The Executive Office

Annual Report and Accounts 2025-26
For the year ended 31 March 2026

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 2026

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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

Following David Malcolm's appointment as Permanent Secretary at the Department for Education, I was appointed Interim Permanent Secretary of The Executive Office on 9 February 2026 and took up post as Permanent Secretary on 13 April 2026. I am pleased to present The Executive Office Annual Report and Accounts for 2025–26.

Throughout the year, the Department provided support and advice to Ministers, maintaining a clear focus on delivery against agreed priorities. On 27 February 2025, the Executive agreed the Programme for Government 2024–2027, providing a shared framework of priorities and a strong focus on delivery.

The Executive Office delivered its core policy responsibilities, supporting and leading a range of programmes and initiatives on behalf of the Executive both here and through the work of its overseas offices in Brussels, Washington and Beijing. This included the implementation of the Ending Violence Against Women and Girls Delivery Plan, addressing a significant societal challenge, alongside public awareness campaigns such as Power to Change.

Work also progressed to promote good relations across communities, including through the delivery of projects supported by the PEACE PLUS programme. In parallel, progress has been made in addressing the needs of victims and survivors, including advancing legislative proposals relating to Mother and Baby Institutions, Magdalene Laundries and Workhouses here to establish mechanisms for inquiry and redress.

We do not underestimate the scale of the challenges facing the Executive in the period ahead. The Department has supported Ministers as work progresses to secure a multi-year Budget that meets the needs of citizens, while managing significant ongoing financial pressures. Alongside this, we have continued to develop our strategic plans to ensure clarity of direction, effective governance, and a sustained focus on value for money and affordability.

Transformation remains a key priority. The Delivery Unit within The Executive Office has maintained a clear focus on delivery of Executive priorities through systematic monitoring of performance, close collaboration with Departments, and constructive challenge and pace where required. Its role is to strengthen collective delivery across the system by providing oversight, coordination, shared learning and challenge. Work underway in partnership with the Department of Health to address long waiting lists, reflects this focus on delivery in areas of significant public importance.

During the year, three new identity and language Arm's Length Bodies were established: the Office of Identity and Cultural Expression; the Irish Language Commissioner; and the Commissioner for the Ulster Scots and Ulster British tradition, with appointments made to each role and the bodies formally launched in November 2025.

Looking ahead, a substantial and sustained programme of work will be required to deliver against Programme for Government priorities and agreed milestones across the system. This reflects the scale and complexity of the challenges facing the Executive and the importance of maintaining momentum across a wide range of policy and delivery areas.

As the Department responsible for supporting and coordinating the collective work of the Executive, The Executive Office has a central role in strengthening collaboration, enabling effective governance, and supporting delivery on behalf of Ministers. During my initial period in post, my focus has been on early engagement with Ministers and colleagues, addressing immediate budgetary pressures, establishing strong foundations for the Delivery Unit, and maintaining momentum against Ministers' priorities as set out in the Department's Business Plan.

I'd like to record my thanks and appreciation to David for all his work in the Department as Interim Accounting Officer and Interim Permanent Secretary. I am grateful to colleagues across The Executive Office and our partners for their professionalism, commitment and collaboration. I look forward to continuing to work together to strengthen delivery and improve outcomes for the people and communities we serve.

Moira Doherty

Moira Doherty
Permanent Secretary

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) 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.

David Malcolm was the interim Permanent Secretary and Accounting Officer until 8 February 2026 when he moved to Department for Education. Moira Doherty joined on 9 February as interim Permanent Secretary and Accounting Officer, becoming permanent from 13 April. Following a Board effectiveness review and subsequent workshop, Board meetings were rescheduled to occur bi-monthly.

The NEBM Jo Aston served for the full accounting year with Claire Keatinge stepping down from the role in July 2025. Bernie McCrory was appointed as NEBM member taking up her post on the 8 March 2026. Heather Cousins served as an independent member of the Audit and Risk Assurance Committee (ARAC) for the full accounting year.

We confirm that the Governance Statement sets out the governance, risk management and internal control arrangements for TEO, in accordance with the Department of Finance (DoF) guidance. The Governance Statement applies to the financial year 1 April 2025 to 31 March 2026 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.

Agendas for each Board meeting included the following key areas:

- TEO Business Plan development and delivery
- Arm's Length Bodies (ALBs) Delivery and Assurance
- Corporate Risk Register
- Ending Violence Against Women and Girls (EVAWG) updates
- Business Continuity Plan
- Contracts Register
- Legislative Programme
- Budget and Finance
- People Development and HR Reports
- Audit and Risk including Audit and Risk Assurance Committee (ARAC) updates

All discussions at Board meetings were facilitated by presentation of comprehensive papers 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. The Northern Ireland Civil Service (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.

Following a review by the Board workshop, the People Development Sub-Committee (PDSC), was re constituted as an Internal Resourcing Group. The focus of the Group is on reviewing and addressing capacity and capability issues within the Department, reporting into the Board as deemed appropriate.

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 2025-26 financial year as follows.

TEO ARAC comprised of two Members for the full accounting year, Heather Cousins as an Independent Member and Jo Aston as a Non-Executive Board Member and Chair ARAC. Claire Keatinge was an additional Non-Executive Board Member serving until 31 July 2025.

The ARAC meetings were attended by David Malcolm as Permanent Secretary (interim) and Accounting Officer, with Gareth Johnston (Grade 3 and previous interim Accounting Officer) standing in when David was unable to attend. 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 2025-26 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. Key achievements worthy of note this year were the addressing of retrospective approvals for Business Cases and the closure of process mapping with revised corporate risk registers linked to Business Plans adopted. A focus for this year has been on the timely completion of post project appraisals. Emitting from last year's effectiveness review was the briefing of the ARAC on major projects and programmes, which will continue to be a focus for the coming year. A total of four ARAC meetings were held over the period.

The TEO 2025-26 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 resourcing issues. ARAC was assured that prioritisation was a focus for staff deployment within the Internal Resourcing Group.

(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 and are hopeful that this Bill will soon be passed, removing the technical qualification of accounts. It was noted that there was nothing more for the ARAC or indeed TEO to do in this regard.

