teams are guided by TEO’s ALB Partnership Manual and DoF’s Code of Good Practice on Partnerships between Departments and Arm’s Length Bodies. The TEO ALB Partnership Manual has been developed to meet the responsibilities placed on the Department, under Managing Public Money NI, for the ALBs operating under its control. Updated, central framework guidance in relation to Partnership is anticipated to be provided by DoF in the medium term. TEO’s ALB Partnership Manual will be updated when this guidance is released.

The performance of ALBs is reviewed by the Departmental Board, on a quarterly basis, through the ALB Directors’ Assurance reports. These reports include financial performance; monitoring of business plan targets; key risks and achievements; detail of vacant senior posts

within ALBs; updates on Partnership Agreements; and any action required by the Departmental Board. Using a risk-based approach, the Board considers annual business plans for the larger ALBs, in advance of their submission for Ministerial approval. Quarterly Assurance Statements from all ALBs are completed by the ALB Accounting Officers/Senior Accountable Officers and are reviewed by the partnership team and Corporate Governance Branch. Any significant issues are escalated through inclusion in the lead official's Departmental Assurance Statement.

The ALB Forum meets on a six-monthly basis (or more frequently if considered necessary) and includes the departmental lead official for each ALB and the ALB Accounting Officer/Senior Accountable Officer. These meetings promote partnership and collaboration, combining skills and experiences that will improve the wellbeing of society. Two meetings were held in 2024-25. The main focus was to provide a high-level overview of the department's work and progress, fostering a collaborative working partnership with our ALBs.

In addition, Corporate Governance Branch provided advice and guidance to ALBs on business cases, pay remits and the development of relationship framework documents.

Collectively these actions provide the Department with the assurance that individual ALBs are effectively discharging their functions, and that public money is being properly used to deliver the objectives and targets set, while ensuring compliance with the requirements for regularity, propriety and value for money.

Adherence to Procedures

Appraisal Procedures

The conclusions drawn from the most recent test drill review of the 2023-24 economic appraisals and post project evaluations sampled, are largely positive in that the analysis was adequate and proportionate for the level of spend. However, some areas have been identified where actions could be taken to align the economic appraisals and post project evaluations more closely with the relevant appraisal guidance.

Fraud Investigations and the TEO Raising a Concern Process

TEO's Fraud Investigation Oversight Group (FIOG), which meets quarterly, ensures that the Department deals with and progresses all reported fraud cases in accordance with policy. Its role is to oversee the management of all cases of suspected fraud in the Department and its ALBs. FIOG decides on appropriate actions and makes decisions on the closure of cases. It also considers any reports produced by fraud investigators, documenting lessons learned and sharing best practice. FIOG provides strategic advice, guidance and support to the Department's Fraud Oversight Team (a component of the TEO Counter Fraud Raising Concerns and Complaints Branch), as well as considering any allegations of fraud that fall within TEO's Raising a Concern Policy. FIOG considers relevant PSNI progress on cases and options for action if funds have been obtained fraudulently.

During 2024-25, FIOG had oversight of eleven investigations, three of which were reported in that year. The investigations related to a number of areas within TEO, its ALBs and funded third party organisations. Following investigation, three cases were closed during the year and eight cases carried forward into the next financial year. One fraud related loss associated with TEO operations has been declared in the year. Recovery of public funds is pursued where practicable, after taking the advice from FIOG and Fraud Investigation Services (FIS) who attend it. This will be dependent on a number of factors including feedback on any PSNI investigation and the materiality of the sum involved.

The Department managed twelve Raising Concerns cases in 2024-25, ten of which were reported in the current financial year. Following investigation, six cases were closed and six cases carried forward into 2025-26.

The results of the most recent NICS People Survey conducted in 2023, [2023 NICS People Survey](#), indicates that in comparison to the NICS average, TEO staff have a greater awareness of whistleblowing arrangements, more knowledge of how to raise a concern, and more confidence that they would be protected and that the allegation would be investigated appropriately.

TEO's [Raising a Concern Policy](#) is consistent with the [NICS Raising a Concern Policy Framework](#). In April 2024 Internal Audit Services concluded that TEO's Raising a Concern process was satisfactory. Pre-recorded staff training on raising concerns and counter fraud is available for staff to access on TEO's intranet.

Key Control Issues

A. Prior Year

Financial Transactions Capital (FTC)

Financial Transactions Capital (FTC) funding is ring-fenced by Treasury and can only be used to provide a loan to a private sector entity or take an equity share in a private entity. FTC is usually used to increase and/or accelerate infrastructure investment in Northern Ireland, in support of the Executive's priorities.

Since the Strategic Investment Board (SIB) has a generic legal capability to make loans or equity investments and some departments do not, the funding is channelled through SIB. Where a Department wishes to make an FTC loan and SIB makes the loan agreements; they are also the subject of individual Memoranda of Understanding (MOU) between that Lead Department, The Executive Office (TEO), SIB and the Department of Finance (DoF) that sets out each body's respective responsibilities.

TEO's Accounting Officer is responsible for: providing FTC funding to SIB; agreeing with DoF how repayments are reflected in TEO's budget and accounts; ensuring the investment aligns with the ambit of TEO's Request for Resources; and meets the requirements of regularity

and propriety, on the basis of assurances received from the Accounting Officers of the lead departments.

In terms of accounting treatment, DoF directed SIB to recognise financial assets for all of these FTC loans which are now consolidated in TEO's Statement of Financial Position. However, the assets and loans do not meet the government reporting manual (FReM) recognition criteria. This represents a material error in the accounts and has resulted in technical qualification of the audit opinion. The technical qualification of TEO consolidated accounts results from the lead Departments (namely DoF and DfE) not having the legal capability to make loans or equity instruments. This can only be addressed by amendment within the next Financial Provisions Bill providing them with such powers. TEO has been working with both Departments to ensure that the legal drafting for such an amendment is finalised.

DoF has taken the lead in drafting the amended legislation which is being brought to the Executive for approval in 2025. Once such legislation is approved, neither TEO nor SIB will have any role or accountability in facilitating such loans, thus negating the associated technical qualification of the accounts.

Retrospective approvals

In TEO's Annual Report and Accounts (ARA) for 2023-24 the Comptroller and Auditor General (C&AG) set out in her report where there were instances of failures to produce business cases and secure approvals in advance of incurring and committing Departmental expenditure. Work was completed in year to secure all the necessary retrospective approvals for these cases, including work on the preparatory works associated with the draft Strategic Framework to End Violence Against Women and Girls (EVAWG) and the response to the Covid Inquiry.

In addition to this, TEO has also taken steps to prevent a recurrence of these issues. In October 2024, the interim Accounting Officer wrote to all TEO staff reminding them of the importance that any decision to incur or commit expenditure should be made in line with TEO's Expenditure Approval Guidance and should be supported by a proportionate business case, re-iterating that seeking retrospective approval of expenditure was not an accepted practice.

To ensure that all staff were aware of their responsibilities in terms of completing business cases and securing expenditure approval, TEO also re-issued its TEO Expenditure Approval Guidance to all staff, with its importance highlighted. The status of business cases is also now reported at each meeting of the TEO Board, as well as the TEO Audit and Risk Assurance Committee, meaning any failure to comply with the requirements of TEO Expenditure Approval Guidance are now escalated to senior TEO officials. Business areas were also reminded that: business case requirements must be factored in from the beginning of any proposed new expenditure decision and delivery plans, with responsibilities and timeframes assigned to appropriate staff. Directorates are advised that they should also hold regular meetings to monitor and review the status of their business cases, and careful monitoring of costs against existing business case approvals must be routinely carried out, to ensure action is taken as soon as it is anticipated that tolerances will be breached.

B. Current Year**Retrospective approvals**

The actions referred to above have led to a significant reduction in the number of retrospective approvals being sought, with only one incident taking place in 2024-25. This related to the Transfer of Refugee Functions to TEO from DfC, given the urgency to continue the delivery of services and support to established refugee schemes from 1 April 2024. The complexities involved in the transfer (including a delayed Business Consultancy Services review of the future operational direction of the scheme and complexities and risks around funding) resulted in the functions transferring whilst business case approval was being sought. Retrospective approval of this expenditure was sought and secured from the Interim Accounting Officer during the year. As part of this approval, the Accounting Officer highlighted the critical importance of business case approvals being in place in advance of expenditure.

Issues Relating to Departmental ALBs

CRC - Since 2010-11, an ongoing issue in relation to pension allowances paid to the staff of CRC has resulted in irregular expenditure of approximately £0.320m, including £17k in 2024-25. The allowance being paid was to ensure that staff at CRC, on terms and conditions analogous to the NICS, were not disadvantaged by membership of the pension scheme to which they belonged but it has not been approved by TEO or DoF. Work is ongoing to address the issue.

Ministerial Directions

I can confirm that, as Accounting Officer, I am in compliance with the “Accounting Officer responsibilities” set out in MPMNI Chapter 3, by ensuring that, should the Ministers decide to continue with a course of action which I have advised against, the Ministers are asked to provide me with a formal Ministerial Direction to proceed with that course of action. Such a Direction is likely to mean that the associated expenditure is novel or contentious and therefore outside of the departmental delegated expenditure limits.

The Ministers may decide, in these circumstances, that the issue should be discussed by the Executive. As Accounting Officer, I ensure that any Ministerial Directions are formally notified to DoF and to the C&AG. No Ministerial Directions were issued during 2024-25.

Conclusion

TEO has a rigorous system of accountability on which I rely, as Accounting Officer, to form an opinion on the probity and use of public funds, as detailed in Managing Public Money Northern Ireland. Having considered the corporate governance framework within which the Department and its Arm’s Length Bodies operated and in conjunction with assurances given to me by the Audit and Risk Assurance Committee, I am content that the Department has operated a sound system of internal governance during the period 2024-25.

REMUNERATION AND STAFF REPORT

The remuneration and staff report sets out the Department's remuneration policy for Ministers and Senior Civil Servants, reports on how the policy has been implemented and sets out the amounts awarded to Ministers and Senior Civil Servants.

Departmental Remuneration Report

Remuneration Policy

The pay remit for the Northern Ireland Civil Service, including senior civil servants (SCS), is normally approved by the Minister of Finance. Following approval of the 2024-25 Budget in the Assembly, on 28 May 2024, in which the Finance Minister outlined the overarching approach to public sector pay, the NI public sector pay policy guidance was published on 31 May 2024 in FD (DoF) 07/24.

Annual NICS pay awards are made in the context of the wider public sector pay policy. The pay award effective from 1 August 2024, for NICS non-industrial and industrial staff, including SCS, was paid in May 2025 payroll.

The pay of NICS staff is based on a system of pay scales for each grade, including SCS, containing a number of pay points from minimum to maximum, allowing progression towards the maximum based on performance and other eligibility criteria.

Service Contracts

The Civil Service Commissioners (NI) Order 1999 requires Civil Service appointments to be made on merit on the basis of fair and open competition. The [Recruitment Code](#) published by the Civil Service Commissioners for Northern Ireland specifies the circumstances when appointments may be made by exception to merit.

Unless otherwise stated, the officials covered by this report hold appointments that are open ended. Early termination, other than for misconduct, would result in consideration of the individual receiving compensation as set out in the Civil Service Compensation Scheme¹.

¹ [Civil Service Commissioners for Northern Ireland \(nicscommissioners.org\)](https://www.nicscommissioners.org/)

Remuneration (including salary) and pension entitlements

The following sections provide details of the remuneration and pension interests of the Ministers and most senior management (i.e. Board Members) of the department.

Remuneration and pension entitlements – Ministers (Audited)

There were four Ministers in place during 2024-25 and 2023-24.

Single total figure of remuneration								
Ministers	Salary (£)		Benefits in kind (to nearest £100)		Pension Benefits* (to nearest £1000)		Total (to nearest £1000)	
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
Mrs Michelle O'Neill (from 04-02-2024)	72,000	11,379 (72,000 full year equivalent)	-	-	22	8	94	19
Mrs Emma Little-Pengelly (from 04-02-2024)	72,000	11,379 (72,000 full year equivalent)	-	-	22	4	94	15
Ms Aisling Reilly (from 04-02-2024)	6,000	948 (6,000 full year equivalent)	-	-	2	0	8	1
Mrs Pam Cameron (from 04-02-2024)	6,000	948 (6,000 full year equivalent)	-	-	2	0	8	1

**The value of pension benefits accrued during the year is calculated as (the real increase in pension multiplied by 20) plus (the real increase in any lump sum) less (the contributions made by the individual). The real increases exclude increases due to inflation and any increase or decrease due to a transfer of pension rights.*

Remuneration and pension entitlements – Officials (Audited)

Officials	Salary (£'000)		Benefits in kind (to nearest £100)		Pension Benefits* (to nearest £1000)		Total (£'000)	
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24***	2024-25	2023-24
Mr David Malcolm <i>Permanent Secretary</i> (from 17-06-24)	95-100 (130-135 full year equivalent)	-	-	-	240,000	-	335-340 (370 – 375 full year equivalent)	-
Dr Denis McMahon <i>Permanent Secretary</i> (to 03-09-23)	-	55-60 (140-145 full year equivalent)	-	-	-	39,000	-	95-100 (180-185 full year equivalent)
Dr Jayne Brady** <i>Head of the Civil Service</i>	195-200	175-180	-	-	76,000	66,000	270 - 275	240-245
Mr Chris Stewart <i>Director</i>	70-75	105-110	-	-	39,000	(8,000)	105 -110	95-100
Ms Karen Pearson <i>Director</i>	110-115	100-105	-	-	89,000	(10,000)	195 - 200	90-95
Mr Alexander Gordon <i>Director</i>	170-175	155-160	-	-	67,000	87,000	235 - 240	245-250
Mrs Neelia Lloyd <i>Director</i> (to 03-03-24)	-	75-80 (80-85 full year equivalent)	-	-	-	133,000	-	210-215 (215-220 full year equivalent)
Mr Thomas Reid <i>Director</i>	110-115	100-105	-	-	80,000	(2,000)	190 - 195	100-105
Mr Gareth Johnston <i>Director</i>	110-115	100-105	-	-	89,000	50,000	195 - 200	150-155
Mr Ronan Murtagh <i>Director</i>	85-90	75-80	-	-	56,000	58,000	141 - 145	130-135
Mrs Patricia Claire Archbold <i>Director</i>	115-120	105-110	-	-	95,000	(8,000)	210 - 215	95-100
Mr Michael Kennedy <i>Acting Director</i> (From 26-06-23 to 15-12-23)	-	40-45 (95-100 full year equivalent)	-	-	-	18,000	-	60-65 (115-120 full year equivalent)
Mr Gary Fair <i>Director</i> (from 26-02-24)	85-90	20-25	-	-	75,000	(5,000)	160-165	15-20 (75-80 full year equivalent)

		(80-85 full year equivalent)						
Mrs Josephine Aston <i>Independent Non Executive Board Member from 28-09-22</i>	5-10	5-10	-	-	-	-	5 - 10	5-10
Ms Anne Claire Keatinge <i>Independent Non Executive Board Member from 14-11-22</i>	10-15	5-10	-	-	-	-	10 - 15	5-10

* The value of pension benefits accrued during the year is calculated as (the real increase in pension multiplied by 20) plus (the real increase in any lump sum) less (the contributions made by the individual). The real increases exclude increases due to inflation and any increase or decrease due to a transfer of pension rights.

**As per agreement with the Chair, the Head of the Civil Service attends the TEO Departmental Board by exception. From 04 September 2023 Jayne Brady took on the function of Permanent Secretary until the appointment of David Malcolm on 17 June 2024.

***Accrued pension benefits included in this table for any individual affected by the Public Service Pensions Remedy have been calculated based on their inclusion in the legacy scheme for the period between 1 April 2015 and 31 March 2022, following the McCloud judgment. The Public Service Pensions Remedy applies to individuals that were members, or eligible to be members, of a public service pension scheme on 31 March 2012 and were members of a public service pension scheme between 1 April 2015 and 31 March 2022. The basis for the calculation reflects the legal position that impacted members have been rolled back into the relevant legacy scheme for the Remedy Period and that this will apply unless the member actively exercises their entitlement on retirement to decide instead to receive benefits calculated under the terms of the alpha scheme for the period from 1 April 2015 to 31 March 2022.

Remuneration and pension entitlements – Officials of the NICS Board (Audited)

The NICS Board comprises of cross-departmental representation (including HOCS and all Permanent Secretaries). It provides concerted strategic leadership of the work of the NICS in support of the Northern Ireland Executive. It is crucial to achieving the whole-system approach needed to support the development and delivery of the Executive's priorities, through the provision of collective advice and oversight of the organisational change required to optimise delivery and impact.

Members who were existing NICS employees did not receive any additional remuneration for their attendance in addition to their departmental salaries and expenses.

Secretariat support to the NICS Board is provided by The Executive Office. Further details, including board minutes can be accessed at: [NICS Board Background and Minutes](#).

Officials	Salary (£'000)		Benefits in kind (to nearest £100)		Pension Benefits* (to nearest £1000)		Total (£'000)	
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
Dr Jayne Brady* <i>Head of the Civil Service</i>	195-200	175-180	-	-	76,000	66,000	270 -275	240-245
Patrick Magee Independent Non-Executive Board member (from 01-02-23)	10-15	10-15	-	-	-	-	10 - 15	10-15
Laura McKeaveney Independent Non-Executive Board member (from 01-02-23)	10-15	10-15	-	-	-	-	10 - 15	10-15
Frances Ruane Independent Non-Executive Board member (from 01-02-23)	10-15	10-15	-	-	-	-	10 - 15	10-15

* HOCS' remuneration also disclosed above in 'Remuneration and pension entitlements – Officials' note above.

Salary

'Salary' includes gross salary; overtime; reserved rights to London weighting or London allowances; recruitment and retention allowances; private office allowances and any other allowance to the extent that it is subject to UK taxation and any severance or ex gratia payments. This report is based on accrued payments made by The Executive Office and thus recorded in these accounts.

The Executive Office was under the direction and control of Mrs Michelle O'Neill and Mrs Emma Little-Pengelly during the financial year. Their salary and allowances were paid by the department and have been included in these accounts. These amounts do not include costs relating to the Minister's role as MLAs which are disclosed in the Northern Ireland Assembly Commission accounts.

Benefits in kind

The monetary value of benefits in kind covers any benefits provided by the employer and treated by HM Revenue and Customs as a taxable emolument. None of the above received any benefits in kind.

Fair Pay Disclosures (Audited)

Pay Ratios

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the lower quartile, median and upper quartile remuneration of the organisation's workforce.

The banded remuneration of the highest-paid director in The Executive Office in the financial year 2024-25 was £195,000 - £200,000 (2023-24: £175,000-£180,000). The relationship between the mid-point of this band and the remuneration of the organisation's workforce is disclosed below.

In 2024-25, one (2023-24; one) employee received remuneration in excess of the highest paid director.

Remuneration ranged from £12,803 to £256,305 (2023-24: £9,166 to £241,796).

<u>2024-25</u>	25th percentile	Median	75th percentile
Total remuneration (£)	36,024	43,815	56,707
Pay ratio	5.48	4.51	3.48

The above divergences from the median remuneration arise from the range of grades across the TEO pay structure.