(c) The review and amendment of the Corporate Risk Register and TEO's process mapping of linkages between the Business Plan, Directorate and Corporate Risk Registers was a significant area of examination which pleasingly concluded with the adoption of revised templates.

(d) Clarification of potential governance issues within Arm's Length Bodies (ALBs) arising from the absence of Board members and the delay in timely reappointments, continues to be an issue.

(e) Pleasing is the closure of the issues around the need for retrospective Business Case Approvals. However, in its place ARAC has asked for monitoring of Post Project Evaluations until such time that the current back log is addressed. Again, I am pleased to report that good progress is being made in this regard.

(f) ARAC has drawn attention to the long-standing issue relating to pension arrangements of an ALB. TEO are actively seeking to have this addressed and are liaising with DoF on the matter.

(g) Unfortunately, some of the actions recommended from last year's effectiveness review remain outstanding, of particular note is the review of governance around major projects and programmes within TEO.

(h) Monitoring TEO's business plan delivery.

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 Truth Recovery Consulting Review. The ARAC was assured by the approach and thought being given to this challenging work area.

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 2025-26 is welcome. ARAC acknowledges the rigour with which the Counter Fraud and Raising Concerns Branch are dealing with fraud issues.

The ARAC's 2025-26 self-assessment concludes that it conducts itself in accordance with the good practice principles of Audit Committee effectiveness. The ARAC notes that a number of the recommendations arising from the ARAC's 2024-25 self-assessment checklist remain outstanding. It is recommended that over the coming year, a focus is given to reviewing and advancing these recommendations in consultation with the recently appointed Permanent Secretary and Accounting Officer.

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 Branch for this support. I would also wish to extend personal thanks to Claire Keatinge for her active participation, challenge and support at all ARAC meetings attended. I also thank Heather Cousins who brings her financial knowledge and experience to the ARAC committee as a qualified CIPFA member.

In conclusion, as Chair TEO ARAC I confirm that in relation to the 2025-26 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

STATEMENT OF THE PURPOSE AND ACTIVITIES OF THE DEPARTMENT

The purpose of The Executive Office (TEO) 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.

TEO has a clear role as a convening hub for policy making and delivery: making sense of our society's most complex and challenging issues and ensuring implementation on the ground.

TEO's core functions reflect some of our most complex challenges and opportunities, from tackling inequality and supporting victims and survivors, to leading good relations work and legacy programmes. It also drives international engagement through Executive offices in Washington, Brussels, and Beijing, promoting Northern Ireland globally and connecting with best practice. As a central coordinating department, TEO plays a vital role in enabling effective cross-government delivery.

The Department currently has a wide range of key functions and responsibilities which include:

- Programme for Government (PfG);
- Ending Violence Against Women and Girls (EVAWG);
- Victims and Survivors Support;
- Good Relations and Together: Building a United Community (T: BUC) Strategy;
- International and Intergovernmental Relations;
- Civil Contingencies and Emergency Planning;
- Equality, Rights, and Identity;
- Climate Change and Green Growth;
- Refugee and Asylum Seeker Integration; and
- Legislative Drafting and Legal Oversight.

The TEO Business Plan 2025-26, available at *TEO Business Plan 2025–26 (PDF)* details the role TEO plays in delivering Ministerial priorities.

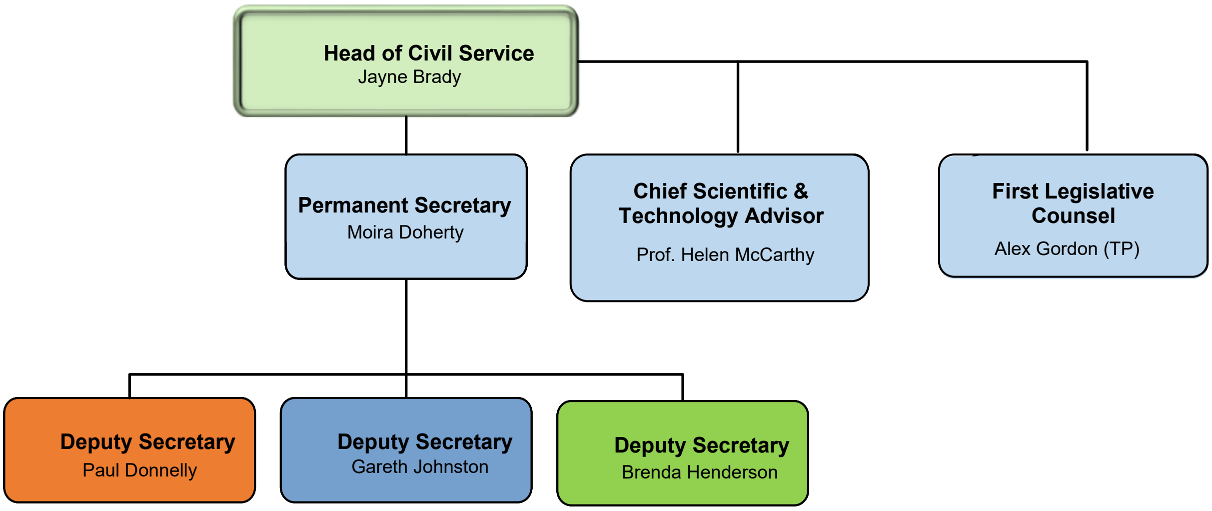
Organisational Structure

The TEO Permanent Secretary is accountable for the delivery of TEO's functions and for ensuring effective governance, risk management and use of resources.

TEO's core is structured into three main directorates comprising: Finance, People and Planning; Good Relations and Inclusion; and Executive Services and International Relations.

Specialist policy, programme and corporate functions operate within this structure, providing the capability required to support delivery, partnership working and effective oversight. The structure also supports collaboration across Departments and with external partners, reflecting the cross-cutting nature of TEO's remit.

In addition to this, its structure also includes two permanent secretary equivalents, the First Legislative Counsel and the Chief Scientific Advisor, who report directly to the Head of the NI Civil Service, as shown below.



Partner organisations

TEO works closely with a range of partner organisations, Arm's Length Bodies (ALBs), to deliver its priorities. These partner organisations play a key role in delivering programmes, in providing services and in supporting the achievement of Executive outcomes.

Each organisation operates within an agreed governance and accountability framework, with roles and responsibilities clearly defined.