<u>2023-24</u>	25th percentile	Median	75th percentile
Total remuneration* (£)	29,559	36,346	52,578
Pay ratio	5.84	4.75	3.28

** Total remuneration includes salary, non-consolidated performance-related pay, and benefits-in-kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions.*

The 25th percentile, median and 75th percentile remuneration figures are based on annualised salaries for the last month of the financial year, adjusted for any non-consolidated payments made to staff during the year.

Percentage Change in Remuneration

Reporting bodies are also required to disclose the percentage change from the previous financial year in the:

- salary and allowances, and

b) performance pay and bonuses of the highest paid director and of their employees.

The percentage changes in respect of The Executive Office are shown in the following table. It should be noted that the calculation for the highest paid director is based on the mid-point of the band within which their remuneration fell in each year.

Percentage change for:	2024-25 v 2023-24	2023-24 v 2022-23
Average employee salary and allowances	9%	3%
Highest paid director's salary and allowances	14%	3%

Pension Benefits (Audited)

Pension Entitlements - Ministers

There were four Ministers in place during 2024-25 and four in 2023-24 (from 04 February 2024).

	Accrued pension at pension age as at 31/03/25	Real increase in pension at pension age	CETV at 31/03/25	CETV at 31/03/24	Real increase in CETV
	£'000	£'000	£'000	£'000	£'000
Mrs Michelle O'Neill (from 04-02-24)	11	1	146	124	11
Mrs Emma Little-Pengelly (from 04-02-24)	2	1	19	2	10
Ms Aisling Reilly (from 04-02-24)	-	-	1	-	1
Mrs Pam Cameron (from 04-02-24)	-	-	2	-	1

Ministerial pensions

Pension benefits for Ministers are provided by the Assembly Members' Pension Scheme (Northern Ireland) 2016 (AMPS). In 2011, the Assembly passed the Assembly Members (Independent Financial Review and Standards) Act (Northern Ireland) 2011 establishing a panel to make determinations in relation to the salaries, allowances and pensions payable to members of the Northern Ireland Assembly. The tenure of the first Panel ended in July 2016. As a consequence of the Assembly Commission's desire to consider a reform of the Panel and the political situation between March 2017 and January 2020, a new Panel was not appointed. Legislation to reform the Panel, although started, was not completed before the dissolution of the Assembly on 28 March 2022. Following the election in May 2022, as no Speaker was elected, full Assembly Business could not recommence. Therefore, progress on

the legislation and the appointment of a new Panel was further delayed. The Assembly Members (Remuneration Board) Bill was introduced in the Assembly on 4 February 2025 and is currently being considered at the Committee stage of the legislative process.

In April 2016 the Independent Financial Review Panel (IFRP) issued The Assembly Members (Pensions) Determination (Northern Ireland) 2016 which introduced a Career Average Revalued Earnings scheme for new and existing members. The scheme is named Assembly Members' Pension Scheme (Northern Ireland) 2016.

Members of the Legislative Assembly ("MLA" or "Member") aged 55 or over on 1 April 2015 and in continuous service between 1 April 2015 and 6 May 2016 retained their Final Salary pension arrangements under transitional protection until 6 May 2021. The McCloud judgement found that the transitional protection offered to members of the Judiciary and Firefighters Schemes, when their schemes were reformed, was discriminatory on grounds of age. In light of this decision, the government agreed to provide remedy to eligible members across the main public sector schemes. This judgement could have an impact on MLAs who missed out on the Transitional Protection policy in the AMPS because of their age. However, the applicability of, and approach to, the McCloud judgement in relation to this scheme is not a matter for the Assembly Commission, instead it is a matter for the new Remuneration Board once it is established.

As Ministers are MLAs, they also accrue an MLA's pension under the AMPS (details of which are not included in this report). Pension benefits for Ministers under transitional protection arrangements are provided on a "contribution factor" basis, taking account of service as a Minister. The contribution factor is the relationship between salary as a Minister and salary as an MLA for each year of service as a Minister. Pension benefits as a Minister are based on the accrual rate (1/50th or 1/40th) multiplied by the cumulative contribution factors and the relevant final salary as an MLA. Pension benefits for all other Ministers are provided on a career average (CARE) basis.

Pension benefits for Ministers are payable at the same time as MLA's pension benefits become payable under the AMPS. Pensions are increased annually in line with changes in the Consumer Prices Index. Up to the 6 May 2021 those Ministers under the transitional protection arrangements paid contributions of either 9% or 12.5% of their Ministerial salary, depending on the accrual rate. The contribution paid by Ministers in the CARE Scheme is 9% of the Ministerial salary. There is also an employer contribution paid by the Consolidated Fund out of money appropriated by Act of Assembly for that purpose representing the balance of cost. Following the publication of the 2023 triennial valuation of the AMPS by the Government Actuary's Department, the employer's contribution rate remained unchanged and continues to be paid at 17.1%. The accrued pension quoted is the pension the Minister is entitled to receive when they reach normal pension age for their section of the Scheme. Ministers under transitional protection arrangements may retire at age 65. Ministers in the CARE scheme have a pension age aligned to the State Pension Age.

The Cash Equivalent Transfer Value (CETV)

This is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. It is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or

arrangement when the member leaves a scheme and chooses to transfer the pension benefits they have accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total service, not just their current appointment as a Minister. CETVs are calculated in accordance with The Occupational Pension Schemes (Transfer Values) Regulations 1996 (as amended).

The real increase in the value of the CETV

This is the increase in accrued pension due to the Assembly Commission's contributions to the AMPS, and excludes increases due to inflation and contributions paid by the Minister and is calculated using valuation factors for the start and end of the period.

Pension Benefits – Officials

	Accrued pension at pension age as at 31/03/25 and related lump sum	Real increase in pension and related lump sum at pension age	CETV at 31/03/25	CETV at 31/03/24*	Real increase in CETV	Employer contribution to partnership pension account
	£'000	£'000	£'000	£'000	£'000	Nearest £100
Mr David Malcolm <i>Permanent Secretary</i> (from 17-06-24)	60 – 65 plus a lump sum of 160 – 165		1,402	-	-	-
Dr Denis McMahon <i>Permanent Secretary</i> (to 03-09-23)	-	-	-	689	-	-
Dr Jayne Brady <i>Head of the Civil Service</i>	15 - 20	2.5 - 5	227	149	49	-
Mr Chris Stewart <i>Director</i>	60 – 65 plus a lump sum of 115 - 120	0 – 2.5 plus a lump sum of 5 – 7.5	1,305	1,279	-4	-
Ms Karen Pearson <i>Director</i>	60 -65 plus a lump sum of 115 - 120	2.5 – 5 plus a lump sum of 5 – 7.5	1,364	1,197	102	-
Mr Alexander Gordon <i>Director</i>	20 - 25	2.5 - 5	355	270	47	-
Mr Thomas Reid <i>Director</i>	35 – 40 plus a lump sum of 90 - 95	2.5 – 5 plus a lump sum of 2.5 - 5	854	744	75	-
Mrs Neelia Lloyd <i>Director (to 03-03-24)</i>	-	-	-	614	-	-
Mr Gareth Johnston <i>Director</i>	45 – 50 plus a lump sum of 115 - 120	2.5 – 5 plus a lump sum of 5 – 7.5	1,018	895	83	-
Mr Ronan Murtagh <i>Director</i>	25 - 30	2.5 - 5	554	477	52	-
Ms Patricia Claire Archbold <i>Director</i>	45 – 50 plus a lump sum of 115 - 120	2.5 – 5 plus a lump sum of 5 – 7.5	1,013	929	46	-
Mr Michael Kennedy <i>Acting Director (from 26-06-23 to 15-12-23)</i>	-	-	-	27	-	-

Mr Gary Fair <i>Director (from 26-02-24)</i>	20 - 25	2.5 – 5 plus a lump sum of 2.5 - 5	368	967	67	-
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*The pension benefits of any members affected by the [Public Service Pensions Remedy](#) which were reported in 2022-23 based on alpha membership for the period between 1 April 2015 and 31 March 2022 have been reported since 2023-24 based on PCSPS(NI) membership for the same period.

Northern Ireland Civil Service (NICS) Pension Schemes

Pension benefits are provided through the Northern Ireland Civil Service pension schemes which are administered by Civil Service Pensions (CSP).

The alpha pension scheme was initially introduced for new entrants from 1 April 2015. The alpha scheme and all previous scheme arrangements are unfunded with the cost of benefits met by monies voted each year. The majority of members of the classic, premium, classic plus and nuvos pension arrangements (collectively known as the Principal Civil Service Pension Scheme (Northern Ireland) [PCSPS(NI)]) also moved to alpha from that date. At that time, members who on 1 April 2012 were within 10 years of their normal pension age did not move to alpha (full protection) and those who were within 13.5 years and 10 years of their normal pension age were given a choice between moving to alpha on 1 April 2015 or at a later date determined by their age (tapered protection).

McCloud Judgment and 2015 Remedy

In 2018, the Court of Appeal found that the transitional protections put in place back in 2015 that allowed older workers to remain in their original scheme, were discriminatory on the basis of age. As a result, steps have been taken by the Department of Finance to remedy this discrimination.

The Department has now made regulations which remedy the discrimination by:

- ensuring all active members are treated equally for future service as members of the reformed alpha scheme only from 1 April 2022; and
- providing each eligible member with options to have their pension entitlements for the period when the discrimination existed between 1 April 2015 and 31 March 2022 (the remedy period) retrospectively calculated under either the current (reformed) scheme rules, or the old (pre-reform) legacy rules which existed before 2015.

This means that all active NICS Pension Scheme members are in the same pension scheme, alpha, from 1 April 2022 onwards, regardless of age. This removes the discrimination going forwards in providing equal pension provision for all scheme members.

The Department is now implementing the second part of the remedy, which addresses the discrimination which was incurred by affected members between 1 April 2015 and 31 March 2022.

Eligible members with relevant service between 1 April 2015 and 31 March 2022 (the Remedy Period) will now be entitled to a choice of alternative pension benefits in relation to that period. i.e. calculated under the pre-reformed PCSPS(NI) 'Classic', 'Premium' or 'Nuvos' rules or alternatively calculated under the reformed alpha rules. As part of this 'retrospective' remedy most active members will now receive a choice about their remedy period benefits at the point of retirement. This is known as the Deferred Choice Underpin (DCU). For those members who already have pension benefits in payment in relation to the Remedy Period, they will receive an Immediate Choice. There are a significant number of Immediate Choice Remediable Service Statement (RSS) packs to issue. This process involves complex calculations to provide members with individually tailored statements. Due to the complexity of the calculations and some prolonged work to finalise policy elements of the remedy, not all Immediate Choice packs will issue by 31 March 2025 as originally planned. The legislation for the 2015 Remedy provides discretion which allows the Scheme Manager to extend beyond this date, so it has become necessary to engage this discretion.

At this stage, allowance has not yet been made within CETVs for this remedy. Further information on the remedy will be included in the NICS pension scheme accounts which, once published, are available at [DoF Annual Reports and Accounts](#).

As part of the remedy involves rolling back all remediable service into the relevant legacy PCSPS(NI) arrangement for the 7-Year Remedy Period, the value of pension benefits for the 2024-25 pension disclosures for affected members continue to be based on the rolled back position.

Alpha

Alpha is a 'Career Average Revalued Earnings' (CARE) arrangement in which members accrue pension benefits at a percentage rate of annual pensionable earnings throughout the period of scheme membership. The current accrual rate is 2.32%.

From 1 April 2015, all new entrants joining the NICS can choose between membership of alpha or joining a 'money purchase' stakeholder arrangement with a significant employer contribution (Partnership Pension Account).

Information on the PCSPS(NI) – Closed Scheme

Staff in post prior to 30 July 2007 were eligible to be in one of three statutory based 'final salary' legacy defined benefit arrangements (Classic, Premium and Classic Plus). From April 2011, pensions payable under these arrangements have been reviewed annually in line with changes in the cost of living. New entrants who joined on or after 1 October 2002 and before 30 July 2007 will have chosen between membership of Premium or joining the Partnership Pension Account.

New entrants who joined on or after 30 July 2007 were eligible for membership of the legacy PCSPS(NI) Nuvos arrangement or they could have opted for a Partnership Pension Account. Nuvos was also a CARE arrangement in which members accrued pension benefits at a percentage rate of annual pensionable earnings throughout the period of scheme membership. The rate of accrual was 2.3%.

Benefits in Classic accrue at the rate of 1/80th of pensionable salary for each year of service. In addition, a lump sum equivalent to three years' pension is payable on retirement. For

Premium, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike Classic, there is no automatic lump sum (but members may give up (commute) some of their pension to provide a lump sum). Classic Plus is essentially a variation of Premium, but with benefits in respect of service before 1 October 2002 calculated broadly as per Classic.

Partnership Pension Account

The Partnership Pension Account is a stakeholder pension arrangement. The employer makes a basic contribution of between 8% and 14.75% (depending on the age of the member) into a stakeholder pension product chosen by the employee. The employee does not have to contribute but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.5% of pensionable salary to cover the cost of centrally-provided risk benefit cover (death in service and ill health retirement).

Annual Benefit Statements

Active members of the pension scheme will receive an Annual Benefit Statement. The accrued pension quoted is the pension the member is entitled to receive when they reach their scheme pension age, or immediately on ceasing to be an active member of the scheme if they are at or over pension age. The normal scheme pension age in alpha is linked to the member's State Pension Age but cannot be before age 65. The Scheme Pension age is 60 for any pension accrued in the legacy **Classic**, **Premium**, and **Classic Plus** arrangements and 65 for any benefits accrued in **Nuvos**. Further details about the NICS pension schemes can be found at the website [Civil Service Pensions \(NI\)](#).

Pension Increases

All pension benefits are reviewed annually in line with changes in the cost of living. Any applicable increases are applied from April and are determined by the Consumer Prices Index (CPI) figure for the preceding September. The CPI in September 2024 was 1.7% and HM Treasury has announced that public service pensions will be increased accordingly from April 2025.

Employee Contribution Rates

Employee contribution rates for all members for the period covering 1 April 2024 – 31 March 2025 and 1 April 2025 – 30 June 2025 are as follows²:

² Rates are expected to change mid-year as a result of the outcome of the [consultation on Scheme Yield and Member Contributions](#).

Annualised Rate of Pensionable Earnings (Salary Bands) 1 April 2024 to 31 March 2025		Annualised Rate of Pensionable Earnings (Salary Bands) 1 April 2025 to 30 June 2025		Contribution rates – All members
From	To	From	To	
£0	£26,302.49	£0	£27,091.99	4.6%
£26,302.50	£59,849.99	£27,092.00	£61,645.99	5.45%
£59,850.00	£160,964.99	£61,646.00	£165,793.99	7.35%
£160,965.00 and above		£165,794.00 and above		8.05%

Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

The CETV figures, and from 2003-04 the other pension details, include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the NICS pension arrangements. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost.

CETVs are calculated in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 1996 (as amended).

HM Treasury provides the assumptions for discount rates for calculating CETVs payable from the public service pension schemes. On 27 April 2023, HM Treasury published guidance on the basis for setting the discount rates for calculating cash equivalent transfer values payable by public service pension schemes. In their guidance of 27 April 2023, HM Treasury advised that, with immediate effect, the discount rate adopted for calculating CETVs should be in line with the new SCAPE discount rate of 1.7.% above CPI inflation, superseding the previous SCAPE discount rate of 2.4% above CPI inflation. All else being the same, a lower SCAPE discount rate leads to higher CETVs. The HM Treasury Guidance of 27 April 2023 can be found at [Basis for setting the discount rates for calculating cash equivalent transfer values payable by public service pension schemes – GOV.UK](#). **As at the year-end** there have been no further changes to the SCAPE discount rate of 1.7% above CPI inflation since the HM Treasury guidance was published.

Real increase in CETV

This reflects the increase in CETV that is funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period (which therefore disregards the effect of any changes in factors).

Compensation for loss of office

There was no compensation for loss of office paid in 2024-25 (Nil 2023-24).

Staff Report

Senior Civil Servants

The number of Senior Civil Service staff (or equivalent) by salary band at 31 March is as follows:

	2024-25	2023-24
Salary Band	Number	Number
Pay Scale 4 £182,104 - £208,306	1	1
Pay Scale 3 £ 135,008 - £154,025	2	2
Pay Scale 2 £104,605 - £116,930	5	8
Pay Scale 1 £81,614 - £91,575	34	32
Special Adviser 1 £0- £54,999	-	-
Special Adviser 2 £55,000-£69,999	3	2
Special Adviser 3 £70,000-£85,000	2	3

The figures above exclude 1 senior civil servant (2023-24: 2) currently on career break.

Staff numbers and related costs (Audited)

Staff costs comprise of (Consolidated):

	2024-25			2023-24	
	Permanently employed staff* £000	Others £000	Ministers £000	Total £000	Total £000
Wages and salaries	36,295	4,895	156	41,346	40,406
Social security costs	4,096	180	20	4,296	3,923
Other pension costs	9,571	532	27	10,130	8,797
Sub Total	49,962	5,607	203	55,772	53,126
Less recoveries in respect of outward secondments	(6,676)	-	-	(6,676)	(5,740)
Total net costs**	43,286	5,607	203	49,096	47,386
Of which:	Charged to Administration £000	Charged to Programme £000		Total £000	Total £000
Core department	16,636	17,501		34,137	32,343
ALBs	2,886	12,073		14,959	15,043
	19,522	29,574		49,096	47,386

* Permanently employed staff include the cost of the Department's Special Advisers. There are two Special Advisers in the pay band £70,000- £85,000 (2023-24: 3), three Special

Advisers in the pay band £55,000-£69,999 (2023-24: 2) and nil Special Advisers in the pay band £0- £54,999 (2023-24: Nil).

**Of the total, no costs have been charged to capital.

The Northern Ireland Civil Service main pension schemes are unfunded multi-employer defined benefit schemes, but The Executive Office is unable to identify its share of the underlying assets and liabilities.

The Public Service Pensions Act (NI) 2014 provides the legal framework for regular actuarial valuations of the public service pension schemes to measure the costs of the benefits being provided. These valuations inform the future contribution rates to be paid into the schemes by employers every four years following the scheme valuation. The Act also provides for the establishment of an employer cost cap mechanism to ensure that the costs of the pension schemes remain sustainable in future.

The Government Actuary's Department (GAD) is responsible for carrying out scheme valuations. The Actuary reviews employer contributions every four years following the scheme valuation. The 2020 scheme valuation was completed by GAD in October 2023. The outcome of this valuation was used to set the level of contributions for employers from 1 April 2024 to 31 March 2027.

The Cost Cap Mechanism (CCM) is a measure of scheme costs and determines whether member costs or scheme benefits require adjustment to maintain costs within a set corridor. Reforms were made to the CCM which was applied to the 2020 scheme valuations and included the introduction of a reformed-scheme-only cost control mechanism which assesses just the costs relating to reformed schemes (alpha for the NICS) and introduced an economic check. Prior to the cost control mechanism reforms, legacy scheme (PCSPS(NI)) costs associated with active members were also captured in the mechanism. The reformed-scheme-only design and the economic check were applied to the 2020 scheme valuations for the devolved public sector pension schemes, including the NICS pension scheme. The 2020 scheme valuation outcome was that the core cost cap cost of the scheme lies within the 3% cost cap corridor. As there is no breach of the cost control mechanism, there is no requirement for the Department of Finance to consult on changes to the scheme. Further information can be found on the Department of Finance website <https://www.finance-ni.gov.uk/articles/northern-ireland-civil-service-pension-scheme-valuations>.