Our main partner organisations, and a brief synopsis of what they do, is outlined below:

Classification	Partner Organisation	Statutory role or function
Non-Departmental Public Body (NDPB)	Commissioner for Survivors of Institutional Childhood Abuse	Represents and promotes the interests of victims and survivors of institutional childhood abuse, defined as any person who suffered abuse as a child resident in an institution between 1922 and 1995.
NDPB	Commissioner for Ulster Scots and the Ulster British tradition	Enhances and develops the language, arts and literature associated with the Ulster Scots and the Ulster British tradition.
NDPB	Commission for Victims and Survivors Northern Ireland	Promotes the interests of victims and survivors of the Troubles/Conflict by helping to improve services provided, providing research to help enable support and understanding and promoting a voice through the Commission’s Forum and activities.
NDPB	Equality Commission for Northern Ireland	Provides protection against discrimination on the grounds of age, disability, race, religion and political opinion, sex and sexual orientation. Promotes statutory equality and good relations duties which apply to public authorities.
NDPB	Irish Language Commissioner	Protects and enhances the development of the use of the Irish language by public authorities
NDPB	Maze/Long Kesh Development Corporation	Manages and maintains the Maze/Long Kesh site and oversees regeneration to maximise the site’s economic, historical and reconciliation potential.
NDPB	NI Community Relations Council	Promotes a peaceful and shared society based on reconciliation, tolerance and mutual trust.
NDPB	NI Judicial Appointments Commission	Oversees the appointment of judges and judicial officers, ensuring that judicial appointments are made based solely on merit.
NDPB	Office of Identity and Cultural Expression	Promotes cultural pluralism and respect for diversity in the region; promotes social cohesion and reconciliation between those of different national and cultural identities; increases the capacity and resilience of people here to address issues related to differences in national and cultural identity; and supports and promotes the celebration of the cultural and linguistic heritage of all people living in the region.
NDPB	Strategic Investment Board Limited	Supports Executive Departments and other public sector bodies by helping them to deliver major projects and programmes; champions reform; supports the objectives set out in the Executive’s Programme for Government (PfG);

Classification	Partner Organisation	Statutory role or function
		and advises the Executive on its programme of major investment projects.
NDPB	Victims and Survivors Service	This is the delivery body for the Strategy for Victims and Survivors of the Troubles/Conflict 2024-2034, established to consolidate the provision of support and funding for victims and survivors. It coordinates service delivery and funding to meet the needs of individual victims and survivors, ensuring that these services are provided to the appropriate standard.
Statutory Office Holder	Commissioner for Public Appointments for NI (CPANI)	CPANI is the independent regulator responsible for ensuring that public appointments to public bodies here are made fairly, transparently and on merit. As guardian of the public appointments processes, CPANI publishes a Code of Practice, audits compliance, and produces an annual report. The role of CPANI is to promote public confidence in the public appointments process here.
Statutory Office Holder	Office of the Attorney General for Northern Ireland	The Attorney General for Northern Ireland (AGNI) is an independent statutory office holder appointed jointly by the First Minister and deputy First Minister. The functions and responsibilities of the AGNI comprise both statutory and common law duties, including serving as chief legal adviser to the Executive on matters within the legislative competence of the Northern Ireland Assembly, advising on complex legal issues, and scrutinising Assembly Bills to ensure compliance with devolved competence. The office also exercises a range of additional functions, including participation in litigation, particularly in cases involving devolution issues. The Attorney General's other functions are set out in more detail on her website and in her Annual Reports.
Other	Historical Institutional Abuse Redress Board	Responsible for receiving and processing applications for compensation from those who experienced abuse in residential institutions here between 1922 and 1995.
Other	Victims' Payment Board	The Victims' Payment Board is responsible for the assessment and determination of applications and the administration of payments to eligible applicants under the Victims' Payments Scheme.

Further detail on governance arrangements and oversight of partner organisations is set out in the Corporate Governance Report. Information on the performance and finances of individual organisations is contained in their own annual reports and accounts.

KEY ISSUES AND RISKS

Key challenges faced by TEO in 2025-26 included the continuing need to focus on the critical area of transformation and the urgent need to move from design to delivery in key areas such as the Programme for Government and Strategic Plan for Ending Violence Against Women and Girls. TEO has sought to work across the Executive to play its role in the management and mitigation of budgetary pressures, together with efforts to develop and agree a multi-year budget and strategic five-year plans.

Forward Look

The budget for Northern Ireland for 2026–2029/30 is not yet agreed by the Executive. Discussions continue with the UK Government in the hope of agreeing an appropriate and fair settlement, that will meet the delivery needs of citizens here. The Finance Minister published his draft proposals in response to departmental spending plans, based on the funding currently available from the UK Government. The draft proposals have not been agreed as a final budget settlement. In order to allow Permanent Secretaries to plan for the year ahead, the Department of Finance (DoF) Accounting Officer has provided a Contingency Planning Envelope to represent the minimum that departments could reasonably be expected to be allocated as a budget settlement. The Envelope is intended to provide Accounting Officers with the parameters to inform their assessment of affordability in the absence of an agreed Budget. This falls significantly short of departmental requirements and difficult decisions are required in order to live within this envelope in terms of both Resource and Capital

In addressing the needs of the Department, we will continue to prioritise front line delivery, Programme for Government priorities and statutory and contractual obligations. The position remains extremely challenging. It will be vital to ensure that we identify and deliver all possible efficiency savings and transformation will be key.

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 DoF 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 2026 shows total assets less liabilities of (£784.9m) (2024-25 - £776.8m). The reason for the net liability position is primarily the provisions for Victims' Payment Scheme and HIA Redress Scheme. In common with other government departments, the future financing of liabilities will be met by future grants of Supply and the application of future income, both to be approved annually. There is no reason to believe that future approvals will not be forthcoming. It has accordingly been considered appropriate to adopt a going concern basis for the preparation of these financial statements.

PERFORMANCE SUMMARY

Purpose of the Performance Analysis

The purpose of the performance analysis is to provide a summary of how the Department measured its performance during 2025-26. This includes an overview of performance against the Department's 2025-26 Business Plan.

The Department's 2025-26 Business Plan was based on five key priorities as follows:

- 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
- Ensuring that the Machinery of Government works effectively
- Ensuring we have contingency planning and delivery mechanisms

Overview

A summary of the reported Red, Amber, or Green (RAG) statuses at the end of March 2026 is shown in the table below.

RAG Status	Definition	Number
Red	Activity not achieved or not expected to be achieved, or delivery of the targeted outcome(s) will not be achieved within the current PfG period	0
Amber	Rate of progress is less than planned and there is significant doubt around the achievement of targeted outcomes	6
Amber/Green	Level of progress is broadly on track with easily redeemable deviations from plans and there is *justifiable* confidence of getting close to targeted outcomes	4
Green	Achieved or on track for delivery	12

The tables below provide an end of year position (as at 31 March 2026) for each of the TEO work activities. A RAG status has been provided to indicate where activities have been achieved, partially achieved or not achieved.

Business Area	Outcome	Milestones	Progress/Update at 31 March 2026	RAG Status
Race Relations and Integration	Racial Equality Bill introduced into the Assembly to strengthen racial discrimination protection.	Proposals submitted through Ministers for Executive agreement.	A draft Framework for Race Relations has been developed aimed at improving all areas of race relations.	Amber

	A new approach to racial equality post 2025.	Draft strategic approach developed. New approach launched.	A public consultation on the draft Framework was launched in March 2026, to be completed in June 2026. A comprehensive review of the Race Relations (NI) Order 1997 has been completed, and the resulting policy proposals are currently under consideration.	
Equality, Rights and Identity	Implementation of the Identity & Language (NI) Act 2022.	Provide list of appointable candidates to Ministers for the selection of Language Commissioners and members of the Office of Identity and Cultural Expression. Provide further advice to enable the establishment of the offices of the Language Commissioners and Identity and Cultural Expression.	The Director and Commissioners for the Office of Identity and Cultural Expression took up their posts on 13 November 2025, with the remaining Board members taking up post on 3 December 2025.	Green
Communities in Transition	A new phase of Communities in Transition launched as part of the wider Executive Programme on Paramilitarism	Contracts in place across delivery partners.	Delivery of Communities in Transition Phase three Year one commenced in April 2025 with 35 projects delivered across the Eight Communities in	Green

	and Organised Crime, strengthening communities to resist paramilitary influence.		Transition areas, supported by a £2.9m budget, focusing on mental health and addictions, addressing exploitation, providing support for young people and tackling the impact of paramilitarism.	
Climate Change / Green Growth	Take forward the implementation of the NI Climate Commissioner Regulations (NI) 2025.	Provide further advice to facilitate Ministerial approval of the business case, and public appointment process.	The NI Climate Commissioner Regulations (Northern Ireland) 2025 were made on 8 April 2025. Work has advanced significantly across relevant Departments to operationalise the Office of the Climate Commissioner.	Amber/ Green
Good Relations / T:BUC	A refreshed and relevant strategic framework on good relations, informed by the review of the T:BUC Strategy and stakeholder engagement. Create better opportunities for everyone by bringing the public sector together in partnership with community groups to solve problems and shape services in local communities.	Submit final draft of the T:BUC Strategy Review for Building a United Community for consideration by Ministers. Develop a new Good Relations Strategic Framework. Launch for public consultation.	Work is ongoing on the development of proposals for a refreshed good relations framework.	Amber

Victims and Survivors	Support the wellbeing of victims and survivors through the development of new funding programmes aligned to the Victims' Strategy and delivery of a victim-centred Victims' Payments Scheme.	Approval of new Victims and Survivors funding programmes. Awareness raising activity to mark the final year for applications to the Victims Payment Scheme.	The Victims and Survivors Strategy 2024–2034 was approved by Ministers and received Executive endorsement. Funding programmes for the period 2026–2028 totalling £25.1m have been developed. The Victims' Payments Scheme has received 13,026 applications and £135m has been paid to eligible applicants.	Amber/ Green
Historical Institutional Abuse (HIA)/ Historical Clerical Child Abuse (HCCA)	Support HIA and HCCA victims and survivors through the conclusion of HCCA research projects and provision of advice to Ministers; implementation of the Hart recommendations including delivery of a HIA memorial, and orderly closure of the HIA Redress Board.	Timely and orderly closure of HIA Redress Scheme to applications. Implementation of HIA memorial. Completion of HCCA research and provision of advice to Ministers. Review of HIA services.	By its closure on 2 April 2025, the Historical Institutional Abuse Redress Board had received 5,496 applications and £114m had been paid in compensation. A memorial to victims and survivors was unveiled on 29 January 2026, fulfilling the final recommendation of the Hart Inquiry. Three separate research studies into Historical Clerical Childhood Abuse reported during the year and recommendations	Green

			have been provided to Ministers.	
Strategic Investment	An Investment Strategy, with fit for purpose arrangements for its implementation.	Delivery framework for an Investment Strategy for NI (ISNI) agreed and in place. Final draft ISNI submitted to Ministers for Executive approval.	A draft Investment Strategy and ten Year Investment Plan has been prepared and submitted for consideration.	Amber
Ebrington	An agreed transition plan with Derry City and Strabane District Council for the ongoing support to deliver a holistic programme of activities for Ebrington.	Draft transition of site and implementation plan submitted for Ministers approval. Detailed analysis of options for formal site transition completed.	Work is ongoing to progress the transfer of the Ebrington site to Derry City and Strabane District Council. Over two million has been invested during the year, bringing total investment to £40m, supporting the attraction of new businesses and the creation of more than 360 jobs.	Amber
PfG	Agree and begin the delivery of the Executive's PfG.	Bi-Annual Reporting on the published PfG. Provide Executive with an Annual Delivery Report and Annual Targets.	A Delivery Plan for 2025-26 has been agreed, and work has commenced on the development of a PfG Annual Report.	Green
Delivery Unit	Delivery Unit established to work collaboratively with Departments and others to effect change in how public services are delivered and how	Launch of the Delivery Unit.	The Delivery Unit continued to help drive reform and transformation of public services, including work to reduce hospital waiting times and support delivery of key cross-cutting	Green