For 2024-25, employers' contributions of £8,933,830 were payable to the NICS pension arrangements at a flat rate of 34.25% of pensionable pay, for all salaries (2023-24: £7,146,360 at one of three rates in the range of 28.7% to 34.2%).

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. Employers' contributions of £9,542 (2023-24: £16,821) were paid to one or more of the panel of two appointed stakeholder pension providers. Employer contributions are age-related and range from 8% to 14.75% (2023-24: 8% to 14.75%) of pensionable pay.

The partnership pension account offers the member the opportunity of having a 'free' pension. The employer will pay the age-related contribution and if the member does contribute, the

employer will pay an additional amount to match member contributions up to 3% of pensionable earnings.

Employer contributions of Nil (2023-24: £561, 0.5%) of pensionable pay, were payable to the NICS Pension schemes to cover the cost of the future provision of lump sum benefits on death in service and ill health retirement of these employees. Contributions due to the **partnership** pension providers at the reporting period date were £Nil. Contributions prepaid at that date were £Nil.

One person retired early on ill-health grounds (2023-24 none), the total additional accrued pension liabilities in the year amounted to £8k (2023-24: £13k).

Average number of persons employed

The average number of whole-time equivalent persons employed during the year was as follows. These figures include those working in the Department as well as in agencies and other bodies included within the consolidated Departmental Accounts

Activity	Permanently employed staff	Others	Ministers	Special advisers	2024-25 Number Total	2023-24 Number Total
Core Departmental staff in post	381	41	4	5	431	423
North South Ministerial Council	8	-	-	-	8	7
Commissioner for Public Appointments for Northern Ireland	2	-	-	-	2	2
The Inquiry into Historical Institutional Abuse	13	-	-	-	13	14
Attorney General for Northern Ireland	16	-	-	-	16	15
ALBs	260	17	-	-	277	284
Total	680	58	4	5	747	745
Of which:						
Core department	420	41	4	5	470	461
ALBs	260	17	-	-	277	284
Total	680	58	4	5	747	745

Staff Composition at 1 April 2025 and 1 April 2024

The number of persons of each gender who were directors, senior managers, and employees of the consolidated TEO and its ALB group at 1 April 2025 and 1 April 2024 is as follows:

(Consolidated)	2024-25		2023-24	
	Male	Female	Male	Female
Directors	11	9	24	17
Senior Managers (Grade 5 and above)	23	19	19	17
Employees (All other staff)	293	426	288	418
Total	327	454	331	452
Of which:				
Core department	181	263	174	255
ALBs	146	191	157	197
Total	327	454	331	452

Special Advisers are included in senior managers when employed, 5 were employed at 1 April 2025, there were 5 employed at 1 April 2024.

Staff Turnover

The two definitions employed centrally are for 'General Turnover' (staff leaving the Northern Ireland Civil Service as a whole) and 'Departmental Turnover' (staff leaving The Executive Office). For the period 1 April 2024 to 1 April 2025, the turnover figure is calculated as the number of leavers within that period divided by the average of staff in post over the period. The average staff in post can be calculated as the average of headcount at the start and end of the period.

TEO Staff Turnover Rates

TEO Staff Turnover Rates	Departmental Turnover Rate		General Turnover Rate	
TEO Core	0.094	9.4%	0.051	5.1%

Note: that staff turnover data includes those who left the NICS while on a career break and includes permanent and temporary staff.

The consolidated staff turnover percentage for 2024-25 was 10.1% (2023-24: 10.3%).

Absence management

TEO continued to place a high priority on absence management and had a wide variety of support mechanisms in place to help staff who were sick, including Occupational Health Service, Welfare Services and Inspire Workplace Services (formerly Care call) who provide independent counselling services. A Workplace Health and Fitness programme ran throughout the year, with 2 health and fitness activities and events, as well as a range of staff communications highlighting support and help available. As part of its commitment to improving the health and wellbeing of staff TEO continues to plan and promote events and work alongside the NICS Well programme.

TEO and NICS Sick Absence Statistics

Sickness Absence

Data provided by Northern Ireland Statistics and Research Agency (NISRA). This information is collated from an annual NISRA report on NICS Sickness Absence. The Department had an overall sickness absence rate of 10.1 days lost per employee in 2023-24, which is below the NICS average of 13.8 days. Similarly, the % of staff with one or more long-term absence is 10.2% compared to the NICS rate of 14.0%.

Annual sickness absence figures can be found in the “Sickness Absence in the Northern Ireland Civil Service 2023-24” report at [Sickness Absence in the Northern Ireland Civil Service 2023-24 | Northern Ireland Statistics and Research Agency](#). The 2024-25 sickness absence data is not currently available and will be published later this year.

	2023-24		2022-23	
	TEO	NICS	TEO	NICS
Days Lost per Staff Year	10.1	13.8	5.8	12.3
% of Staff with no recorded absence	68.0	56.9	71.3	57.8
Long term absence				
% of staff with one or more long-term absence	10.2	14.0	6.1	12.4
% of working days lost due to long-term absence	82.2	82.6	69.5	79.5
Average duration (working days)	64.3	68.9	49.4	66.0

- Figures for ALBs can be found in their respective Annual Report and Accounts on their websites

Staff Policies

(i) Equality, Diversity and Inclusion

The NICS values and welcomes diversity and is committed to creating a truly inclusive workplace for all.

The NICS Diversity Champions Network includes senior colleagues as designated Diversity Champions for each of the nine NICS departments, as well as four thematic leads for gender, race and ethnicity, disability and LGBTQ+. The network alongside the NICS corporate HR function, People and Organisational Development, developed and delivered a [NICS Diversity Action Plan 2024-25](#), which set out priorities for action by diversity and inclusion theme and cross-cutting priorities.

Equality is a cornerstone consideration in the development and review of all HR policies which determine how staff are recruited and appointed, their terms and conditions, how they are managed and developed, assessed, recognised and rewarded. Further information is available in the [Equality, Diversity and Inclusion Policy](#).

As part of the NICS' efforts to ensure equality of opportunity, the NICS continually conducts comprehensive reviews into the composition of its workforce and recruitment activity, publishing a wide range of data. The statistics are available on the [Northern Ireland Statistics and Research Agency \(NISRA\)'s website](#).

The NICS continues to meet its statutory obligations under the Fair Employment & Treatment (NI) Order 1998, which includes submission of an annual Fair Employment Monitoring Return and a tri-annual Article 55 Review to the Equality Commission for NI (ECNI), both of which assess the composition of the NICS workforce and the composition of applicants and appointees. Although not a statutory requirement, the NICS also conducts a similar formal review of the gender profile of its workforce. The findings from both tri-annual reviews are published in the NICS [Workforce Review](#). The next review will be published late 2025.

The NICS uses the findings of all the equality monitoring and analysis to inform its programme of targeted outreach activity to address any areas of under-representation.

As a public authority, the NICS has due regard to the need to promote equality of opportunity and regard to the desirability of promoting good relations across a range of categories outlined in the Section 75 of the Northern Ireland Act 1998 in carrying out its functions. Further information on the department's equality scheme is available on its website [TEO Equality Scheme](#).

(ii) Employee Consultation and Trade Union Relationships

The Department of Finance is responsible for the NICS Industrial Relations Policy. People & Organisational Development consults and/or negotiates with the NICS recognised trade unions on matters such as pay, promotion, and annual leave which are relevant across the

NICS. Local issues relevant only to a particular office or area of work is handled by local managers, and branch trade union representatives, through agreed Local Whitley procedures/constitutions.

(iii) Application of Business Appointment Rules (BARs)

The NICS Standards of Conduct Policy, (Section 8 and Annexes 4) sets out the rules on the acceptance of outside business appointments, employment or self-employment by Civil Servants after leaving the NI Civil Service, including procedures to make staff aware of these rules and provides that the Permanent Secretary of the Department is responsible for the effective operation of the Business Appointment Rules within their Department. Further detail is available in the [NICS Standards of Conduct Policy](#).

In compliance with Business Appointment rules, the Department is transparent in the advice given to individual applications for senior staff, including special advisers. Advice regarding specific business appointments has been published on the [TEO website](#).

(iv) Learning & Development

The NICS recognises the importance of having skilled and engaged employees and continues to invest in learning and development.

Development and delivery of generic staff training is centralised in NICS³HR. Training is delivered using a variety of learning delivery channels (including classroom delivery, on-line, and virtual classrooms), providing flexible access to learning. Coherent learning pathways are aligned to both corporate need and the NICS Competency Framework.

During 2024-25, the generic Learning and Development portfolio was updated to include new products, including 16 new classroom products, 11 new eLearning products, five new online resources and 24 product reviews.

A new NICS³HR L&D Portfolio is now available showing the comprehensive range of learning available, grouped under six core product areas:

- Policy and Government,
- Leadership and Management,
- Collaborative & Collective Working,
- Innovation, Improvement & Transformation,
- Health and Wellbeing,
- Digital Skills Development.

Leadership development is a key priority within the NICS and NICS³HR L&D offer a suite of products aimed at leadership from EO2 to SCS grades. Development of four new leadership products commenced this year, with 2025-26 launch dates. Topics will cover Inclusive Leadership, Entrepreneurial Leadership, Collective and Compassionate Leadership and

³ NICS³HR is the NICS' centralized human resources operational delivery function, falling under the responsibility of the Department of Finance.

Digital Leadership. During 2024-25 a Grade 3 Senior Leadership programme was developed and launched in collaboration with University of Ulster, QUB and the William J. Clinton Leadership Institute.

NICSHR continues to develop further leadership products, including a Grade 5 Alumni programme, with events and further resources available within the Leadership Toolkit on [LinkS](#).

(v) Employment, training and advancement of disabled persons

The NICS is a lead partner of Employers for Disability NI (EFDNI) and in 2023 was accredited as a [Disability Positive](#) employer.

The NICS delivers an annual programme of communications and training on disability awareness and has policies in place to support inclusive workplaces. A review of the NICS reasonable adjustment process for in-work support, and for its recruitment selection and onboarding processes, progressed in 2024, which will deliver improvements to the process with implementation anticipated in 2025-26, subject to Ministerial approval and Trade Union consultation. Colleagues with lived experience and external independent advocates have been stakeholders in the reasonable adjustment review.

The NICS is committed to the employment of disabled people and offers work experience for disabled people through the [NICS Work Experience Scheme for Disabled People](#) and annual participation in International Job Shadow Day (IJSN).

To encourage job applications from disabled people, positive action advertising and targeted advertising alongside a programme of outreach are used. The NICS operates a Guaranteed Interview Scheme (GIS) which ensures a guaranteed number of disabled applicants, who meet the minimum essential eligibility criteria for the role they have applied for, are offered an interview. Further information can be found on the "Information for disabled applicants" section of the [NICS recruit website](#).

All selection panel members complete mandatory recruitment and selection training, and appointments to the NICS are made on merit on the basis of fair and open competition, adhering to the [Recruitment Code](#).

vi) Employee Involvement

TEO, and its senior management team, places considerable importance on staff engagement and the inclusion of employees. The Department's Business Improvement Plan, produced by the Business Improvement and Staff Engagement Unit, was developed following widespread consultation and continues to evolve through engagement with staff, including the TEO Staff Engagement Forum. The Department also recognises the importance of highly effective communication and makes every effort to ensure that staff are kept informed through a series of articles issued on a regular basis through the departmental intranet. This is supplemented by monthly webinars, a departmental magazine, team meetings and the sharing of corporate information such as updates on corporate risk and business plans. Site

visits and regular learning seminars are also made available to improve engagement and the sharing of corporate knowledge.

At an individual level, all staff also have access to the NICS Welfare Services, an Employee Assistance Programme (provided by Inspire) and trade union membership/support.

Following a full assessment, TEO was reaccredited to Investors in People (IIP) Silver Status in March 2024 for a further three years.

The Department continues to use the agreed and established Whitley process for staff consultation with Trade Union Side. The Departmental Whitley Committee provides a forum for discussion on all issues affecting staff and meetings are held quarterly.

(vii) Employee Engagement

When launching the 2023 NICS People Survey in April 2023, the Head of the Civil Service issued a message that the frequency of the Survey was changing from yearly to every other year to allow for proper targeting of actions. The 2025 NICS People survey was launched on 29 April 2025 and the results will be available Autumn 2025.

The 2023 NICS People Survey is therefore the most recent survey and was conducted by NISRA across the nine NICS Ministerial Departments as well as the Public Prosecution Service and the Health & Safety Executive for NI. All staff working in these organisations were invited to take part in the survey. For The Executive Office there were 464 (2021: 365) permanent staff invited to complete the survey, of which 317 (2021: 236) participated, a response rate of 68% (2021: 65%). The Employee Engagement Index (EEI) is the weighted average of the responses to the five employee engagement questions, and it ranges from 0% to 100%. The Executive Office responses indicated an Employee Engagement Index of 63% (2021: 64%), compared to the NICS average of 54% (2021: 57%). The 2023 full survey can be accessed at <https://www.finance-ni.gov.uk/publications/nics-people-survey-results>, and the 2025 full survey will be available at this same link when issued in Autumn 2025.

(viii) Health and Safety

The Department is committed to applying all existing health and safety at work legislation and regulations to ensure that staff and visitors enjoy the benefits of a safe environment.

(ix) Expenditure on consultancy and temporary staff

Expenditure on consultancy and temporary staff is as follows:

Consolidated	2024-25 £'000	2023-24 £000
Consultancy Costs	104	286
Agency staff	3,086	3,075
Seconded in staff	2,521	2,637
Total Temporary Staff	5,711	5,998

Agency and seconded in staff costs have decreased slightly across the Department and includes staff who were employed by the Northern Ireland Courts & Tribunal service and dealing with applications under the Historical Institutional Abuse Redress Board (£1.302m) as well as staff from NISRA (£1.219m). Consultancy costs have decreased by £0.182m during 2024-25.

(x) Off Payroll Engagements

The Department had no 'off-payroll' engagements in place during 2024-25 (2023-24: Nil).

There were no 'off-payroll' engagements by any of the board members who served on the board at any time during 2024-25 and had significant financial responsibility (2023-24: Nil).

(xi) Civil Service and other compensation schemes – exit packages (Audited)

No exit packages were paid in 2024-25 (2023-24: NIL) for either Core or Group. Where the Department has agreed early retirements, the additional costs are met by the Department and not by the Civil Service pension scheme. Ill-health retirement costs are met by the pension scheme.

ASSEMBLY ACCOUNTABILITY AND AUDIT REPORT

The Assembly accountability and audit report brings together the key Assembly accountability documents within the annual report and accounts.

Statement of Outturn against Assembly Supply (SOAS) (Audited)

In addition to the primary statements prepared under IFRS, the Government Financial Reporting Manual (FReM) requires TEO to prepare a Statement of Outturn against Assembly Supply (SOAS) and supporting notes.

The SOAS and related notes are subject to audit, as detailed in the Certificate and Report of the Comptroller and Auditor General to the Northern Ireland Assembly.

The SOAS is a key accountability statement that shows, in detail, how an entity has spent against their Supply Estimate. Supply is the monetary provision (for resource and capital purposes) and cash (drawn primarily from the Consolidated Fund), that the Assembly gives statutory authority for entities to utilise. The Estimate details Supply and is voted on by the Assembly at the start of the financial year and is then normally revised by a Supplementary Estimate at the end of the financial year. It is the final Estimate, normally the Spring Supplementary Estimate, which forms the basis of the SOAS.

Should an entity exceed the limits set by its Supply Estimate and corresponding Act of the Assembly, called control limits, its accounts will receive a qualified opinion.

The format of the SOAS mirrors the Supply Estimates to enable comparability between what the Assembly approves and the final outturn. The Supply Estimates are voted by the Assembly and published on the DoF website.

The SOAS contains a summary table, detailing performance against the control limits that the Assembly has voted on, cash spent (budgets are compiled on an accruals basis and as a result outturn will not exactly reconcile to cash spent) and administration.

The supporting notes detail the following: Outturn detailed by Estimate line, providing a more detailed breakdown (note 1); a reconciliation of outturn to net operating expenditure in the SOCNE, to tie the SOAS to the financial statements (note 2); a reconciliation of net resource outturn to net cash requirement (note 3) and an analysis of income payable to the Consolidated Fund (note 4).

The SOAS provides a detailed view of financial performance, in a form that is voted on and recognised by the Assembly. The financial review, in the Performance Report, provides a summarised discussion of outturn against Estimates and functions as an introduction to the SOAS disclosures. These are prepared on a Consolidated basis.

The SOAS and Estimates are compiled against the budgeting framework, which is similar to, but different to, IFRS. An understanding of the budgeting framework and an explanation of key terms is provided in the next section.

Budgeting Framework Disclosures

Budgeting Framework

The Department of Finance (DoF) is responsible for management of the Northern Ireland Budget process in line with a budgetary framework set by Treasury.

The total amount a department spends is referred to as the Total Managed Expenditure (TME); which is split into:

- Annually Managed Expenditure (AME)
- Departmental Expenditure Limit (DEL)

Treasury, and in turn DoF, do not set firm AME budgets. They are volatile or demand-led in a way that departments cannot control. The Department monitors AME forecasts closely and this facilitates reporting to DoF, who in turn report to Treasury.

As DEL budgets are controllable, Treasury sets firm limits for DEL budgets for Whitehall departments and Devolved Administrations at each Spending Review. The NI Executive, based on advice from the Finance Minister, will in turn agree a local Budget that will set DEL controls for Executive departments.

DEL budgets are classified into resource and capital:

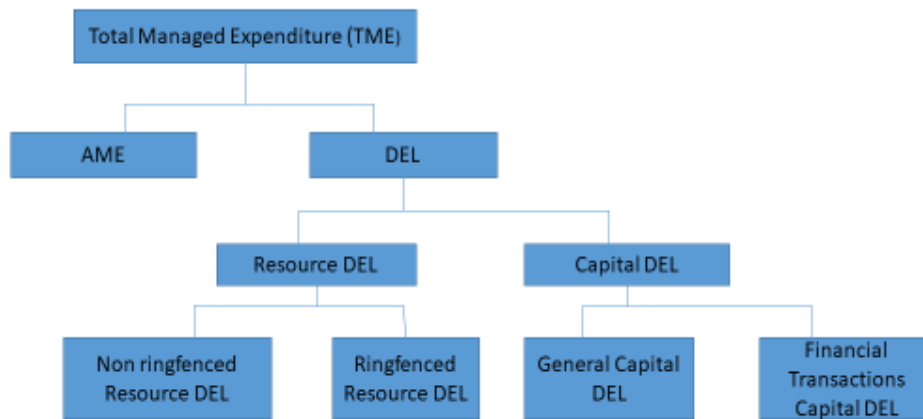
- Resource budgets are further split into non-ringfenced resource that pays for programme delivery and departmental running costs, and separately ringfenced resource that covers non-cash charges for depreciation and impairment of assets.
- Capital DEL is split into 'Financial Transactions Capital (FTC)' which can only be used for loans or equity investments in private sector organisations; and 'general' Capital for spending on the purchase and/or acquisition of assets.

Further detail on the Budgeting Framework can be found in the Consolidated Budgeting Guidance published by Treasury:

[Consolidated budgeting guidance 2024 to 2025 - GOV.UK](#)

Previously the information contained within budgetary controls did not read directly to financial information presented in Financial Statements due to a number of misalignments. The Executive's Review of Financial Process (RoFP), which was implemented in 2022-23, has helped to address these differences and improve transparency. Further information on the Executive's Review of Financial Process can be found on the Northern Ireland Assembly website.

Budget Structure



Budgetary Performance

Details of the Department's performance against Budgetary Control totals is set out in the table below.

	Final Plan 2024-25	* Provisional Outturn 2024-25	Outturn 2024-25	Underspend / (Overspend)
	£'000	£'000	£'000	£'000
Resource DEL	193,985	181,083	181,083	12,902
<i>including</i>				
<i>Non-ringfenced</i>	<i>191,510</i>	<i>189,486</i>	<i>189,486</i>	<i>2,024</i>
<i>Ringfenced D/I</i>	<i>2,475</i>	<i>(8,403)</i>	<i>(8,403)</i>	<i>10,878</i>
Capital DEL	21,726	21,260	21,260	466
<i>including</i>				
<i>General Capital</i>	<i>13,215</i>	<i>13,035</i>	<i>13,035</i>	<i>180</i>
<i>FTC</i>	<i>8,511</i>	<i>8,225</i>	<i>8,225</i>	<i>286</i>
Total DEL	215,711	202,343	202,343	13,368
AME	995,610	712,154	712,154	283,456
<i>including</i>				
<i>AME Resource</i>	<i>995,610</i>	<i>712,154</i>	<i>712,154</i>	<i>283,456</i>
<i>AME Capital</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
Total Managed Expenditure	1,211,321	914,497	914,497	296,824

***Provisional Outturn submitted to DoF on 14 May 2025**

Note - Figures presented on a Consolidated basis

Request for Resources A (RfR A)

Driving investment and sustainable development; making people's lives better through support for equality, human rights and community relations; and the effective operation of the institutions of Government.

Explanation of Variances

The underspend in Resource DEL primarily related to:

- FTC amortisation (£10.8m);
- Overall underspend in demand led earmarked areas (£0.6m);
- Savings in baseline salaries due to vacancies not being filled (£0.4m);
- Savings in Covid Inquiry costs relating to lower than anticipated legal fees (£0.4m);

The underspend in AME DEL primarily related to:

- Victims' Payment Scheme year-end provision less than budget at Spring Supplementary Estimates (£280m);
- Lower than anticipated revaluation of land and buildings at Ebrington and MLKDC (£3.52m);

The Departmental Group had a total capital underspend against Estimate of £0.5m relating mainly to lower than anticipated capitalised FTC loan interest due to the volatility around interest and discount rates.

Statement of Outturn against Assembly Supply, 2024-25 (£000s) (Audited)

Summary Table

Type of spend	Note	Outturn				Estimate				Outturn vs Estimate: saving/ (excess)		Prior Year Outturn Total, 2023–24
		Voted	Non-Voted	Net Total		Voted	Non-Voted	Total		Voted	Total	
Departmental Expenditure Limit												
- Resource	SOAS 1.1	181,083	-	181,083		193,985	-	193,985		12,902	12,902	150,996
- Capital	SOAS 1.2	21,260	-	21,260		21,726	-	21,726		466	466	19,948
Total		202,343	-	202,343		215,711	-	215,711		13,368	13,368	170,944
Annually Managed Expenditure												
-Resource	SOAS 1.1	712,154	-	712,154		995,610	-	995,610		283,456	283,456	(6,502)
-Capital	SOAS 1.2	-	-	-		-	-	-		-	-	-
Total		712,154	-	712,154		995,610	-	995,610		283,456	283,456	(6,502)
Total Budget												
- Resource	SOAS 1.1	893,237	-	893,237		1,189,595	-	1,189,595		296,358	296,358	144,494
- Capital	SOAS 1.2	21,260	-	21,260		21,726	-	21,726		466	466	19,948
Total Budget Expenditure		914,497	-	914,497		1,211,321	-	1,211,321		296,824	296,824	164,442
Total Resource		893,237	-	893,237		1,189,595	-	1,189,595		296,358	296,358	144,494
Total Capital		21,260	-	21,260		21,726	-	21,726		466	466	19,948
Total Budget and Non Budget		914,497	-	914,497		1,211,321	-	1,211,321		296,824	296,824	164,442

Net cash requirement 2024-25, all figures presented in £000

Item	Note	Outturn	Estimate	Outturn vs Estimate, saving/ (excess)	Prior Year Outturn Total, 2023-24
Net cash requirement	SOAS 3	195,562	227,777	32,215	165,679

Figures in the areas outlined in bold are voted totals subject to Assembly control.

Administration costs 2024-25, all figures presented in £000

Type of spend	Note	Outturn	Estimate	Outturn vs Estimate, saving/ (excess)	Prior Year Outturn Total, 2023-24
Administration costs	SOAS 1.1	22,558	23,157	599	20,946

Administration costs are not a separate voted limit and a breach of the administration budget will not result in an excess vote.

Notes to the Statement of Outturn against Assembly Supply, 2024-25 (£000)

SOAS 1 Outturn detail, by Estimate Line

SOAS 1.1 Analysis of resource outturn by Estimate line (all figures presented in £000)

* NDPB Outturn is recorded net

Type of spend (Resource)	Resource Outturn							Estimate			Outturn vs Estimate (inc. Virements), saving/ (excess)	Prior-year outturn Total, 2023–24
	Administration			Programme			Total					
	Gross	Income	Net	Gross	Income	Net		Total	Virements*	Total inc. virements		
Spending in Departmental Expenditure Limits (DEL)												
Voted expenditure	22,569	(11)	22,558	166,315	(7,790)	158,525	181,083	193,985	-	193,985	12,902	150,996
Of which:												
1: Executive Support	20,250	(11)	20,239	149,287	(4,143)	145,144	165,383	177,810	-	177,810	12,427	137,036
Of which:												
Executive Support and Policy Development – Departmental Expenditure	17,984	(11)	17,973	31,800	(196)	31,604	49,577	51,462	(714)	50,748	1,171	42,491
Historical Institutional Abuse	-	-	-	22,139	(3,947)	18,192	18,192	19,197	(1,005)	18,192	-	24,992
Victims Payments	-	-	-	73,466	-	73,466	73,466	71,411	2,055	73,466	-	41,051
Maze/Long Kesh Development Corporation (ALB – Net)	-	-	-	1,127	-	1,127	1,127	1,240	-	1,240	113	1,125
Commissioner for Survivors of Institutional Childhood Abuse (ALB – Net)	-	-	-	845	-	845	845	885	-	885	40	754
Commission for Victims and Survivors for Northern Ireland (ALB – Net)	-	-	-	702	-	702	702	702	-	702	-	894
Equality Commission for Northern Ireland (ALB – Net)	300	-	300	5,896	-	5,896	6,196	6,260	-	6,260	64	6,372
Northern Ireland Judicial Appointments Commission (ALB – Net)	171	-	171	976	-	976	1,147	1,163	-	1,163	16	1,111
Strategic Investment Board Limited (ALB – Net)	-	-	-	(5,635)	-	(5,635)	(5,635)	5,211	-	5,211	10,846	(2,133)
Victims and Survivors Service Limited (ALB – Net)	1,795	-	1,795	17,971	-	17,971	19,766	20,279	(336)	19,943	177	20,379

Type of spend (Resource)	Resource Outturn							Estimate			Outturn vs Estimate (inc. Virements), saving/ (excess)	Prior-year outturn Total, 2023–24
	Administration			Programme			Total					
	Gross	Income	Net	Gross	Income	Net		Total	Virements*	Total inc. virements		
2: Good Relations	522	-	522	16,248	(3,647)	12,601	13,123	13,497	-	13,497	374	11,548
Of which:												
Good Relations - Departmental Expenditure	-	-	-	8,438	-	8,438	8,438	8,630	-	8,630	192	8,071
Northern Ireland Community Relations Council (ALB – Net)	522	-	522	2,675	-	2,675	3,197	3,213	-	3,213	16	3,065
Strategic Investment Board Limited (ALB – Net)	-	-	-	475	-	475	475	475	-	475	-	439
EU Peace Funding	-	-	-	4,660	(3,647)	1,013	1,013	1,179	-	1,179	166	(27)
3: North South Ministerial Council	75	-	75	780	-	780	855	891	-	891	36	809
4: Attorney General for Northern Ireland	1,722	-	1,722	-	-	-	1,722	1,787	-	1,787	65	1,603
Total Voted DEL	22,569	(11)	22,558	166,315	(7,790)	158,525	181,083	193,985	-	193,985	12,902	150,996
Spending in Annually Managed Expenditure (AME)												
Voted expenditure	-	-	-	712,154	-	712,154	712,154	995,610	-	995,610	283,456	(6,502)
Of which:												
5: Strategic Sites	-	-	-	(242)	-	(242)	(242)	2,750	-	2,750	2,992	125
6: Provisions	-	-	-	713,014	-	713,014	713,014	992,200	-	992,200	279,186	(10,529)
7: ALBs (Net)	-	-	-	(618)	-	(618)	(618)	660	-	660	1,278	3,902
Total Voted AME	-	-	-	712,154	-	712,154	712,154	995,610	-	995,610	283,456	(6,502)
Total Resource	22,569	(11)	22,558	878,469	(7,790)	870,679	893,237	1,189,595	-	1,189,595	296,358	144,494

SOAS 1.2 Analysis of capital outturn by Estimate line (all figures presented in £000) *NDPB Outturn is recorded net

Type of spend (Capital)	Outturn			Estimate			Outturn vs Estimate (inc. Virements), saving/ (excess)	Prior-year outturn Total, 2023–24
	Gross	Income	Net total	Total	Virements*	Total inc. virements		
Spending in Departmental Expenditure Limits (DEL)								
Voted expenditure	21,815	(555)	21,260	21,726	-	21,726	466	19,948
<i>Of which:</i>								
1: Executive Support	21,214	(555)	20,659	21,016	11	21,027	368	18,920
<i>Of which:</i>								
<i>Executive Support and Policy Development – Departmental Expenditure</i>	<i>10,870</i>	<i>(555)</i>	<i>10,315</i>	<i>10,304</i>	<i>11</i>	<i>10,315</i>	<i>-</i>	<i>9,766</i>
<i>Historical Institutional Abuse</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>20</i>	<i>-</i>	<i>20</i>	<i>20</i>	<i>-</i>
<i>Victims Payments</i>	<i>88</i>	<i>-</i>	<i>88</i>	<i>130</i>	<i>-</i>	<i>130</i>	<i>42</i>	<i>194</i>
<i>Maze/Long Kesh Development Corporation (ALB – Net)</i>	<i>1,075</i>	<i>-</i>	<i>1,075</i>	<i>1,075</i>	<i>-</i>	<i>1,075</i>	<i>-</i>	<i>935</i>
<i>Commissioner for Survivors of Institutional Childhood Abuse (ALB – Net)</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>57</i>
<i>Commission for Victims and Survivors for Northern Ireland (ALB – Net)</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>11</i>
<i>Equality Commission for Northern Ireland (ALB – Net)</i>	<i>42</i>	<i>-</i>	<i>42</i>	<i>42</i>	<i>-</i>	<i>42</i>	<i>-</i>	<i>156</i>
<i>Northern Ireland Judicial Appointments Commission (ALB – Net)</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>15</i>
<i>Strategic Investment Board Limited (ALB – Net)</i>	<i>8,956</i>	<i>-</i>	<i>8,956</i>	<i>9,261</i>	<i>-</i>	<i>9,261</i>	<i>305</i>	<i>7,542</i>
<i>Victims and Survivors Service Limited (ALB – Net)</i>	<i>183</i>	<i>-</i>	<i>183</i>	<i>184</i>	<i>-</i>	<i>184</i>	<i>1</i>	<i>244</i>

Type of spend (Capital)	Outturn			Estimate			Outturn vs Estimate (inc. Virements), saving/ (excess)	Prior-year outturn 2023-24
	Gross	Income	Net total	Total	Virements*	Total inc. virements		
2: Good Relations	(19)	-	(19)	10	-	10	29	27
<i>Of which:</i>								
<i>Good Relations – Departmental Expenditure</i>	<i>(29)</i>	<i>-</i>	<i>(29)</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>29</i>	<i>-</i>
<i>Northern Ireland Community Relations Council (ALB – Net)</i>	<i>10</i>	<i>-</i>	<i>10</i>	<i>10</i>	<i>-</i>	<i>10</i>	<i>-</i>	<i>27</i>
<i>Strategic Investment Board Limited (ALB – Net)</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
<i>EU Peace Funding)</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
3: North-South Ministerial Council	620	-	620	700	(11)	689	69	-
4: Attorney General for Northern Ireland	-	-	-	-	-	-	-	1,001
Total Voted DEL	21,815	(555)	21,260	21,726	-	21,726	466	19,948
Total Capital	21,815	(555)	21,260	21,726	-	21,726	466	19,948

*Virements are the reallocation of provision in the Estimates that do not require Assembly authority (because the Assembly does not vote to that level of detail and delegates to DoF). Further information on virements are provided in the Supply Estimates in Northern Ireland Guidance Manual, available on the DoF website.

The Outturn vs Estimate column is based on the total including virements. The Estimate total before virements have been made is included so that users can reconcile this Estimate back to the Estimates approved by the Assembly.

SOAS 2 Reconciliation of outturn to net expenditure

Item	Note	Outturn total 2024-25 £000	Prior Year Outturn total 2023-24 £000
Total Resource Outturn	SOAS 1.1	893,237	144,494
Add:			
Capital grants		9,457	8,285
ECNI – Release Dilapidation provision		750	-
Total		10,207	8,285
Less:			
Income payable to the Consolidated Fund		16	7
Intercompany Resource Movement		-	22
Other - ECNI Income		148	-
Other		(5)	4
Total		159	33
Net Expenditure in Consolidated Statement of Comprehensive Net Expenditure	SOCNE	903,285	152,746

As noted in the introduction to the SOAS above, outturn and the Estimates are compiled against the budgeting framework, which is similar to, but different from, IFRS. Therefore, this note reconciles the resource outturn to net expenditure, linking the SOAS to the financial statements.

Capital grants are budgeted for as Capital DEL, but accounted for as spend on the face of the SOCNE, and therefore function as a reconciling item between Resource and Net Expenditure. £9.011m of capital grants were issued to Urban Villages, £0.475m SBRI Challenge Fund issued to Ending Violence Against Women and Girls. A correction (£0.029m) to a previous capital grant issued to SIF projects was also accounted for.

SOAS 3 Reconciliation of Net Resource Outturn to Net Cash Requirement

Item	Note		Outturn Total £000		Estimate £000		Outturn vs Estimate, Saving / (excess) £000
Total Resource outturn	SOAS 1.1		893,237		1,189,595		296,358
Total Capital outturn	SOAS 1.2		21,260		21,726		466
<i>Adjustments for ALBs:</i>							
Remove voted resource			(27,202)		(40,050)		(12,848)
Remove voted capital			(10,266)		(10,572)		(306)
Add cash Grant-in-aid			40,590		42,337		1,747
Less inter-Group transactions			-		-		-
<i>Adjustments to remove non-cash items:</i>							
Depreciation, impairments and revaluations			(1,089)		(4,059)		(2,970)
New provisions and adjustments to previous provisions			(730,020)		(1,010,110)		(280,090)
Other non cash items – lease interest			(81)		-		81
- Unrealised exchange loss			(390)		(600)		(210)
- Profit/loss on disposals			292		-		(292)
- lease addition			(396)		-		396
<i>Adjustments to reflect movements in working balances:</i>							
Increase / (Decrease) in Receivables			8,620		11,000		2,380
(Increase) / Decrease in Payables			(17,168)		10,000		27,168
Lease Payments			777		-		(777)
Use of provisions			17,398		18,510		1,112
Total			(718,935)		(983,544)		(264,609)
Net cash requirement			195,562		227,777		32,215

As noted in the introduction to the Statement of Outturn against Assembly Supply (SOAS) above, outturn and the Estimates are compiled against the budgeting framework, which is similar to, but different from, IFRS. This reconciliation bridges the resource and capital outturn to the net cash requirement.

SOAS 4 Amounts of Income to the Consolidated Fund**SOAS 4.1 Analysis of income payable to the Consolidated Fund**

In addition to income retained by the department, the following income is payable to the Consolidated Fund (cash receipts being shown in italics)

Item	Note	Outturn total 2024–25 £000		Prior Year, 2023–24 £000	
		Income (Accruals)	<i>Receipts (Cash basis)</i>	Income (Accruals)	<i>Receipts (Cash Basis)</i>
Income in budgets surrendered to the Consolidated Fund (resource)		-	-	-	-
Income in budgets surrendered to the Consolidated Fund (capital)		-	-	-	-
Non-budget amounts collectable on behalf of the Consolidated Fund (in the SoCNE)		16	16	7	7
Excess cash surrenderable to the Consolidated Fund		-	-	-	-
Total income payable to the Consolidated Fund		16	16	7	7

SOAS 4.2 Consolidated Fund Income

Consolidated Fund income shown in SOAS 4.1 above does not include any amounts collected by the department where it was acting as agent for the Consolidated Fund rather than as principal. TEO had no such income in 2024-25 (2023-24: nil).

Assembly Accountability Disclosures (Audited)

Losses and Special Payments (Audited)

Losses Statement

	Core Department	2024-25 Departmental Group	Core Department	2023-24 Departmental Group
Total number of losses	28	30	18	18
Total value of losses (£000)	15	19	21	21

There were no cases over £300,000 in 2024-25
(2023-24: no cases)

Special Payments

	Core Department	2024-25 Departmental Group	Core Department	2023-24 Departmental Group
Total number of special payments	13	13	3	3
Total value of special payments (£000)	398	398	325	325

There were no special payments over £300,000 in 2024-25 (2023-24: none).

Fees and Charges (Audited)

There were no fees and charges in the Core Department or the Departmental Group.

Remote Contingent Liabilities (Audited)

There were no remote contingent liabilities in the Core Department or its Departmental Group.

Approved and signed



Accounting Officer
27 June 2025

THE CERTIFICATE OF THE COMPTROLLER AND AUDITOR GENERAL TO THE NORTHERN IRELAND ASSEMBLY – TO BE UPDATED**Opinion on financial statements**

I certify that I have audited the financial statements of The Executive Office and of its Departmental Group for the year ended 31 March 2025 under the Government Resources and Accounts Act (Northern Ireland) 2001. The Departmental Group consists of the Department and the bodies designated for inclusion under the Government Resources and Accounts (Northern Ireland) 2001 (Estimates and Accounts) (Designation of Bodies) Order 2022. The financial statements comprise: the Department's and the Departmental Group's

- Statement of Financial Position as at 31 March 2025;
- Statement of Comprehensive Net Expenditure, Statement of Cash Flows and Statement of Changes in Taxpayers' Equity for the year ended; and
- the related notes including the significant accounting policies.

The financial reporting framework that has been applied in their preparation of the Group financial statements is applicable law and UK adopted international accounting standards as interpreted and adapted by the Government Financial Reporting Manual.

I have also audited the Statement of Outturn against Assembly Supply, and the related notes, and the information in the Accountability Report that is described in that report as having been audited. In my opinion, except for the matters described in the Basis for qualified opinions section of my certificate, the financial statements:

- give a true and fair view of the state of the Department and the Departmental Group's affairs as at 31 March 2025 and of its net operating expenditure for the year then ended; and
- have been properly prepared in accordance with the Government Resources and Accounts Act (Northern Ireland) 2001 and Department of Finance directions issued thereunder.