	bodies work together.		projects across areas such as education, justice and infrastructure.	
Good Relations Delivery	Promote good relations in communities through successful delivery of Good Relations Projects funded by the Central Good Relations Fund, District Council Good Relations Programme, T:BUC Camps and Planned Interventions Programme. Oversee the roll out of Good Relations elements of the PEACEPLUS programme.	Successful delivery of: Central Good Relations Fund; T:BUC Camps (at least 100 camps per year); District Councils Good Relations Programme; Planned Interventions Programme. Quality measured by impacts on programme outcomes, aligned with the T:BUC Strategy, using Outcome based Accountability methodologies. Support and oversee the implementation phase of PEACEPLUS 1.1 Local Community Action Plans and 1.3 Building Positive Relations projects.	Funding of £1.53m supported 101 T:BUC Camps during 2025-26, contributing to a programme which has now delivered over 1,000 camps and engaged approximately 36,000 young people.	Amber
Truth Recovery	Support the needs of Truth Recovery (Mother and Baby Institutions, Magdelene Laundries and Workhouses) victims and survivors through an integrated investigation and	Submit a final bill to Ministers on the public inquiry and redress scheme. Advice to Ministers on the response to the non-statutory Independent	The Truth Recovery Independent Panel Bill was introduced into the Assembly in June 2025 and completed Committee Stage in January 2026. More than 600 people have been supported	Amber/ Green

	redress processes.	Panel investigation.	through truth recovery processes.	
Refugee Integration	Year one delivery of the Refugee Integration Strategy supports improved integration.	Publication of a Delivery Framework. Reporting on progress.	The Executive's Refugee Integration Strategy was published in May 2025. Over nine million in funding has been secured and allocated to support delivery, including the establishment of integration hubs, development of employability data, and delivery of communications activity.	Green
Urban Villages (UV)	Community transformation through the delivery of three capital projects. Building the capacity and sustainability of organisations undertaking a significant capital building. Evaluation of Test and Learn pilot scheme.	Capital projects at Sandy Row Arts & Digital Hub, ABC Trust Health and Leisure Hub and Titanic People completed in year. Strand One and Strand Two delivery plans complete. Evaluation report on the future of place-based programmes to Ministers.	Two Urban Villages capital projects were completed during 2025-26 with an overall value of £9.1m: the Sandy Row Arts & Digital Hub; and the ABC Trust Health & Leisure Hub. Construction commenced on Cultural Embrace Project, Coffee Culture, AYE Community Youth Hub and Meenan Square and work restarted on site on the Lockhouse. £80.1m has been invested to date through the Urban Villages Initiative, with 61 projects completed.	Green

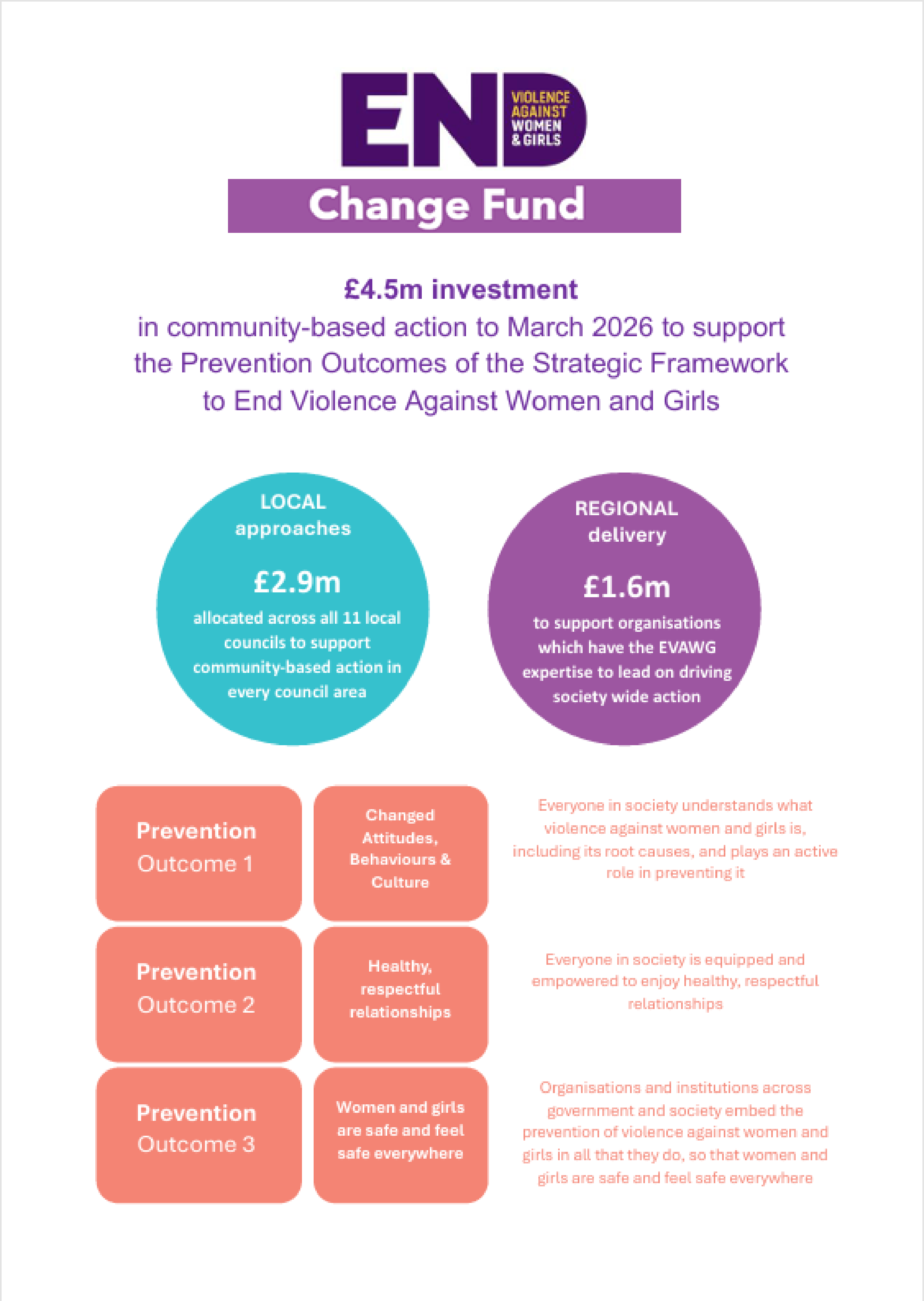
Ending Violence Against Women and Girls (EVAWG)	Implementation of the 14 actions within the first Delivery Plan 2024-26. Development of the second Delivery Plan for implementation from 2026-27.	Community investment Delivery of Change Fund [Phase one] grants and ongoing monitoring of impact. Conclusion and evaluation of Phase one Challenge Fund. Launch of Phase two Challenge Fund (Subject to funding). Campaigns Delivery, with partners, and evaluation of Power To Change and Head Shoulders Knees and Toes. Development, with partners, of one further campaign idea. Collaboration Adoption of first Delivery Plan sectoral working groups' action plans. Delivery and evaluation of first Community Led Review. Reporting Report to Executive six-monthly on all 14 actions.	The Strategic Framework to End Violence Against Women and Girls 2024–2031 and its first Delivery Plan were launched. £4.5m in community investment was provided, and a public campaign achieved over 10m impressions on social media.	Amber/ Green

		The Power to Change Campaign, Phase two will launch in the coming months.		
International Relations	Implement the International Relations Strategy through Thematic and Geographic Delivery Plans. Ensure a deeper and evolving understanding of international and EU policy and trends that will influence policy and delivery priorities through targeted horizon scanning and international annual forward look for 2026. Ensure Executive views on priorities for resetting the relationship with the EU are represented in the UK position.	Establish partnership boards for the delivery plans. Draft plans prepared for approval. Quarterly horizon scanning reports. Analysis report on international outlook and priorities for 2026. UK-EU summit on Reset to be hosted by the UK in May 2025.	Over 80 in-person visits involving ambassadors and high commissioners were hosted, alongside significant engagement across North America, China and Europe, contributing to increased influence, opportunity, connection, and international reputation.	Green
Legislative Programme	Secure Executive support for a legislative programme for the 2025-26 Assembly session.	Updated Executive Legislation Programme in place. Arrangements in place to monitor delivery of the Executive Legislation Programme.	Seventeen Executive Bills were introduced and supported through central coordination and drafting.	Green

Democratic Scrutiny / Windsor Framework	Co-ordinate NICS response to and support work of issues arising from Democratic Scrutiny Committee when they require cross-Departmental consideration.	Stocktake of NICS support to Democratic Scrutiny Committee and lessons learnt. Coordination of NICS activity following outcome of Independent Review of the Windsor Framework.	Central coordination was provided in relation to monitoring EU law applicable under the Windsor Framework and supporting engagement with Assembly scrutiny mechanisms.	Green
Corporate / Governance	Improve the wellbeing of staff and our business processes/work environment through the delivery of the TEO Business Improvement Plan. Ensure increased skills and knowledge through effective progression of the Department's Learning and Development Plan.	Regular monitoring of the two year plans in place and reporting to appropriate senior management forum. Develop and agree with Board new Plans for 2026–2028.	The actions in the Business Improvement Plan are being progressed in tandem with work to develop a new TEO People Plan to support the wider NICS People Strategy.	Green
Civil Contingencies	To enable safer communities and societal wellbeing through the review and application of the NI Civil Contingencies (Building Resilience Together) Framework and Civil Contingencies Risk Register.	To formulate, develop and implement policies arising from UK Covid-19 Inquiry recommendations. To develop a Vulnerable People Protocol for Emergencies.	The Civil Contingencies Group led responses to a range of emergencies, including severe weather events, wildfires and cyber incidents. Exercise PEGASUS, the largest non-military exercise ever	Amber

			carried out in the UK, was delivered. Training was provided to over 200 delegates with very high satisfaction ratings.	
Covid Inquiry	Ensure TEO meets its legal obligations to the Covid Inquiry and responds effectively to its recommendations.	Respond to Covid Inquiry requests for additional information in relation to Modules seven, eight and nine. Consider and respond to Module Two Report requests. (Rule ten Request anticipated May 2025). Provide update report to Covid Inquiry on Module one Recommendations - Implementation July 2025.	Evidence was submitted to seven modules of the UK Covid-19 Inquiry, and the NI Executive's response was published on 18 March 2026.	Green

Ending Violence Against Women and Girls (EVAWG)



HOW THIS SUPPORTS THE EVAWG 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 15 month **Delivery Plan**.

14 key actions from January 2025 to March 2026 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

END Change Fund

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 enabled the launch of **Change Fund and localised schemes** supporting community groups and other organisations in their respective areas

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

Councils opened calls for applications during January-March 2025, and awards supported 158 projects delivering from April 2025 to March 2026

All councils also took forward initiatives over December 2025 - March 2026 to **build momentum** alongside the local award project under the Local Change Fund

- Conferences and events, including with keynote expert speakers, to raise EVAWG awareness and maximise the impact of International Women's Day
- Awareness raising and public engagement on EVAWG 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
- EVAWG training for council and community sector frontline staff
- Sharing good practice on trauma informed approaches
- Creation of digital content, local campaigns, publicity resources and EVAWG toolkits
- Supporting links across local EVAWG provision, domestic & sexual violence services, and policing and community safety approaches

Regional Delivery

8 key Support Organisations

Increased EVAWG delivery in community, schools and workplace settings by 8 key support organisations

Support organisations from the CVS with expertise to raise EVAWG awareness and equip people to have safe and healthy relationships. These organisations will also work together to support other local EVAWG initiatives. Regional investment by TEO is administered in partnership with Belfast City Council.

- **Barnardo's** supported children and young people from refugee and those from separated and unaccompanied asylum-seeking backgrounds. A pilot programme helping young women and young men to distinguish between cultural differences in how relationships are modelled, identify harmful attitudes and practices, and develop empathy and solidarity for others and responsibility for their own actions. The service is called 'Luma: where healthy relationships begin to shine associating the service with light and hope.

  Barnardo's delivered the evidence-based Botvin LifeSkills programme in primary schools across Northern Ireland, strengthening early intervention and prevention. The programme builds children's emotional literacy, problem-solving skills and understanding of healthy relationships, supporting them to recognise abuse, challenge harmful norms and reduce risk-taking behaviours.