Emphasis of Matter

I draw attention to note 14.4 of the financial statements, in relation to a £730 million provision for the Victims' Payment Scheme for those who suffered permanent physical or psychological disablement as the result of a Troubles related incident.

As stated in note 14.4, the total cost estimate of the Scheme is highly sensitive to the assumed number of total successful cases. The Government Actuary's Department advised The Executive Office that the assumptions derived from extrapolating past data available on determinations, awards and applications are highly uncertain. However, The Government Actuary's Department and The Executive Office consider that the approach is reasonable for the purposes of calculating accounting estimates.

My opinion is not modified in respect of this matter.

Opinion on regularity

In my opinion, in all material respects:

- the Statement of Outturn against Assembly Supply properly presents the outturn against voted Assembly control totals for the year ended 31 March 2025 and shows that those totals have not been exceeded; and
- the expenditure and income recorded in the financial statements have been applied to the purposes intended by the Assembly and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis for opinions

I have qualified my true and fair opinion due to the inclusion of Financial Transaction Capital (FTC) loans as financial assets within The Executive Office's financial statements. These loans are included in The Executive Office's financial statements as the result of a direction issued by the Department of Finance. However, the loans do not meet the recognition criteria for a financial asset of The Executive Office under both the International Financial Reporting Standards and the Government Financial Reporting Manual accounting requirements. As a result of the application of the Department of Finance's direction, The Executive Office's assets at 31 March 2025 are overstated by £313 million (2023-24: £303 million).

I conducted my audit in accordance with International Standards on Auditing (ISAs) (UK), applicable law and Practice Note 10 'Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom'. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of this certificate.

My staff and I are independent of The Executive Office and its Group in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK, including the Financial Reporting Council's Ethical Standard, and have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my opinions.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that The Executive Office and its Group's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on The Executive Office or its Group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

The going concern basis of accounting for The Executive Office and its Group is adopted in consideration of the requirements set out in the Government Financial Reporting Manual, which require entities to adopt the going concern basis of accounting in the preparation of the financial statements where it anticipated that the services which they provide will continue into the future.

My responsibilities and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this certificate.

Other Information

The other information comprises the information included in the annual report other than the financial statements, the parts of the Accountability Report described in that report as having been audited, and my audit certificate and report. The Accounting Officer is responsible for the other information.

My opinion on the financial statements does not cover the other information and except to the extent otherwise explicitly stated in my certificate, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion, based on the work undertaken in the course of the audit:

- the parts of the Accountability Report to be audited have been properly prepared in accordance with Department of Finance directions made under the Government Resources and Accounts Act (Northern Ireland) 2001; and
- the information given in the Performance Report and Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which I report by exception

In the light of the knowledge and understanding of The Executive Office and its Group and their environment obtained in the course of the audit, I have not identified material misstatements in the Performance Report and Accountability Report.

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the financial statements and the parts of the Accountability Report subject to audit are not in agreement with the accounting records; or
- certain disclosures of remuneration specified by the Government Financial Reporting Manual are not made; or
- I have not received all of the information and explanations I require for my audit; or
- the Governance Statement does not reflect compliance with the Department of Finance's guidance.

Responsibilities of the Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer is responsible for:

- the preparation of the financial statements in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- ensuring such internal controls as deemed necessary to enable the preparation of financial statements to be free from material misstatement, whether due to fraud or error;
- ensuring the annual report, which includes the Remuneration and Staff Report, is prepared in accordance with the applicable financial reporting framework; and
- assessing The Executive Office and its Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Accounting Officer anticipates that the services provided by The Executive Office and its Group will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the Government Resources and Accounts Act (Northern Ireland) 2001.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue a certificate

that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulation, including fraud.

My procedures included:

- obtaining an understanding of the legal and regulatory framework applicable to The Executive Office and its Group through discussion with management and application of extensive public sector accountability knowledge. The key laws and regulations I considered included governing legislation and any other relevant laws and regulations identified;
- making enquires of management and those charged with governance on The Executive Office and its Group's compliance with laws and regulations;
- making enquiries of internal audit, management and those charged with governance as to The Executive Office and its Group's susceptibility to irregularity and fraud, their assessment of the risk of material misstatement due to fraud and irregularity, and their knowledge of actual, suspected and alleged fraud and irregularity;
- completing risk assessment procedures to assess the susceptibility of The Executive Office and its Group's financial statements to material misstatement, including how fraud might occur. This included, but was not limited to, an engagement director led engagement team discussion on fraud to identify particular areas, transaction streams and business practices that may be susceptible to material misstatement due to fraud. As part of this discussion, I identified potential for fraud in the posting of unusual journals;
- engagement director oversight to ensure the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with the applicable legal and regulatory framework throughout the audit;
- documenting and evaluating the design and implementation of internal controls in place to mitigate risk of material misstatement due to fraud and non-compliance with laws and regulations;
- communicating with component auditors to request identification of any instances of non-compliance with laws and regulations that could give rise to a material misstatement of the group financial statements;
- designing audit procedures to address specific laws and regulations which the engagement team considered to have a direct material effect on the financial statements in terms of misstatement and irregularity, including fraud. These audit procedures included, but were not limited to, reading board and committee minutes, and agreeing financial statement disclosures to underlying supporting documentation and approvals as appropriate and reviewing internal audit reports;
- addressing the risk of fraud as a result of management override of controls by:
 - performing analytical procedures to identify unusual or unexpected relationships or movements;
 - testing journal entries to identify potential anomalies, and inappropriate or unauthorised adjustments;

- assessing whether judgements and other assumptions made in determining accounting estimates were indicative of potential bias; and
- investigating significant or unusual transactions made outside of the normal course of business.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my certificate.

In addition, I am required to obtain evidence sufficient to give reasonable assurance that the Statement of Outturn against Assembly Supply properly presents the outturn against voted Assembly control totals and that those totals have not been exceeded. The voted Assembly control totals are Departmental Expenditure Limits (Resource and Capital), Annually Managed Expenditure (Resource and Capital), Non-Budget and Net Cash Requirement. I am also required to obtain evidence sufficient to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by Assembly and the financial transactions recorded in the financial statements conform to the authorities which govern them. My detailed observations are included in my report attached to these financial statements at pages 197 to 198.



Dorinnia Carville
Comptroller and Auditor General
Northern Ireland Audit Office
106 University Street
BELFAST
BT7 1EU

1 July 2025

FINANCIAL STATEMENTS

THE FINANCIAL STATEMENTS

Consolidated Statement of Comprehensive Net Expenditure for the year ended 31 March 2025

This account summarises the expenditure and income generated and consumed on an accruals basis. It also includes other comprehensive income and expenditure, which include changes to the values of non-current assets and other financial instruments that cannot yet be recognised as income or expenditure.

	Note	2024–25		2023–24	
		Core Dept	Group	Core Dept	Group
		£000	£000	£000	£000
Other operating income	4	(7,915)	(15,942)	(176)	(6,885)
Total operating income		(7,915)	(15,942)	(176)	(6,885)
Staff costs	3	34,142	55,772	32,424	53,126
Purchase of goods and services	3	91,057	96,085	57,062	61,843
Depreciation and impairment charges	3	797	2,203	1,310	5,501
Amortisation – FTC Loan	9	-	(10,782)	-	(7,640)
Provision expense	3,14	730,020	729,274	9,433	10,523
External Audit Fees (ALBs)	3	-	187	-	180
Other operating expenditure	3	67,956	46,368	57,532	36,014
Total operating expenditure		923,972	919,107	157,761	159,547
Net operating expenditure		916,057	903,165	157,585	152,662
Finance income		-	-	-	-
Finance expense	3	81	120	54	84
Net expenditure for the year	SOAS2	916,138	903,285	157,639	152,746
Notional Audit Costs	3	109	109	105	105
Other Notional Costs	3	3,226	3,226	3,458	3,458
Total Notional Costs		3,335	3,335	3,563	3,563
Net Expenditure for the year including notionals		919,473	906,620	161,202	156,309
Other comprehensive net expenditure					
Items which will not be reclassified to net operating expenditure:					

	Note	2024–25		2023–24	
		Core Dept	Group	Core Dept	Group
• Net gain/loss on revaluation of property, plant and equipment	5	(158)	(159)	27	38
• Net gain/loss on revaluation of intangible assets	6	(11)	(11)	(18)	(18)
• Actuarial gain/loss on pension scheme liabilities	14.6	-	-	-	(717)
Comprehensive net expenditure for the year		919,304	906,450	161,211	155,612

The notes on pages 157 to 196 form part of these accounts.

Consolidated Statement of Financial Position as at 31 March 2025

This statement presents the financial position of TEO. It comprises three main components: assets owned or controlled; liabilities owed to other bodies; and equity, the remaining value of the entity.

		2024–25		2023–24	
	Note	Core Dept	Group	Core Dept	Group
		£000	£000	£000	£000
Non-current assets:					
Investment – FTC Loan	9	-	305,346	-	302,183
Property, plant & equipment	5	20,587	30,310	20,101	29,375
Intangible Assets	6	837	998	784	938
Trade & other receivables	12	385	385	319	319
Total non-current assets		21,809	337,039	21,204	332,815
Current assets					
Assets classified as held for sale	10	-	-	-	-
Trade & other receivables	12	25,469	39,826	16,534	23,792
Cash & cash equivalents	11	258	3,753	1,299	4,378
Total current assets		25,727	43,579	17,833	28,170
Total assets		47,536	380,618	39,037	360,985
Current liabilities					
Trade and other payables	13	(61,761)	(70,452)	(45,135)	(52,920)
Provisions	14	(129,352)	(129,640)	(23,061)	(23,346)
Total current liabilities		(191,113)	(200,092)	(68,196)	(76,266)
Total assets less current liabilities		(143,577)	180,526	(29,159)	284,719
Non-current liabilities					
Provisions	14	(630,126)	(630,126)	(23,795)	(24,544)
Other payables	13	(3,142)	(3,852)	(3,477)	(4,711)
Retirement benefit obligations	14.6	-	-	-	912
Total non-current liabilities		(633,268)	(633,978)	(27,272)	(28,343)
Total assets less total liabilities		(776,845)	(453,452)	(56,431)	256,376

	2024–25		2023–24		
	Note	Core Dept	Group	Core Dept	Group
		£000	£000	£000	£000
Taxpayers’ equity and other reserves:					
General Fund		(777,311)	(454,054)	(56,857)	255,814
Revaluation Reserve		466	602	426	562
Total equity		(776,845)	(453,452)	(56,431)	256,376



Accounting Officer
27 June 2025

The notes on pages 157 to 196 form part of these accounts.

Consolidated Statement of Cash Flows for the year ended 31 March 2025

The Statement of Cash Flows shows the changes in cash and cash equivalents of TEO during the reporting period. The statement shows how the Department generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities. The amount of net cash flows arising from operating activities is a key indicator of service costs and the extent to which these operations are funded by way of income from the recipients of services provided by the department. Investing activities represent the extent to which cash inflows and outflows have been made for resources which are intended to contribute to the Department's future public service delivery.

	Note	Core Dept £000	2024-25 Group £000	Core Dept £000	2023-24 Group £000
Cash flows from operating activities					
Net expenditure for the year including notional		(919,473)	(906,620)	(161,202)	(156,309)
Adjustments for non-cash transactions	3, 4	734,542	735,202	14,436	19,719
Adjustments for non-cash Amortisation Reserve - FTC Loans	9	-	(10,782)	-	(7,640)
(Increase)/Decrease in trade and other receivables	12	(9,001)	(16,100)	12,909	13,213
Less movements in receivables relating to items not passing through the Statement of Comprehensive Net Expenditure	12	381	6,725	(2,893)	(2,893)
Increase/(Decrease) in trade and other payables	13	16,291	16,673	(7,860)	(8,173)
Less movements in payables relating to items not passing through the Statement of Comprehensive Net Expenditure	13	1,224	2,094	2,769	3,781
Other		-	-	-	254
Interest on Lease liabilities	16.2	-	-	283	297
Movement in pension scheme deficit:-					
Current service cost settlement	14.6	-	118	-	108
Employer pension contributions/ use of provisions	14.6	-	(115)	-	(98)
Interest on net defined benefit liability	14.6	-	(47)	-	(11)
Unrealised Foreign Exchange		(390)	(390)	-	-
Use of provisions	14	(17,398)	(17,398)	(20,093)	(20,412)
Net cash inflow/(outflow) from operating activities		(193,824)	(190,640)	(161,651)	(158,164)

	Note	Core Dept	2024-25 Group	Core Dept	2023-24 Group
		£000	£000	£000	£000
Cash flows from investing activities					
FTC Loan Repayment Receipt		-	(1,275)	-	1,275
Repayment FTC to Group		-	1,275	-	-
Purchase of non-financial assets	5, 6, 13	(2,271)	(4,129)	(3,496)	(4,942)
New Leases		396	1,014	-	-
Proceeds from disposal of non-financial assets		849	850	226	239
Net cash inflow/(outflow) from investing activities		(1,026)	(2,265)	(3,270)	(3,428)
Cash flows from financing activities					
From the Consolidated Fund (Supply) – current year		193,888	193,888	166,971	166,971
From the Consolidated Fund (Supply) – prior year		-	-	2,893	2,893
Transfer FTC payment to DoF		-	-	-	(1,275)
Advances from the Contingencies Fund		-	-	-	-
Repayments to the Contingencies Fund		-	-	-	-
Cash payments for the principal portion of lease liability		(696)	(1,601)	(697)	(1,495)
Cash payments for the interest portion of lease liability		-	-	(54)	(73)
Net financing		193,192	192,287	169,113	167,021
Net increase/(decrease) in cash and cash equivalents in the period before adjustment for receipts and payments to the Consolidated Fund		(1,658)	(618)	4,192	5,429
Payments of amounts due to the Consolidated Fund		(7)	(7)	(59)	(59)
Net increase/(decrease) in cash and cash equivalents in the period after adjustment for receipts and payments to the Consolidated Fund		(1,665)	(625)	4,133	5,370
Cash and cash equivalents at the beginning of the period		1,299	4,378	(2,834)	(992)
Cash and cash equivalents at the end of the period		(366)	3,753	1,299	4,378

The notes on pages 157 to 196 form part of these accounts.

Consolidated Statement of Changes in Taxpayers' Equity for the year ended 31 March 2025

This statement shows the movement in the year on the different reserves held by TEO, analysed into 'general fund reserves' (i.e. those reserves that reflect a contribution from the Consolidated Fund). The Revaluation Reserve reflects the change in asset values that have not been recognised as income or expenditure. The General Fund represents the total assets less liabilities of a department, to the extent that the total is not represented by other reserves and financing items.

GROUP	Note	General Fund	Revaluation Reserve	Taxpayers' equity
		£000	£000	£000
Balance at 31 March 2023		243,240	704	243,944
Net Assembly Funding		166,971	-	166,971
Supply (payable)/receivable Adjustment	13	(1,293)	-	(1,293)
Other reserves movements including transfers		86	-	86
CFERs Payable to the Consolidated Fund		(7)	-	(7)
SIB FTC loan repayment received in year	9	(1,275)	-	(1,275)
Comprehensive Net Expenditure for the year	CSoCNE	(156,309)	-	(156,309)
Auditors' Remuneration	3	105	-	105
Non-cash charges- other notional costs		3,458	-	3,458
Revaluation gains/losses		-	(21)	(21)
Actuarial Gain/(Loss) for year		717	-	717
Transfers between reserves		121	(121)	-
Balance at 31 March 2024		255,814	562	256,376
Net Assembly Funding – drawn down		193,888	-	193,888
Net Assembly Funding – deemed Adjustment		1,293	-	1,293
		(50)	-	(50)
Supply (payable)/receivable Adjustment	12	381	-	381
Other reserves movements including transfers		(978)	-	(978)
CFERs Payable to the Consolidated Fund		(16)	-	(16)
SIB FTC loan repayment received in year	9	(1,275)	-	(1,275)

GROUP	Note	General Fund	Revaluation Reserve	Taxpayers' equity
		£000	£000	£000
Comprehensive Net Expenditure for the year	CSocNE	(906,620)	-	(906,620)
Auditors' Remuneration	3	109	-	109
Non-cash charges- other notional costs	3	3,226	-	3,226
Revaluation gains/losses		-	170	170
Pension service cost, employer contributions & defined interest benefit	14.6	44	-	44
Actuarial Gain/(Loss) for year	14.6	-	-	-
Transfers between reserves		130	(130)	-
Balance at 31 March 2025		(454,054)	602	(453,452)

The notes on pages 157 to 196 form part of these accounts.

Notes to the Accounts

1 Statement of accounting policies

These financial statements have been prepared in accordance with the 2024–25 Government Financial Reporting Manual (FReM) issued by the Department of Finance. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the TEO Group for the purpose of giving a true and fair view has been selected. The particular policies adopted by the Department are described below. They have been applied consistently in dealing with items that are considered material to the accounts.

1.1 *Accounting convention*

These accounts have been prepared under the historical cost convention, modified to account for the revaluation of investment property, property, plant and equipment, intangible assets, and certain financial assets and liabilities.

1.2 *Basis of consolidation*

These accounts comprise a consolidation of the Core Department and its arms' length bodies listed in note 20, which fall within the departmental boundary as defined in the FReM and make up the 'Departmental Group'. Transactions between entities included in the consolidated accounts are eliminated. The consolidated bodies prepare accounts in accordance with either the FReM or the Companies Order 2006. For those bodies that do not prepare accounts in accordance with the FReM, adjustments are made at consolidation if necessary where differences would have a significant effect on the accounts.

Implementation of Review of Financial Process (RoFP)

TEO implemented the Review of Financial Process in 2022-23. The aim of RoFP was to align the boundaries of budgets, estimates and accounts as far as it is practicable, including consolidation of NDPBs and other central government bodies in Estimates and Accounts. The bodies included within the departmental boundary for 2024–25 are detailed in the Directors' Report and in note 20. The list of bodies is subject to change each year and the final list of bodies to be included within the departmental boundary will be designated each year in an Estimates and Accounts (Designation of Bodies) Order for consolidation into TEO's annual Estimates and Accounts.

1.3 *Property, Plant and Equipment and Intangible Assets*

The minimum level for capitalisation of a tangible fixed asset within TEO Core itself is £1,000. Some Arm's Length Bodies within the Departmental Group have capitalisation thresholds of £500. The impact of this variation in accounting policy would not have a material impact on the Departmental Group. Computer systems (bespoke software) which have been developed

internally have been capitalised at the full cost incurred. Where material, assets have been pooled/grouped so as to reflect property, plant and equipment holdings more accurately.

On initial recognition property, plant and equipment and intangible assets are measured at cost including any expenditure, such as installation, directly attributable to bringing them into working condition. Items classified as "under construction" are recognised in the statement of financial position to the extent that money has been paid or a liability has been incurred.

All property, plant and equipment and intangible assets are carried at fair value. Land and buildings are carried at the last professional valuation, in accordance with the Appraisal and Valuation Standards prepared and published by the Royal Institution of Chartered Surveyors (RICS). Full professional valuations of land and buildings are undertaken at specific intervals, but at least every five years. Land and buildings are revalued annually, either by reassessment or using indices provided by Land and Property Services (LPS). All valuations are carried out by LPS, an external valuer, as defined in the Appraisal and Valuation Standards referred to above.