- **Nexus** delivered healthy and respectful relationships education workshops to young people aged 11-25 across NI. The 'Step Up, Step In' initiative helps young people to safely challenge unacceptable behaviour. Under the EVAWG Pledge initiative, Nexus provided training and support for a wide range of organisations and institutions as a call to action to commit to the pledge of ending VAWG. Digital and communications resources helped increase understanding of VAWG and how to prevent it by way of co-design and production of an animation.

  Nexus also developed an interactive digital EVAWG training platform to expand access to prevention education across schools, youth, community and workplace settings. The platform will support scalable, sustainable training delivery, addressing attitudinal and behavioural root causes of violence against women and girls through engaging, data-driven learning.

- **NSPCC** expanded delivery of 'Talk PANTS', helping adults to support children aged 3-11 to recognise abuse; 'Speak Out, Stay Safe', helping children (4-11) to recognise and speak out against harm/abuse; 'Talk Relationships', supporting post-primary educators to deliver HRE; "Young people campaign", helping groups facing additional inequalities (e.g. LGBTQIA+) to lead advocating against VAWG.

  NSPCC also established and delivered Domestic Abuse Recovering Together (DART) in Northern Ireland, a therapeutic group programme for children aged 7-14 and their non-abusing parent. Delivered in partnership with local organisations, DART supports recovery from domestic abuse, reduces trauma-related harm and builds local capacity through practitioner training.

- **Relate NI** delivered a community-based programme for young women to help challenge societal myths and norms perpetuating gender-based violence. The 'Relate-Ed' helped young people understand the root causes of VAWG and equip them with tools to sustain healthy relationships. Specialist EVAWG counselling was available to help those impacted by VAWG to rebuild resilience and self-esteem. The project also includes awareness-raising events, and enhanced digital and communications resources to extend reach and impact.

- **White Ribbon NI** expanded 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, challenging 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** expanded support and resources for Early Years practitioners via its 'Helping Hands for Early Years' project, including provision of new take-home resources for children; trained post-primary teachers to respond to VAWG; and supported 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.

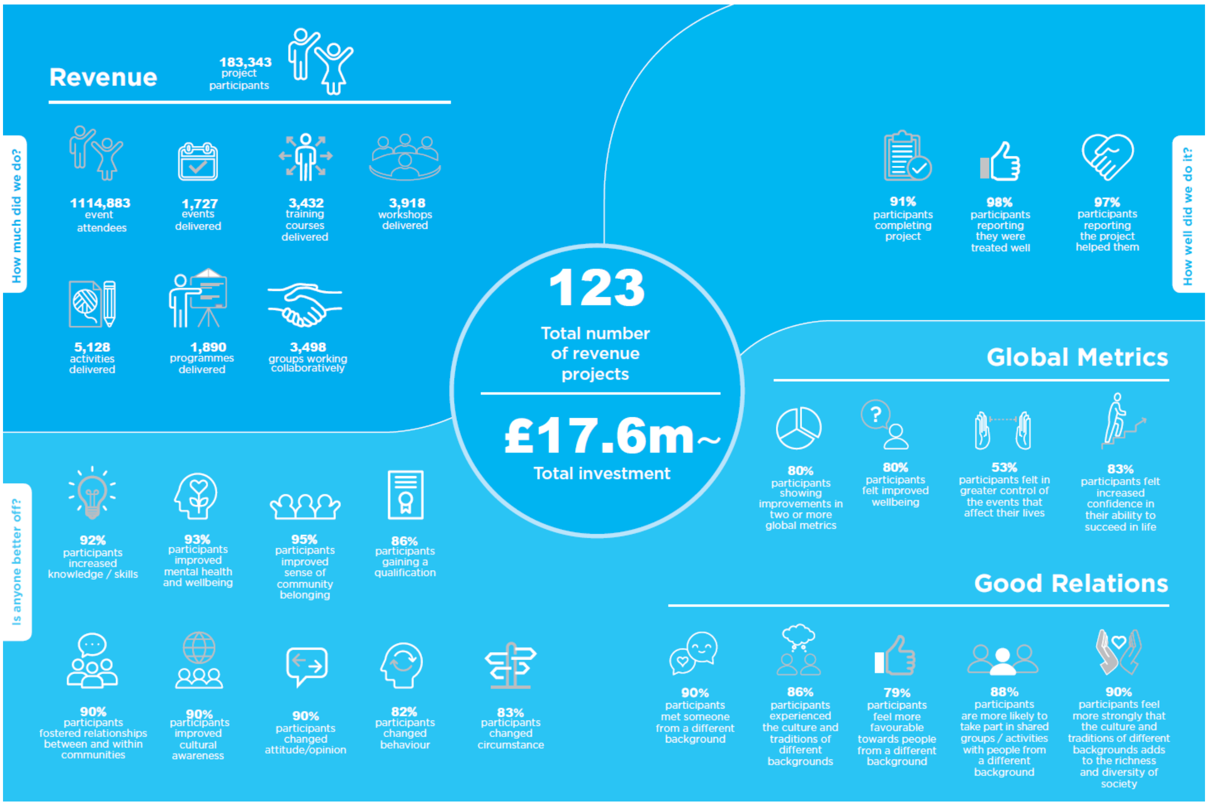
- **Women's Resource and Development Agency (WRDA)** delivered its 'Raise Your Voice' project across council areas and help participants understand ways harassment and sexual violence impact on those it targets and how to develop approaches tackling this impact. Awareness raising was supported through workshop delivery, enhanced strategic communications, outdoor advertising, social media and public engagement.