Operational properties are valued on the basis of existing use value, unless they are specialised, in which case they are valued on a depreciated replacement cost basis. Properties surplus to requirements are valued on the basis of open market value less any material directly attributable selling costs. With the exception of the above and items under construction, fair value is estimated by restating the value annually by reference to indices compiled by the Office for National Statistics (ONS).

TEO Group (where applicable) uses Producer Price Indices published by the Office for National Statistics (ONS) in order to apply indexation to the value of non-property assets at year-end. In line with previous years, the December indices have been applied in 2024-25. Ordinarily, an assessment is carried out after the year-end, following the publication of the March indices by ONS, to ascertain that the impact of the movement in the indices between December and March is immaterial. However, in March 2025, ONS issued a statement indicating that they had identified a problem with the chain-linking methods used to calculate these indices, affecting the years from 2008 onwards, and that they would consequently be pausing publication of Producer Price Index data while the issue is rectified. At the time these accounts are being prepared, it has not been possible to ascertain the potential impact of this issue. However, given the value of the non-property assets potentially affected, TEO Group does not expect an adjustment to indexation to have a material impact on the 2024-25 accounts. It is anticipated that ONS will recommence publication of the Producer Price Indices at some point during the 2025-26 financial year and the indexation of non-property assets will be brought up to date in the 2025-26 accounts.

Surpluses and deficits arising on revaluation are taken to the revaluation reserve. Where appropriate, permanent reductions in the value of fixed assets are charged to the Statement of Comprehensive Net Expenditure. Revaluations below historic cost which are not temporary fluctuations in market value are treated as an impairment in accordance with IAS 36, Impairment of Assets, and charged in full to the Statement of Comprehensive Net Expenditure. Impairment reviews of property, plant and equipment are performed annually and additionally where there is an indication of an impairment as defined by IAS 36. The

impairment of assets in note 7 relates to additions and the revaluation on transfer of assets under construction to land or buildings.

Revaluations below historic cost which are not temporary fluctuations in market value are treated as an impairment in accordance with IAS 36, Impairment of Assets, and charged in full to the Statement of Comprehensive Net Expenditure. Impairment reviews of property, plant and equipment are performed annually and additionally where there is an indication of an impairment as defined by IAS 36. The impairment of assets in note 7 relates to additions.

Assets paid for on behalf of TEO by other Northern Ireland Civil Service departments have also been capitalised and depreciated in line with current policy and have been credited to the general fund.

1.4 Depreciation and Amortisation

Property, plant and equipment are depreciated at rates calculated to write them down to estimated residual value on a straight line basis over their estimated useful lives. Depreciation is charged in the month of acquisition. No depreciation is provided on freehold land since they have unlimited or very long estimated useful lives. Items under construction are not depreciated until they are commissioned.

Properties that are surplus to requirements and not in use are not depreciated. Capital expenditure on leasehold improvements is depreciated over the remaining term of the lease.

Asset lives are normally in the following ranges:

Computer Equipment	3-6 years
Computer Systems	6-10 years
Freehold Buildings	25 years
Furniture and Fittings	2-15 years
Motor Vehicles	4 years
Lease hold Buildings	length of lease
Office Equipment	3-11 years
Plant and Machinery	3-20 years
Telecoms Equipment	2-10 years

The overall useful life of the Department's buildings takes account of the fact that different components of those buildings have different useful lives. This ensures that depreciation is charged on these assets at the same rate as if separate components had been identified and depreciated at different rates.

Intangible assets are depreciated at rates calculated to write them down to estimated residual value on a straight line basis over their estimated useful lives. Asset lives for all intangible assets is in the range of 1-10 years.

1.5 *Operating income including income receivable from the European Union*

Operating income is income which related directly to the operating activities of the Department. It principally comprises fees and charges for services provided on a full-cost basis to external customers, as well as public sector repayment work. It includes not only accruing resources of the Estimate but also income to the Consolidated Fund, authorised by the Department of Finance to be treated as operating income. Operating income is stated net of VAT.

All receipts from the EU are separately identified and shown as income in the notes to the Statement of Comprehensive Net Expenditure. EU income is received in arrears, expenditure having been initially funded by the Department.

1.6 *Administration and programme expenditure*

The Statement of Comprehensive Net Expenditure is analysed between operating income and expenditure. Expenditure is analysed between administration and programme expenditure in notes 3a and 3b. Administration costs reflect the costs of running the Department. Programme costs reflect non-administration costs, including payments of grants and other disbursements by the department, as well as certain staff costs where they relate directly to service delivery. The classification of expenditure and income as administration or as programme follows the definition of administration costs set by the Department of Finance.

1.7 *Foreign exchange*

Transactions which are denominated in a foreign currency and which are covered by a related forward contract are translated into sterling at the exchange rate specified in the contract. Transactions which are not covered by a related forward contract are translated into sterling at the exchange rate ruling on the date of each transaction, except where rates do not fluctuate significantly, in which case an average rate for the period is used. Monetary assets and liabilities denominated in foreign currency at the Statement of Financial Position date are translated at the rates ruling at that date. These translation differences are dealt with in the Statement of Comprehensive Net Expenditure.

1.8 *Employee Benefits including Pensions*

Past and present employees are covered by the provisions of the Principal Civil Service Pension Scheme Northern Ireland (PCSPS (NI)) which are described in the Staff Report. The defined benefit schemes are unfunded. The Department recognises the expected cost of these elements on a systematic and rational basis over the period during which it benefits from employees' services by payment to the PCSPS (NI) of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the PCSPS (NI). In respect of the defined contribution schemes, the Department recognises the contributions payable for the year. A separate scheme statement is prepared for PCSPS (NI) as a whole.

The Community Relations Council participates in a defined benefit pension scheme administered by NILGOSC for all permanent staff. The employer makes a contribution to the NILGOSC pension scheme. The Department has entered into a guarantee agreement with

the Northern Ireland Local Government Officers' Superannuation Committee (NILGOSC) in respect of CRC as noted in note 14.6.

1.9 Leases

IFRS 16 Leases replaced IAS 17 Leases and was adopted by the Public Sector from 1 April 2022. The interest element of any lease classified as a finance lease payment is charged to the Statement of Comprehensive Net Expenditure over the period of the lease at a constant rate in relation to the balance outstanding. Other leases are regarded as operating leases and the rentals are charged to the Statement of Comprehensive Net Expenditure on a straight-line basis over the term of the lease.

1.10 Grants payable

The Group is responsible for the payment of a number of Government Grants, both discretionary and mandatory. These grants are recorded in the period in which the recipient carries out the activity which created the entitlement. The recognition of entitlement will vary according to the details of the individual scheme. Unpaid and unclaimed grants may represent obligations to be recognised as liabilities. Where the amount of the claim is not known at the Statement of Financial Position date, an estimate will be made. Overpayments of grants are shown as receivables at the Statement of Financial Position date.

1.11 Provisions

The Group provides for legal or constructive obligations which are of uncertain timing or amount at the Statement of Financial Position date on the basis of the best estimate of the expenditure required to settle the obligation. Where the time value of money is material, nominal rates issued by HM Treasury will be used to discount future cash flows related to provisions recognised in accordance with IAS 37 Provisions, contingent liabilities and contingent assets. There are time frames against which nominal rates will apply. The nominal rates are currently between 4.03% to 4.81%

1.12 Contingent liabilities

In addition to contingent liabilities disclosed in accordance with IAS 37, the Group discloses for Assembly reporting and accountability purposes certain statutory and non-statutory contingent liabilities where the likelihood of a transfer of economic benefit is remote, but which have been reported to the Assembly in accordance with the requirements of *Managing Public Money Northern Ireland*.

Where the time value of money is material, contingent liabilities which are required to be disclosed under IAS 37 are stated at discounted amounts and the amount reported to the Assembly separately noted. Contingent liabilities that are not required to be disclosed by IAS 37 are stated at the amounts reported to the Assembly.

1.13 Value Added Tax

Where output VAT is charged or input VAT is recoverable, the amounts are stated net of VAT. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of property, plant and equipment. VAT is recoverable on a departmental basis.

1.14 Financial Instruments

A financial instrument is defined as any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A financial instrument is recognised when, and only when, the entity becomes a party to the contractual provisions of the instrument. A previously recognised financial asset is derecognised when, and only when, either the contractual rights to the cash flows from that asset expire, or the entity transfers the asset such that the transfer qualified for derecognition. A financial liability is derecognised when, and only when, it is extinguished.

The Group has financial instruments in the form of trade receivables and payables and cash and cash equivalents.

In accordance with IAS 39 Financial Instruments: Recognition and Measurement trade receivables, cash and other receivables are classified as 'loans and receivables'. Loans and receivables are initially measured at fair value and are subsequently measured at amortised cost using the effective interest method less any impairment. Please refer to notes 8-9 with respect to Financial Transactions Capital loan agreements within the Group.

The Group assesses at each Statement of Financial Position date whether there is any objective evidence that a financial asset or group of financial assets classified as loans and receivables is impaired.

The Group measures the amount of the loss as the difference between the carrying amount of the asset and the present value of estimated future cash flows from the asset discounted at the effective interest rate of the instrument at initial recognition.

Impairment losses are assessed individually for financial assets that are individually significant and individually or collectively for assets that are not individually significant. In making the collective assessment of impairment, financial assets are grouped into portfolios on the basis of similar risk characteristics. Future cash flows from these portfolios are estimated on the basis of the contractual cash flows and historical loss experience for assets with similar risk characteristics. Impairment losses are recognised in the Statement of Comprehensive Net Expenditure and the carrying amount of the financial asset or group of financial assets reduced by establishing an allowance for impairment losses. If in a subsequent period the amount of the impairment loss reduces and the reduction can be ascribed to an event after the impairment was recognised, the previously recognised loss is reversed by adjusting the allowance.

When a financial asset is deemed unrecoverable the amount of the asset is reduced directly and the impairment loss is recognised in the Statement of Comprehensive Net Expenditure to the extent that a provision was not previously recognised.

Financial liabilities are initially measured at fair value, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

1.15 Comparatives

Comparative figures for the year 2023-24 are shown for those items listed in the primary schedules and associated notes, in compliance with the disclosure requirements of FReM unless otherwise stated.

1.16 Impeding application of newly issued accounting standards not yet effective

IFRS17 Insurance Contracts

IFRS 17: Insurance Contracts replaces IFRS 4: Insurance Contracts and is to be included in the FReM for mandatory implementation from 2025-26. It establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of this Standard.

IFRS 17 requires insurance contracts, including reinsurance contracts, to be recognised on the statement of financial position as the total of the fulfilment cashflows and the contractual service margin (CSM).

The fulfilment cashflows consist of the present value of future cash flows calculated using best estimate assumptions with an explicit risk adjustment for non-financial risk.

The risk adjustment is released to the SoCNE as risk expires. The CSM is the unearned profit on insurance contracts and is released to the SoCNE over the insurance contract period as insurance services are provided. Where an insurance contract is onerous, it will have no CSM and the onerous element of the insurance contract will be recognised immediately in the SoCNE.

The Group has assessed the impact that the application of IFRS 17 will have and has judged that it is immaterial.

Non-investment Asset Valuations

In December 2023 Treasury released an exposure draft on potential changes to make to valuing and accounting for non-investment assets (e.g. PPE, intangible assets). The following changes to the valuation and accounting of non-investment assets is to be included in the 2025-26 FReM for mandatory implementation:

References to assets being held for their 'service potential' and the terms 'specialised/ non-specialised' assets are being removed from the FReM. Non-investment assets are instead

described as assets held for their 'operational capacity'. This change has no impact on the valuation basis of non-investment assets, which remains Existing Use Value (EUV).

An adaptation to IAS 16 will be introduced to withdraw the requirement to revalue an asset where its fair value materially differs from its carrying value. Assets are now valued using the one of the following processes:

- A quinquennial revaluation supplemented by annual indexation.
- A rolling programme of valuations over a 5-year cycle, with annual indexation applied to assets during the 4 intervening years.
- For non-property assets only, appropriate indices.
- In rare circumstances where an index is not available, a quinquennial revaluation supplemented by a desktop revaluation in year 3.

The option to measure intangible assets using the revaluation model is withdrawn. The carrying values of intangible assets at 31 March 2025 will be considered the historical cost at 1 April 2025.

IFRS 18

IFRS 18 (Presentation and Disclosure in Financial Statements) was issued in April 2024, replacing IAS 1 (Presentation of Financial Statements), and is effective for accounting periods beginning on or after 1 January 2027. IFRS 18 will be implemented, as interpreted and adapted for the public sector if required, from a future date (not before 2027-28) that will be determined by the UK Financial Reporting Advisory Board in conjunction with HM Treasury following analysis of this new standard.

2 Statement of Operating Expenditure by Operating Segment

The principal activities of the Department comprise: Support for the Executive and human rights, equality and community relations. This is reflected in the high-level structure under which the Department reports performance to the DoF and HM Treasury.

"Executive Support and Programme for Government" ("Executive Support") embraces provision of advice and guidance to Ministers, managing the Programme for Government, maintaining a presence in Brussels, China and Washington and delivering an integrated investment strategy. The "Good Relations and Inclusion Directorate" ("GRID") was formerly known as: "Strategic Policy, Equality and Good Relations" ("Strategic Policy") and still comprises the development and implementation of a cross-departmental strategy to tackle poverty and social exclusion, promote equality and improve people's lives. It also includes the regeneration of former military and security sites and the Historical Institutional Abuse Inquiry and administration of the Victims' Payment Scheme for Permanent Disablement.

The Accounting Officer receives detailed monthly reports for each business area in the Department which are aggregated to show performance over these two principal activities.

There are no transactions between reportable segments and there is no reliance on major customers.

	Note	Executive Support	GRID	2024–25 Total	Executive Support	GRID	2023–24 Total
		£000	£000	£000	£000	£000	£000
Gross Expenditure	3	25,588	901,800	927,388	24,364	137,014	161,378
Income	4	(96)	(7,819)	(7,915)	(108)	(68)	(176)
Net Expenditure		25,492	893,981	919,473	24,256	136,946	161,202

2.1 Reconciliation between Operating Segments and SoCNE

	Note	Executive Support	GRID	2024–25 Total	Executive Support	GRID	2023–24 Total
		£000	£000	£000	£000	£000	£000
Total net expenditure reported for operating segments		25,492	893,981	919,473	24,256	136,946	161,202
Reconciling items:							
Income		-	-	-	-	-	-
Expenditure		-	-	-	-	-	-
Total net expenditure per Statement of Comprehensive Net Expenditure		25,492	893,981	919,473	24,256	136,946	161,202

2.2 Reconciliation between Operating Segments and SoFP

The total assets, total liabilities and net assets are not disclosed as they are not reported separately to the Departmental Board.

3 Expenditure

3a. Other Administrative Expenditure

		2024–25 £000	2023–24 £000		
	Note	Core Department	Departmental Group	Core Department	Departmental Group
Staff Costs ¹ :					
Wages and salaries		11,807	13,962	10,805	12,587
Social Security costs		1,254	1,436	1,092	1,219
Other Pension costs		3,580	4,129	2,927	3,262
Contracted Out Services		670	692	592	612
Office Services including advertising, communications and stationery)		314	479	430	603
Staff related costs (including travel subsistence and training)		333	381	256	313
Professional Costs		280	313	138	173
External Audit fees (ALBs) ²		-	44	-	42
Accommodation Costs		239	331	546	645
Other		703	782	667	724
Finance Expense		32	36	17	24
Rentals under operating leases		(35)	(35)	82	91
Managed Services		386	386	30	30
Consultancy		17	17	407	400
Non Capital Purchases		66	109	84	132
Non-cash items:					
Other notional charges		1,994	1,994	2,199	2,199
Office accommodation		1,232	1,232	1,235	1,235
(Decrease)/Increase in provision		16	16	13	13
Depreciation		166	252	172	260
Loss on disposal of property, plant and equipment		4	4	-	-
Amortisation		34	55	14	40
Total		23,092	26,615	21,706	24,604

¹ Further analysis of staff costs is located in the Staff Report on page 119

² Includes £1k for NFI charges (2023-24 £0k)

3b. Programme Expenditure

		2024–25		2023–24	
		£000		£000	
	Note	Core Department	Departmental Group	Core Department	Departmental Group
Staff Costs: ¹					
Wages and salaries		12,643	27,384	13,143	27,819
Social Security costs		1,227	2,860	1,186	2,704
Other Pension costs		3,631	6,001	3,271	5,535
Grants		64,211	42,623	57,677	36,159
EU Programme Spend		3,745	3,745	(145)	(145)
Office Services		1,325	2,368	1,092	1,967
Professional Costs		6,086	7,165	6,665	7,930
External Audit fees (ALBs) ²		-	143	-	138
Other		4,328	4,713	2,726	2,874
Other– Victims Payments ³		73,147	73,147	40,739	40,739
Finance expense		49	84	37	61
Rentals under operating leases		99	139	110	274
Interest on net defined benefit liability		-	-	-	(11)
Contracted Out Services		951	1,411	852	1,251
Accommodation Costs		747	1,823	672	1,668
Staff related Costs		758	1,105	660	1,001
Managed Services		178	223	56	102
Consultancy Costs		24	87	100	158
Non Capital Purchases		51	59	27	34
Non-cash items:					
Other notional charges		-	-	24	24
Diminution in the value of property, plant and equipment		(242)	(117)	123	3,271
Depreciation		1,002	1,700	937	1,823
(Decrease)/Increase in provision		730,004	729,258	9,420	10,510
Amortisation		127	373	100	144
Bad debt written off		2	4	-	1
Unrealised Exchange Gain/Loss		390	390	131	131
Loss on disposal of property, plant and equipment		(296)	(68)	(36)	(37)
Total		904,187	906,620	139,567	146,125

¹ Further analysis of staff costs is located in the Staff Report on page 119

² Includes £4k for NFI charges (2023-24 £0k)

³ Includes compensation payments, Government Actuary's charges & programme costs

3c. Notional Audit Costs

The non-cash auditors' remuneration for the year includes costs incurred by the Department for the Departmental Group audit and NDPBs for the audit of their individual accounts as shown in the breakdown below. Further details for agencies and NDPBs can be found in their individual accounts.

	2024-25	2023-24
	£000	£000
Core Department	109	105
Departmental Group Notional Audit Costs	109	105

Please note that all ALBs are hard charged for their audit costs, and their costs are included in the Departmental Group figure for audit costs at Note 3a and b.

4. Income

		2024-25 £000		2023-24 £000
	Core Department	Departmental Group	Core Department	Departmental Group
EU Income	3,745	4,166	(145)	(145)
Recovery of Seconded Costs	5	6,676	80	5,740
Rental Income	116	600	145	626
HIA – Contributions from Institutions	3,947	3,947	-	-
Miscellaneous Other Operating Income	102	553	96	664
Total Operating Income	7,915	15,942	176	6,885

5 Property, plant and equipment

Consolidated 2024–2025

	Land	Buildings	Transport Equipment	Plant & Machinery	Information Technology	Furniture & Fittings	Payments on Account & Assets under Construction	Total
Cost or valuation	£000	£000	£000	£000	£000	£000	£000	£000
At 1 April 2024	10,799	11,625	152	1,300	1,311	1,661	9,172	36,020
Adjustment	(3)	38	3	1	(3)	-	-	36
Additions	(5)	2,014	-	53	41	97	1,530	3,730
Lease Reassessments/ Modifications	-	(138)	-	-	-	-	-	(138)
Reclassifications	5	1,356	-	2	-	-	(1,363)	-
Disposals	(175)	(829)	(25)	(180)	(69)	(86)	(230)	(1,594)
Impairment (a) Revaluation charged to SCNE	-	-	-	-	-	-	-	-
(a)	123	(160)	-	1	16	13	(9)	(16)
Revaluation (a)	69	(1)	5	9	2	28	-	112
At 31 March 2025	10,813	13,905	135	1,186	1,298	1,713	9,100	38,150
Depreciation								
At 1 April 2024	-	3,077	78	1,034	1,048	1,405	3	6,645
Adjustment	-	11	1	5	(1)	2	-	18
Charged in period	-	1,850	24	107	103	65	-	2,149
Reclassifications	-	-	-	-	-	-	-	-
Disposals	-	(455)	(25)	(176)	(68)	(85)	-	(809)
Impairment (a) Revaluation charged to SCNE	-	-	-	-	-	-	-	-
(a)	-	(142)	-	1	13	12	-	(116)
Revaluation (a)	-	(79)	3	8	-	21	-	(47)
At 31 March 2025	-	4,262	81	979	1,095	1,420	3	7,840
Carrying amount								
At 31 March 2024	10,799	8,548	74	266	263	256	9,169	29,375
At 31 March 2025	10,813	9,643	54	207	203	293	9,097	30,310
Asset financing :								
Owned	10,813	4,826	54	206	203	293	9,097	25,492
Finance Leased Contracts	-	4,817	-	1	-	-	-	4,818
At 31 March 2025	10,813	9,643	54	207	203	293	9,097	30,310

Of the total:

Department	5,349	5,970	50	67	65	209	8,877	20,587
Arms' Length								
Bodies	5,464	3,673	4	140	138	84	220	9,723
At 31 March 2025	10,813	9,643	54	207	203	293	9,097	30,310

(a) Revaluations were undertaken in respect of Ebrington Barracks and the Crisis Management Centre as at 31 March 2025 by Land & Property Services. Valuations reflect the current situation in the property market in Northern Ireland. Previous year valuations are shown in brackets. Ebrington was valued at £5.225m (£5.39m) for land and £1.41m (£1.795m) for buildings. The Crisis Management Centre was valued at £0.125m (£0.125m) for land and £0.125m (£0.125m) for buildings.

5 Property, plant and equipment (continued)

Consolidated 2023–24

	Land	Buildings	Transport Equipment	Plant & Machinery	Information Technology	Furniture & Fittings	Payments on Account & Assets under Construction	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Cost or valuation								
At 1 April 2023	10,813	10,629	151	1,241	1,153	1,611	10,827	36,424
Adjustment	-	(399)	-	-	-	-	-	(399)
Additions	-	1,263	-	10	150	46	2,525	3,994
Reclassifications	123	3,832	-	62	-	-	(4,017)	-
Disposals	(98)	(217)	-	(28)	(7)	(21)	(53)	(424)
Impairments (a)	-	-	-	-	-	-	-	-
Revaluation charged to SCNE (a)	(36)	(3,355)	-	2	17	10	(109)	(3,471)
Revaluation (a)	(3)	(128)	1	13	(2)	15	-	(104)
At 31 March 2024	10,799	11,625	152	1,300	1,311	1,661	9,172	36,020
Depreciation								
At 1 April 2023	-	1880	45	949	920	1,344	3	5,141
Adjustment	-	(92)	-	-	-	-	-	(92)
Charged in year	-	1,766	33	101	125	58	-	2,083
Reclassifications	-	-	-	-	-	-	-	-
Disposals	-	(166)	-	(28)	(7)	(21)	-	(222)
Impairments (a)	-	-	-	-	-	-	-	-
Revaluation charged to SCNE (a)	-	(224)	-	2	13	10	-	(199)
Revaluation	-	(87)	-	10	(3)	14	-	(66)
At 31 March 2024	-	3,077	78	1,034	1,048	1,405	3	6,645
Carrying amount								
At 31 March 2023	10,813	8,749	106	292	233	267	10,823	31,283
At 31 March 2024	10,799	8,548	74	266	263	256	9,169	29,375
Asset financing:								
Owned	10,799	3,210	74	262	263	256	9,169	24,033
Finance Leased	-	5,338	-	4	-	-	-	5,342
Contracts	-	-	-	-	-	-	-	-

Carrying amount at 31 March 2024	10,799	8,548	74	266	263	256	9,169	29,375
Of the total:								
Department	5,336	5,721	68	111	83	158	8,624	20,101
Arms' Length Bodies	5,463	2,828	6	155	180	98	545	9,274
Carrying amount at 31 March 2024	10,799	8,548	74	266	263	256	9,169	29,375

6 Intangible Assets

Consolidated

2024-25

	Software Licenses £000	Developed Software £000	Web Sites £000	Total £000
Cost or valuation				
At 1 April 2024	943	1,183	138	2,264
Adjustment	(36)	-	1	(35)
Additions	58	178	45	281
Disposals	(1)	-	(4)	(5)
Revaluations charged to SoCNE	-	-	-	-
Reclassification	-	-	-	-
Revaluations	-	20	-	20
At 31 March 2025	964	1,381	180	2,525
Amortisation				
At 1 April 2024	795	400	131	1,326
Adjustment	(34)	-	-	(34)
Charged in year	60	159	11	230
Disposals	(1)	-	(3)	(4)
Revaluations charged to SoCNE	-	-	-	-
Revaluations	-	9	-	9
At 31 March 2025	820	568	139	1,527
Carrying amount at 31 March 2024	148	783	7	938
Carrying amount at 31 March 2025	144	813	41	998
Asset Financing				
Owned	144	813	41	998
Finance Leased	-	-	-	-
Carrying amount at 31 March 2025	144	813	41	998
Of the total:				
Department	-	814	23	837
Arms' Length Bodies	144	(1)	18	161
Carrying amount at 31 March 2025	144	813	41	998

6 Intangible Assets (continued)

Consolidated

2023-24

	Software Licenses £000	Developed Software £000	Web Sites £000	Total £000
Cost or valuation				
At 1 April 2023	869	903	137	1,909
Additions	74	244	1	319
Disposals	(5)	-	-	(5)
Revaluations charged to SoCNE	-	2	-	2
Reclassification	5	-	-	5
Revaluations	-	34	-	34
At 31 March 2024	943	1,183	138	2,264
Amortisation				
At 1 April 2023	743	268	119	1,130
Charged in year	57	115	12	184
Disposals	(5)	-	-	(5)
Revaluations charged to SoCNE	-	1	-	1
Revaluations	-	16	-	16
At 31 March 2024	795	400	131	1,326
Carrying amount at 31 March 2023	126	635	18	779
Carrying amount at 31 March 2024	148	783	7	938
Asset Financing				
Owned	148	783	7	938
Finance Leased	-	-	-	-
Contracts	-	-	-	-
Carrying amount at 31 March 2024	148	783	7	938
Of the total:				
Department	-	783	-	783
Arms' Length Bodies	148	-	7	155
Carrying amount at 31 March 2024	148	783	7	938

7 Impairments

	2024-25 £000		2023-24 £000	
	Core Department	Departmental Group	Core Department	Departmental Group
Amount Charged to the Statement of Comprehensive Net Expenditure	88	88	161	161
Total	88	88	161	161

Impairments include the works carried out on LPS valued land and buildings.

8 Financial Instruments

As the cash requirements of the Department are met through the Estimates process, financial instruments play a more limited role in creating and managing risk than would apply to a non-public sector body of a similar size. The majority of financial instruments relate to contracts for non-financial items in line with the Department's expected purchase and usage requirements and the Department is therefore exposed to little credit, liquidity or market risk.

The Group (through Strategic Investment Board Limited (SIB)) has provided loans under the Financial Transactions Funding (FTC) Scheme. £1,275k repayment of FTC was received in 2024-25 (2023-24: £1,275k).

9 Investments and loans in other public sector bodies

	Loans	Other investments	Core Department Total	Loans	Other investments	Departmental Group Total
	Core Department			Departmental Group		
	£000	£000	£000	£000	£000	£000
Balance at 1 April 2023	-	-	-	297,093	-	297,093
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Repayments and redemptions	-	-	-	(1,275)	-	(1,275)
Amortisation	-	-	-	7,640	-	7,640
Revaluations	-	-	-	-	-	-
Impairments	-	-	-	-	-	-
Balance at 31 March 2024	-	-	-	303,458	-	303,458
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Repayments and redemptions	-	-	-	(1,275)	-	(1,275)
Amortisation	-	-	-	10,782	-	10,782
Revaluations	-	-	-	-	-	-
Impairments	-	-	-	-	-	-
Balance at 31 March 2025	-	-	-	312,965	-	312,965

Expected Timing of Cashflows

	Loans	Other investments	Departmental Group Total
	Departmental Group		
	£000	£000	£000
Not later than one year	7,619	-	7,619
Later than one year but not later than five years	133,864	-	133,864
Later than five years	171,482	-	171,482
	312,965	-	312,965

The Group (through Strategic Investment Board Ltd) facilitated the transfer of funds for DoF and DfE via TEO to Queen's University Belfast, Ulster University and GFS Corporate Directorate II Limited (the vehicle holding the NI Investment Fund) for FTC loan agreements. The loan to Queen's University Belfast is an interest free loan agreement. In 2024-25 Strategic Investment Board Ltd received a loan repayment of £1.275m (2023-24: £1.275m). The outstanding loan amount as of 31st March 2025 is £21.235m (2023-24: £22.510m).

Strategic Investment Board Ltd did not process any new FTC loans in 2024-25. The last loan processed was in March 2023, £50,000,000, to the vehicle holding the NI Investment Fund. The total value of the loan as of 31st March 2025 remains at £150m (2023-24: £150m). The loan is interest bearing at a rate of Sterling Overnight Index Average (SONIA) previously London Interbank Offered Rate (LIBOR) plus 4%.

The total value of the Ulster University FTC loans as of 31st March 2025 remains at £158.6m (2023-24: £158.6m). Interest of 0.25% is applied monthly and received at the beginning of the following financial year. This interest is to be used for the management of this specific loan and will be expensed in year by both Strategic Investment Board Ltd and DfE. Strategic Investment Board Ltd will be receiving a gross economic benefit from this loan through the receipt of interest payments. Strategic Investment Board Ltd will receive no net economic benefit as the income will be used to meet service obligations. The first loan repayment was received in April 2025.

10 Assets Held for Sale

Consolidated

	2024-25 £000		2023-24 £000	
	Core Department	Departmental Group	Core Department	Departmental Group
At 1 April	-	-	-	-
Transfer in from non current assets	-	-	-	-
Transfer of carrying value	-	-	-	-
Disposal of carrying value	-	-	-	-
Impairment loss	-	-	-	-
At 31 March	-	-	-	-

TEO currently do not have any assets held for sale at 31 March 2025.

11 Cash and Cash Equivalents

	2024–25		2023–24	
	£000		£000	
	Core Department	Departmental Group	Core Department	Departmental Group
Balance at 1 April	1,299	4,378	(2,834)	(992)
Net change in cash and cash equivalent balances	(1,665)	(625)	4,133	5,370
Balance at 31 March	(366)	3,753	1,299	4,378
The following balances at 31 March were held at:				
Commercial banks and cash in hand	(366)	3,753	1,299	4,378
Balance at 31 March				
The balance comprises:				
Commercial banks and cash in hand	258	3,753	1,299	4,378
Overdraft	(624)	-	-	-
	(366)	3,753	1,299	4,378

12 Trade receivables, financial and other assets

	2024–25		2023–24	
	£000		£000	
	Core Department	Departmental Group	Core Department	Departmental Group
Amounts falling due within one year:				
Trade receivables ¹	153	1,752	44	1,471
Deposits and advances	4,305	4,305	1,223	1,223
Other receivables ²	26	11,130	11	1,590
Prepayments	5,000	5,186	81	257
Accrued Income	6,702	8,541	7,885	11,961
Amounts due from EU	8,629	8,629	7,073	7,073
VAT	273	(98)	217	217
Amounts due from the Consolidated Fund in respect of supply	381	381	-	-
Total	25,469	39,826	16,534	23,792
Amounts falling due after more than one year:				
Deposits and advances	80	80	13	13
Other receivables	305	305	306	306
Total	25,854	40,211	16,853	24,111

1. Trade receivables and other current assets contains £6k (2023-24: £6k) which will be surrendered to the Consolidated Fund when received.

2. Departmental Group Other receivables includes £7,619k (2023-24: £1,275k) FTC loan to be repaid (Notes 8 and 9 refer)

13 Trade payables, financial and other liabilities

	2024-25		2023-24	
	£000		£000	
	Core Department	Departmental Group	Core Department	Departmental Group
Amounts falling due within one year				
Bank Overdraft	624	-	-	-
Other taxation and social security	-	-	-	-
Trade payables	157	876	121	1,051
Other payables	28	766	80	1,203
Accruals	56,227	58,940	42,580	45,308
Deferred income	3,881	3,916	4	40
Non current asset accruals	115	115	371	371
Finance Leases (non PFI)	707	1,607	673	1,371
Amounts due to EU	-	4,210	-	2,270
Amounts issued from the Consolidated fund for supply but not spent at year end	-	-	1,293	1,293
Consolidated Fund extra receipts due to be paid to the Consolidated Fund:				
Received	16	16	7	7
Receivable	6	6	6	6
	61,761	70,452	45,135	52,920
Amounts falling due after more than one year:				
Other payables, accruals and deferred income	13	13	13	12
Leases	3,129	3,839	3,464	4,699
Total	64,903	74,304	48,612	57,631

14 Provisions for liabilities and charges

	2024–25 £000		2023–24 £000	
	Core Department	Departmental Group	Core Department	Departmental Group
Balance at 1 April	46,856	47,890	57,516	57,780
Provided in the year	730,030	730,034	9,433	10,603
Provisions not required written back	(10)	(760)	-	(81)
Provisions utilised in the year	(17,398)	(17,398)	(20,093)	(20,412)
Changes in discount rate				
Borrowing costs (unwinding of discounts)	-	-	-	-
Balance at 31 March	759,478	759,766	46,856	47,890

Analysis of expected timing of discounted flows

	2024–25 £000		2023–24 £000	
	Core Department	Departmental Group	Core Department	Departmental Group
Not later than one year	129,352	129,640	23,061	23,346
Later than one year and not later than five years	430,043	430,043	23,713	24,462
Later than five years	200,083	200,083	82	82
Balance at 31 March	759,478	759,766	46,856	47,890

	2024–25 £000				
	Equal Pay	Injury Award	Redress	Other	Departmental Group
Not later than one year	11	12	129,247	370	129,640
Later than one year and not later than five years	-	43	430,000	-	430,043
Later than five years	-	83	200,000	-	200,083
Balance at 31 March	11	138	759,247	370	759,766

14.1 Equal Pay

This provision represented the Department's share of the settlement pay made to staff at AA, AO, EO11 and analogous grades in the NICS as the result of an agreement with NIPSA in respect of Equal Pay.

A decision was made by DoF to withdraw all settlement offers in respect of outstanding equal pay cases as the limitations period had expired, with the exception of those who had lodged an Industrial Tribunal case.

None of the remaining cases belong to TEO.

14.2 Injury Award

The provision represents the future costs of monthly payments in settlement of an injury claim by a former employee. Payments are expected to continue for the lifetime of the claimant, increasing in line with the Consumer Prices Index.

The amount of the provision is calculated using the current monthly payment and actuarial tables which show average life expectancy.

Future costs have been discounted at the 2.40% per annum discount rate applicable to post-employment benefits according to HM Treasury guidance.

14.3 HIA Redress Scheme

A provision for the cost of the potential future redress (compensation) payments, arising from the outcomes of the Historical Institutional Abuse Inquiry, has been included for £29.2 million (GAD estimate of £133 million reduced by £101.1 million paid out from start of scheme to 31 Mar 2025). The Redress Scheme is administered through the HIA Redress Board (HIARB) which is responsible for receiving and processing applications for compensation from those who experienced abuse as children in residential institutions in Northern Ireland between 1922 and 1995.

This provision includes £4.0m associated with legal fees and other legal costs. £3.2m has been paid in legal fees and costs to date.

Government Actuary's Department (GAD) provided an initial report in April 2022 and updated this estimate in March 2023. A further update was provided in December 2023. GAD used the experience of the scheme to date, experience of other schemes, National Statistics on looked-after children, and their best experience with modelling mortality and survival rates to determine the revised cost of the scheme.

The main assumptions that had been used in the model to estimate the cost of compensation (Redress) payments on successful claims included:

-
- Number of children that were resident in relevant institutions covered by the scheme
 - o No data around number of children in care in NI or England before 1950. GAD have recommended to assume the number of children in care in NI from 1922-1950 was at the 1950 level.
 - Life expectancy of the children that were resident in relevant institutions covered by the scheme.
 - o Mortality data for NI pre 1980 is scarce, GAD used data for Scotland due to both countries being part of UK and populations assumed to experience similar rates of mortality
 - Number of surviving spouses, partners or children of a resident who has died who would be eligible to make a claim
 - o Data on deaths and marital status specific to NI is scarce, GAD have used data for England and Wales as a suitable comparable.
 - Number of children residing in more than one institution.
 - o GAD used data on applications from 3 April 2020 -31 October 2023 to determine the average number of institutions that applicants were resident in the relevant institutions.
 - Claim rate
 - o GAD used data on applications from 3 April 2020 to 31 October 2023 to determine the claim rate to date and used this to estimate the claim rate over the remaining years of the scheme. The projection assumed the rate of applications over the last 12 months will continue in the future.
 - Level of payment award.
 - o Average payment award is based on live data from the scheme to date on the actual number of applications and payments made during 2020-21, 2021-22, 2022-23 and 2023-24.
 - Rejected applications.
 - o An adjustment has been made for level of rejected applications – applicants have the right to appeal however cannot submit a further application down the line – at a rate of 15% of claims resulting in no award. If an applicant withdraws an application before panel consideration, they do have the option to resubmit with further information at a later stage.

The Scheme closed to new applications on 2 April 2025, at which point 505 claims were still to be determined.

As the lower estimate in the Business Case forecast a total of 5,260 eligible applicants, with 5,495 having been received by the closing date and with payments to date in line with projections, a further report from GAD was not deemed necessary as their most recent GAD estimate was based on receiving 5,343 applications.

14.4 Victims' Payment Scheme

The Troubles Permanent Disablement Payment Scheme ('TPDPS', 'the Victims' Payment Scheme') provides financial payments to those who suffered permanent physical or psychological disablement as a result of a Troubles related incident.

The Government Actuary's Department (GAD) has supported TEO in assessing the expected cost of the Scheme since 2020. A provision for the cost of the potential future redress (compensation) payments, arising from the outcomes of the Scheme, has been included for £730 million (the estimate by GAD only includes future cashflow from 31 March 2025 and excludes payments made to that date).

The scheme is administered by an independent Victims' Payments Board (VPB) who assess applications, determine eligibility, and decide on the amount of any awards. The scheme opened for applications on 31 August 2021 with a closing date for applications of 31 August 2026.

To date the future expected cost of the Scheme has been reported as Contingent Liability under Financial Reporting Standard IAS 37 (Provisions, Contingent Liabilities and Contingent Assets), due to significant uncertainty in the estimates.

Given the level of successful determinations of applications and payment experience accumulated to date, GAD were asked to provide an estimate of the total expected future cost of the TPDPS. This has enabled a hybrid approach to be taken in the TEO 2024-25 financial statements, with the inclusion of both:

- a provision in respect of the total estimated cost of applications received to date, based on the experience to date of the level of applications that have been successful and their relative cost; and
- a contingent liability in respect of the fact that further applications may be received in respect of the scheme, the cost of which cannot be measured at this time.

The provision reflects the discounted expected future cost of cases already in payment as well as cases that have been reported (applications received) but not settled at 31 March 2025.

It is important to stress that the development of an estimated future cost of the scheme is a subjective matter as no two cases are the same. However, experience to date and levels of applications received have been used to arrive at a figure for accounting purposes. In developing a model to estimate the total expected cost to settle successful applications, and thereby calculate the appropriate level of provision, GAD adopted best estimate assumptions based on evidence from the data provided:

- Number of cases as at 31 March 2025
The number of successful cases is derived using:
 - the number of applications received to date;

-
- *the number of (successful and unsuccessful) determinations;*
 - *assumptions on future rate of receipt of applications and the success rate of applications; and*
 - *an assumption of the split of successful applications by cohort.*
- Success rate of cases
an application success rate of 65.8% has been applied based on the information on number of determinations at 31 March 2025.
 - Split of cases by award type
The assumed split between these types of awards is an important and material assumption since the value of the benefits for each of these types of awards is materially different.
After the total number of successful applications for each tranche has been estimated, it is necessary to estimate the split between the different types of awards into:
 - *Awards to 'Individual claimants' that have not been reduced due to other payments in relation to the disablement being claimed for.*
 - *Awards that result in payments to 'Nominated individuals' only, e.g., due to Police or Military claimants having their regular payments abated under Regulation 19 of The Victims' Payments Regulations 2020, due to their Police or Military pension providing higher payments; and*
 - *Awards to 'Posthumous cases'.*
 - Size of award – disablement level
For reported but not settled and yet to be reported cases the GAD model approach applies an average award size. The assumption of this average award size is based on average disablement level observed in the Payments data of cases that have already been determined.
 - Lump-sum take up rate
Upon reaching age 60, claimants have the option to either continue to receive monthly payments or receive a lump sum of ten times their annual award amount. If already age 60 or above when first in receipt of payment, the claimant has the option of monthly payments or the lump sum payment immediately
 - *Immediate lump sum take up*
-

The lump sum take-up rate varies by the age of claimants. GAD have applied age-specific percentages to all future cases where eligible

- Future lump sum take up
There have been a very limited number of cases who were not eligible for an immediate lump sum but have since become eligible, hence there is high uncertainty in this assumption. GAD propose applying the same take up rate as the 60-65 age group of 72%.
- Dependent lump sum take up
Upon the claimant's death, a nominated individual is entitled to either monthly payments or a lump sum. Since payments to nominated individuals are limited to ten years' worth of payments- whether through monthly payments or the lump sum option – GAD have assumed that all nominated individuals will take the 10 times lump sum.
- Benefit maximisation – delaying lump sum election
GAD have not directly modelled the potential for claimants to elect to take their lump sum following a period of regular payments after age 60 due to the evidence to date indicating that most members (83%) would still prefer the certainty and immediate utility of taking the lump sum payment at their earliest opportunity, or that they are not fully aware of the higher benefits available to them.
- Proportion with nominated individual
*GAD have assumed that only a certain proportion of claimants are assumed to have a nominated individual who receives benefits.
For in payment cases, GAD have used individual data to determine whether or not claimants have a nominated individual (and assume that this is still the case when the claimant dies).
For reported but not settled and not-reported cases GAD have assumed that 75% of claimants have a nominated individual when they die.*

The discounted expected future costs, as of 31 March 2025, in line with these assumptions are outlined in the table below, separated by different tranches. The tranches are in descending order of the amount of certainty in terms of estimating expected future cashflow. The total discounted expected future cost of the scheme is £1,060 million. This reflects expected future cash outflows from 31 March 2025. It

excludes the cost of payments already made by 31 March 2025, including back payments, lump sums and regular payments.

As at 31 March 2025	Discounted expected future cost (£m)	Accounting treatment in TEO 2024/25 Annual Accounts
Cases already in Payment (In Payment)	60	Provision
Cases that have been reported but not settled (Reported/applications received)	670	Provision
Cases that are yet to be reported (Not Reported/no application yet received)	330	Contingent Liability
Total	1,060	

To date £84.6m has been paid to applicants, of which £46.2m was paid during 2024-25.

Sensitivity of results to assumptions

The total cost estimate of the Victims' Payment Scheme provided by GAD is highly sensitive to the assumed number of total successful cases, which is impacted by both the assumed number of cases reported by 31 August 2026 and the assumed average success rate.

The table below shows sensitivity analyses carried out by GAD to assess the impacts of certain assumptions on the results. The sensitivities conducted have been selected by GAD to illustrate the impact of key assumptions.

(£million)	Total	Change (£m)	Change
Best Estimate	1,060		
Discount rate 0.1% lower per annum	1,070	+10	+0.6%
Inflation 0.1% higher per annum	1,070	+10	+0.5%

Success rate +10% ⁹ (for 'reported but not settled' and 'yet to be reported' cases only)	1,210	+150	+14.4%
10% more successful cases ¹⁰	1,160	+100	+9.5%
Award size 10% higher	1,160	+100	+9.5%
Immediate LS take up rate 5% higher	1,050	-10	-0.6%
Alternative award type split (80:15:5)	970	-90	-8.8%

The sensitivities have been calculated in isolation for each assumption, leaving all other assumptions unchanged.

Whilst noting the sensitivity analysis, it is the Department's view that the assumptions used and estimates provided by GAD represent a reasonable best estimate of claim numbers and costs of compensation payments by the Scheme. The modelling assumptions will be kept under review as more claims and data become available.

14.5 Other Provisions

Legal Claims

This represents public liability claims as advised by the business areas within the Department and includes personal injury claims.

Other Legal Issues

The Court of Appeal (CoA) judgment from 17 June 2019 (PSNI v Agnew) determined that claims for Holiday Pay shortfall can extend as far back as 1998. However, the PSNI appealed the CoA judgment to the Supreme Court. The hearing was held in December 2022 and the judgment was delivered on 4 October 2023. The 2024-25 Holiday Pay provision has been estimated by HR and covers the period from November 1998 to 31 March 2020. There are still some significant elements of uncertainty around this estimate for a number of reasons:

1. Lack of accessible data for years previous to 2011; and
2. Ongoing negotiations with Trade Union and their legal representatives.

⁹ The Success rate sensitivity is an increase of 10 percentage points to the overall success rate, i.e. from 65.8% to 75.8%.

¹⁰ The successful cases sensitivity is an increase in the number of successful cases in the 'reported but not settled' and 'yet to be reported' tranches. The 'in payment' tranche remains unchanged.

14.6 Pension Liability**NI Community Relations Council Pension Liability**

The Group has entered into a guarantee agreement with the Northern Ireland Local Government Officers' Superannuation Committee (NILGOSC) in respect of Community Relations Council (CRC).

The Department has guaranteed any and all obligations in respect of pension liabilities, if CRC ceases to exist, or are otherwise unable to discharge their liabilities under the Local Government Pension Scheme Regulations (Northern Ireland) 2002.

The Community Relations Council participates in a defined benefit pension scheme administered by NILGOSC for all permanent staff. The employer makes a contribution to the NILGOSC pension scheme. The employee does not have to join this scheme. Further details can be found on <http://www.nilgosc.org.uk> and in the CRC annual report at: <https://www.community-relations.org.uk/publications>.

The accrued pension quoted is the pension the member is entitled to receive when they reach pension age or immediately on ceasing to be an active member of the Scheme if they are at or over pension age. The NILGOSC pension age is 65. As an ALB of TEO, any CRC pension related liability is effectively guaranteed by TEO. Potential liabilities estimated at the year end are:

TEO Guarantee of NICRC Accrued Pension Liability		
	2024-25	Restated 2023-24
	£000s	£000s
Net defined benefit pension liability at the beginning of the year	-	(194)
Current service cost	118	108
Employer contributions	(115)	(98)
Interest on the net defined benefit liability	(47)	(11)
Interest on unrecognised asset	44	-
Actuarial gains/(losses)	-	195
Net defined benefit pension liability at the end of the year	-	-

15 Contingent liabilities

The Group has entered into the following unquantifiable contingent liabilities.

15.1 Contingent Liabilities Relating to the Victims' Payments Scheme for Permanent Disablement and the Truth Recovery Programme

Other contingent liabilities disclosed under IAS 37 (Provisions, Contingent Liabilities and Contingent Assets) relate to:

i) Victims' Payments Scheme

Whilst a provision of £730m has been created in 2024-25, there is still uncertainty over the total number and quantum of claims that may be received.

Based on estimates provided by GAD, potential estimated future payments may total around £1,060m over the lifetime of the Scheme, and a contingent liability for £330m will therefore still be required. This is only for payments to victims and does not include administration costs.

To date £84.6m has been paid to applicants, of which £46.2m was paid during 2024–25.

ii) Truth Recovery Programme

On 15 November 2021, the deputy First Minister made a statement to the Assembly on behalf of the Executive, that committed to implementing the recommendations of the Truth Recovery Design Panel's Report. These include recommendations for making payments for redress. These actions require legislation which is intention to be introduced in June 2025. This work substantially relates to the development of a Public Inquiry and Redress scheme. The cost cannot be measured reliably until the legislation has progressed.

15.2 Public Sector Pensions – Injury to Feeling Claims

The Department of Finance (DoF) is a named Respondent in a class action affecting employers across the public sector and is managing claims on behalf of the Northern Ireland Civil Service (NICS) Departments. This is an extremely complex case with potential implications for the NICS and wider public sector. However, given the complexities, the cases are still at an early stage of proceedings and until there is further clarity on potential scope and impact, a reliable estimate of liability cannot be provided.

15.3 Dilapidations Costs - Equality House

Equality Commission for Northern Ireland (ECNI) has reported a contingent liability in accordance with IAS 37 for the dilapidations attributed to its current premises at Equality House that could arise at the end of its current lease which expires on 31 July 2026. In 2023-24, £0.75m had been recognised as a provision however given their assessment of the likelihood of remaining in its current premises beyond July 2026 ECNI now recognises these potential costs as contingent liability.

15.4 Other Miscellaneous Potential Liabilities

The core Department or Group has not entered into any quantifiable guarantees, indemnities or provided letters of comfort.

16 Leases**16.1 Quantitative disclosures around right-of-use assets****Consolidated 2024–25**

	Buildings	Plant & Machinery	Total
	£000	£000	£000
Cost or valuation			
At 1 April 2024	7,806	10	7,816
Additions – new leases	1,152	-	1,152
Revaluations	(32)	-	(32)
Impairment/impairment reversals	-	-	-
Disposals	(427)	-	(427)
Remeasurement – existing leases	(138)	-	(138)
Reclassifications	-	-	-
At 31 March 2025	8,361	10	8,371

	Buildings	Plant & Machinery	Total
	£000	£000	£000
Depreciation			
At 1 April 2024	2,468	6	2,474
Depreciation charged in year	1,517	3	1,520
Revaluation	(15)	-	(15)
Impairment/impairment reversals	-	-	-
Disposals	(426)	-	(426)
Reclassifications	-	-	-
At 31 March 2025	3,544	9	3,553
NBV at 31 March 2024	5,338	4	5,342
NBV at 31 March 2025	4,817	1	4,818

16.2 Quantitative disclosures around lease liabilities

Maturity analysis

	2024–25		2023–24	
	£000		£000	
Buildings	Core Department	Departmental Group	Core Department (*Restated)	Departmental Group (*Restated)
Not later than one year	784	1,773	731	1,548
Later than one year and not later than five years	1,988	2,782	1,974	3,104
Later than five years	1,322	1,322	1,712	1,712
	4,094	5,877	4,417	6,364

	2024-25		2023-24	
	£000		£000	
Buildings	Core Department	Departmental Group	Core Department (*Restated)	Departmental Group (*Restated)
Less interest element	(258)	(330)	(283)	(297)
Present Value of obligations	3,836	5,547	4,134	6,067

	2024-25		2023-24	
	£000		£000	
Other	Core Department	Departmental Group	Core Department (*Restated)	Departmental Group (*Restated)
Not later than one year	-	-	3	3
Later than one year and not later than five years	-	-	-	-
Later than five years	-	-	-	-
	-	-	3	3
Less interest element	-	-	-	-
Present Value of obligations	-	-	3	3
Total Present Value of Obligations	3,836	5,547	4,137	6,070

Current portion	707	1,665	673	1,371
Non-current portion	3,129	3,882	3,464	4,699

**2023-24 figures have been restated to correct an error in presentation*

16.3 Quantitative disclosures around elements in the Statement of Comprehensive Net Expenditure

	2024–25		2023–24	
	£000		£000	
	Core Department	Departmental Group	Core Department	Departmental Group
Sub-leasing income	-	187	-	-
Variable lease payments not included in lease liabilities	3	3	4	14

No entities within the Departmental Group have disclosed any lease payments that are material to the group.

16.4 Quantitative disclosures around cash outflow for leases

	2024–25		2023–24	
	£000		£000	
	Core Department	Departmental Group	Core Department (Restated)	Departmental Group (Restated)
Total cash outflow for lease	777	1,721	697	1,495

17 Capital and other commitments**17.1 Capital Commitments**

	2024–25		2022–23	
	£000		£000	
	Core Department	Departmental Group	Core Department	Departmental Group
Contracted capital commitments at 31 March not otherwise included in these financial statements:				
Property, Plant and equipment	5,297	5,397	564	564
Total	5,297	5,397	564	564

17.2 Other financial commitments

	2024–25 £000		2023–24 £000	
	Core Department	Departmental Group	Core Department	Departmental Group
Not later than one year	3,852	3,852	1,462	1,462
Later than one year and not later than five years	136	136	207	207
Later than five years	-	-	-	-
Total	3,988	3,988	1,669	1,669

The Department has entered into non-cancellable contracts, summarised above (which are not leases, PFI contracts or other service concession arrangements), relating to grant payments and amounts committed in relation to contracted services.

£3.506m relates to Refugee and Asylum Seekers Schemes, £0.455m for analytical services, and £0.027m relating to Green Growth and EVAWG.

18 Related-party transactions

The Executive Office is the sponsor of its non-departmental public bodies and companies limited by guarantee, as referred to in the Annual Report. These bodies are regarded as related parties with which the Department has had a number of material transactions during the year.

Maze Long Kesh Development Corporation (MLKDC) and Strategic Investment Board are NDPBs of TEO. TEO is regarded as a related party. During the year MLKDC and SIB has had various material transactions with TEO. Please refer to the individual accounts of each TEO NDPB for details of the related party transactions of that entity. Outside normal grant-in-aid funding, none of these are material on a group basis, apart from the Financial Transactions Capital investments disclosed in Note 9.

In addition, the Departmental Group has had various material transactions with other Government Departments and other central government bodies, for example in allocating UK Government funding for the Homes for Ukraine to other NI departments.

The spouse of the deputy First Minister is Chief Executive of the Education Authority. During the year, the Department provided funding to the Education Authority in respect of the delivery of frontline services. The Minister was not involved in the transactions.

The partner of Junior Minister Reilly is a Councillor at Belfast City Council. During the year the Department provided funding to the Council in respect of the delivery of frontline services. The Minister was not involved in the transactions.

All of the above interests are regarded as not material.

Other than outlined above, no minister, board member, key manager or other related party has undertaken any material transactions with the Departmental Group during the year.

19 Third-party assets

The Group has no third-party assets.

20 Entities within the departmental boundary

The entities within the boundary during 2024–25 were as follows:

- Supply financed agencies None
- Other entities North/South Ministerial Council
www.northsouthministerialcouncil.org
Office of the Commissioner for Public
Appointments for Northern Ireland
www.publicappointmentsni.org
Office of the Attorney General for Northern Ireland
www.attorneygeneralni.gov.uk
Historical Institutional Abuse Redress Board
www.hiaredressni.uk
Victims' Payments Board
www.victimspaymentsboard.org.uk
- Non Departmental
(Arms' Length) Bodies Community Relations Council
www.community-relations.org.uk
Commission for Victims and Survivors for NI
www.cvsni.org
Equality Commission for NI
www.equalityni.org
Maze/Long Kesh Development Corporation
www.mazelongkesh.com
Northern Ireland Judicial Appointments
Commission
www.nijac.gov.uk
Strategic Investment Board Limited
www.sibni.org

The Commissioner for Survivors of Institutional
Childhood Abuse

www.cosica-ni.org

Victims and Survivors Service Limited

www.victimsservice.org

21 Events after the Reporting Period

There have been no significant events since the Balance Sheet date that would affect these accounts.

Date of authorisation for issue

The Accounting Officer authorised the issue of these financial statements on 1 July 2025.

REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE NORTHERN IRELAND ASSEMBLY

Financial Transactions Capital

1. Financial Transactions Capital (FTC) is a specific type of capital funding allocated by HM Treasury (HMT) to the NI Executive. The funding is ring-fenced by HMT and can only be used to provide a loan to a private sector entity or to take an equity share in a private entity. FTC is usually used to increase and/or accelerate infrastructure investment in Northern Ireland in support of the Executive's priorities.
2. Two departments, the Department for the Economy (DfE) and the Department of Finance (DoF), currently use FTC to facilitate making loans to the private sector. However, as neither department has vires to issue loans, the money is channelled through The Executive Office (TEO) and the Strategic Investment Board (SIB) as conduits, as SIB has a generic legal capability to make loans or equity investments.
3. SIB is an Arms' Length Body (ALB) of TEO and, as a result of the implementation of the Review of Financial Process in 2022-23, SIB is now consolidated within the TEO group financial statements.
4. SIB is a company limited by guarantee and as such is required to prepare its financial statements in line with the Companies Act 2006.
5. The FTC loans do not meet the financial asset recognition under the International Financial Reporting Standard (IFRS) 9 – Financial Instruments. SIB do not own or control FTC loans, nor derive any direct economic benefit from them. In addition, SIB do not have the objective of holding FTC loans in order to collect contractual cash flows. On that basis SIB do not recognise assets or liabilities relating to FTC loan transactions in its company accounts as it is considered that the risks and rewards of ownership do not rest with SIB.
6. Furthermore, under the FReM interpretation of IFRS 9, "Any financial instrument that is not held in furtherance of the entity's objectives but is held on behalf of government more generally should be accounted for in a separate Trust Statement...".
7. However, DoF has directed that SIB recognise a financial asset for the FTC loans. Consequently, SIB's company accounts include an appendix to illustrate the financial position if SIB were to comply with DoF's direction in relation to FTC loans. The information contained in this appendix is consolidated within TEO's 2024-25 group accounts.
8. I do not consider that accounting treatment for FTC loans as directed by DoF complies with IFRS and the FReM. Therefore, the inclusion of £313 million worth of FTC loans within TEO's assets as at 31 March 2025 (31 March 2024: £303 million) represents a

material error in the accounts. Consequently, I have qualified my opinion audit on TEO's 2024-25 accounts.

9. The Department advised me that the Administrative and Financial Provisions Bill [NIA 19/22-27], which was introduced in the Northern Ireland Assembly on 23 June 2025, will provide DfE and DoF with the necessary legal powers to administer FTC loans.



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1 July 2025