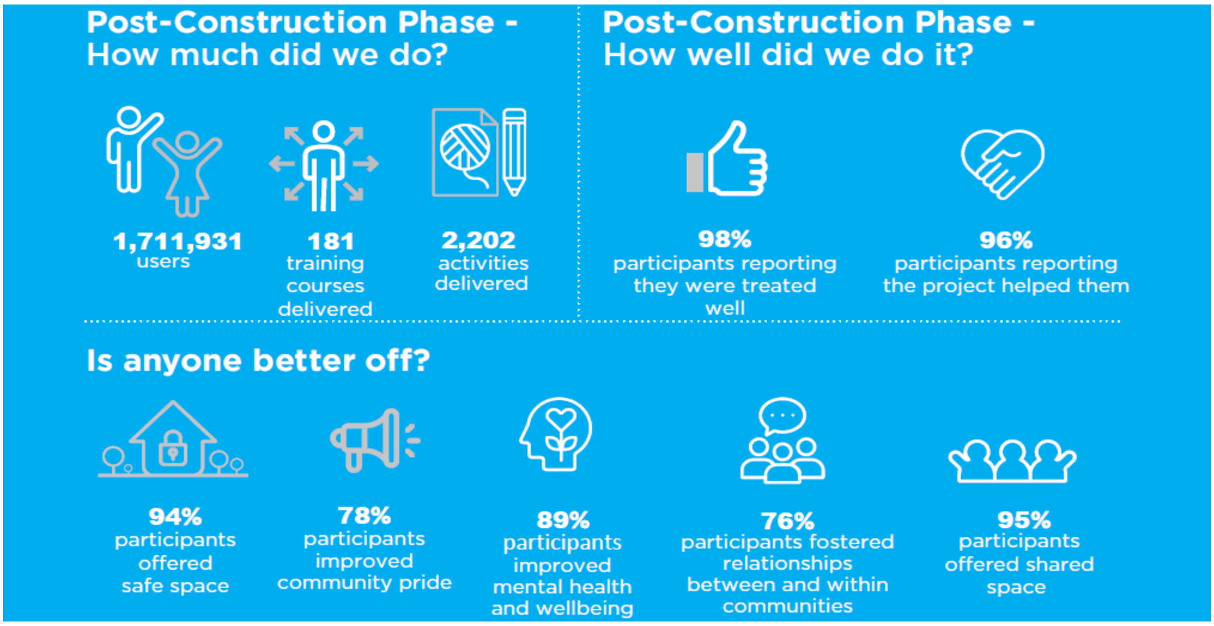
- WRDA also delivered Phase 2 of the Shift the Shame campaign, extending awareness-raising of the links between VAWG and homelessness, providing multilingual resources to enable EVAWG messages to be amplified, create new animations for workshops.

- **Youth Action NI** engaged young people aged 14-25, including those from diverse cultural backgrounds. Youth work approaches were developed to address EVAWG, and programmes shaped by participating young people that supported them in building the confidence, knowledge and skills to make informed decisions about their lives and ways to address EVAWG within their wider community.

  Youth Action NI also undertook resource development to address EVAWG with young people, youth-led theatre and multimedia initiatives, a young men's conference, development of practical educational resources, and shared learning events to build sector-wide capacity and promote respectful relationships.

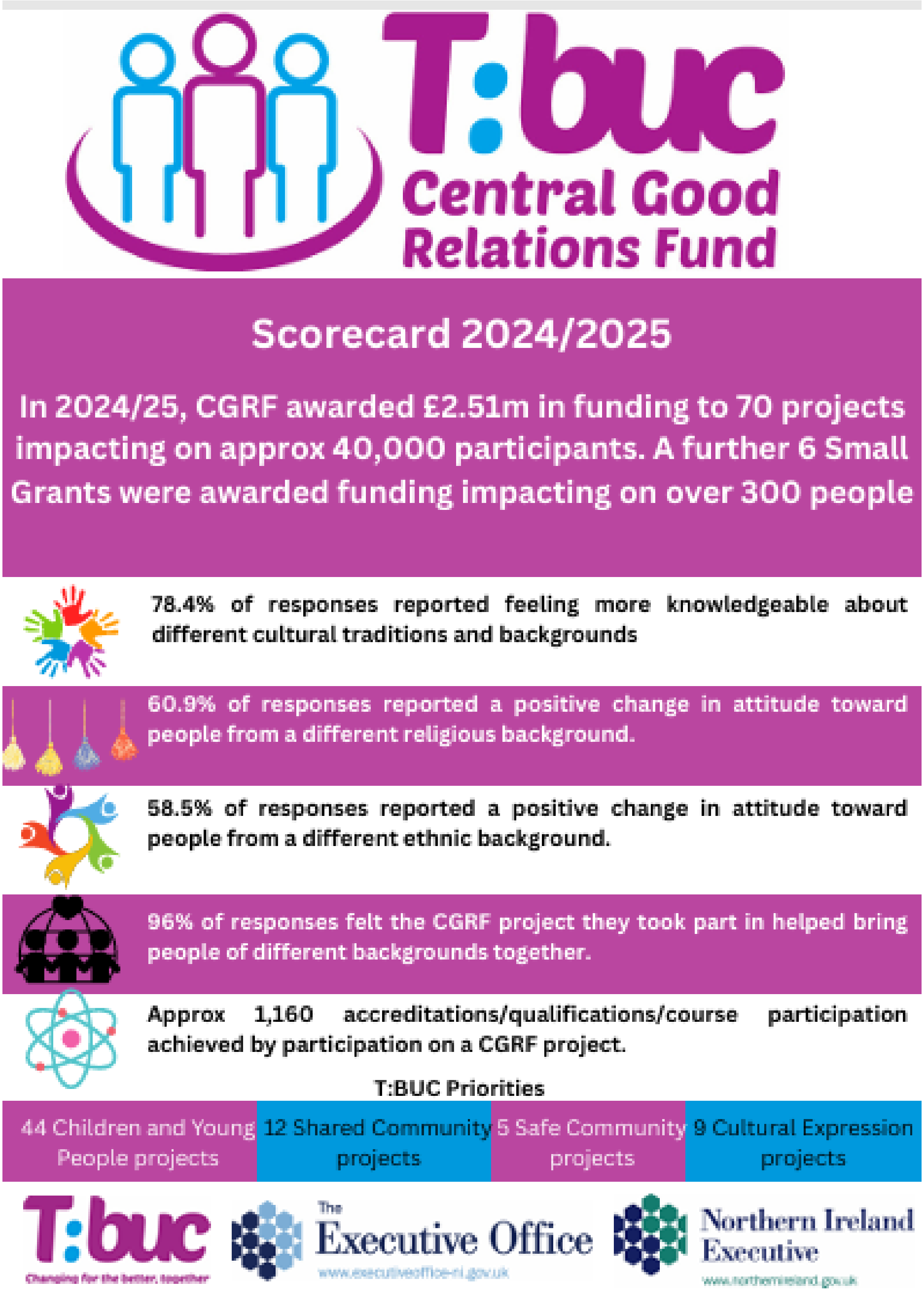
Urban Villages (UV) Capital Programme

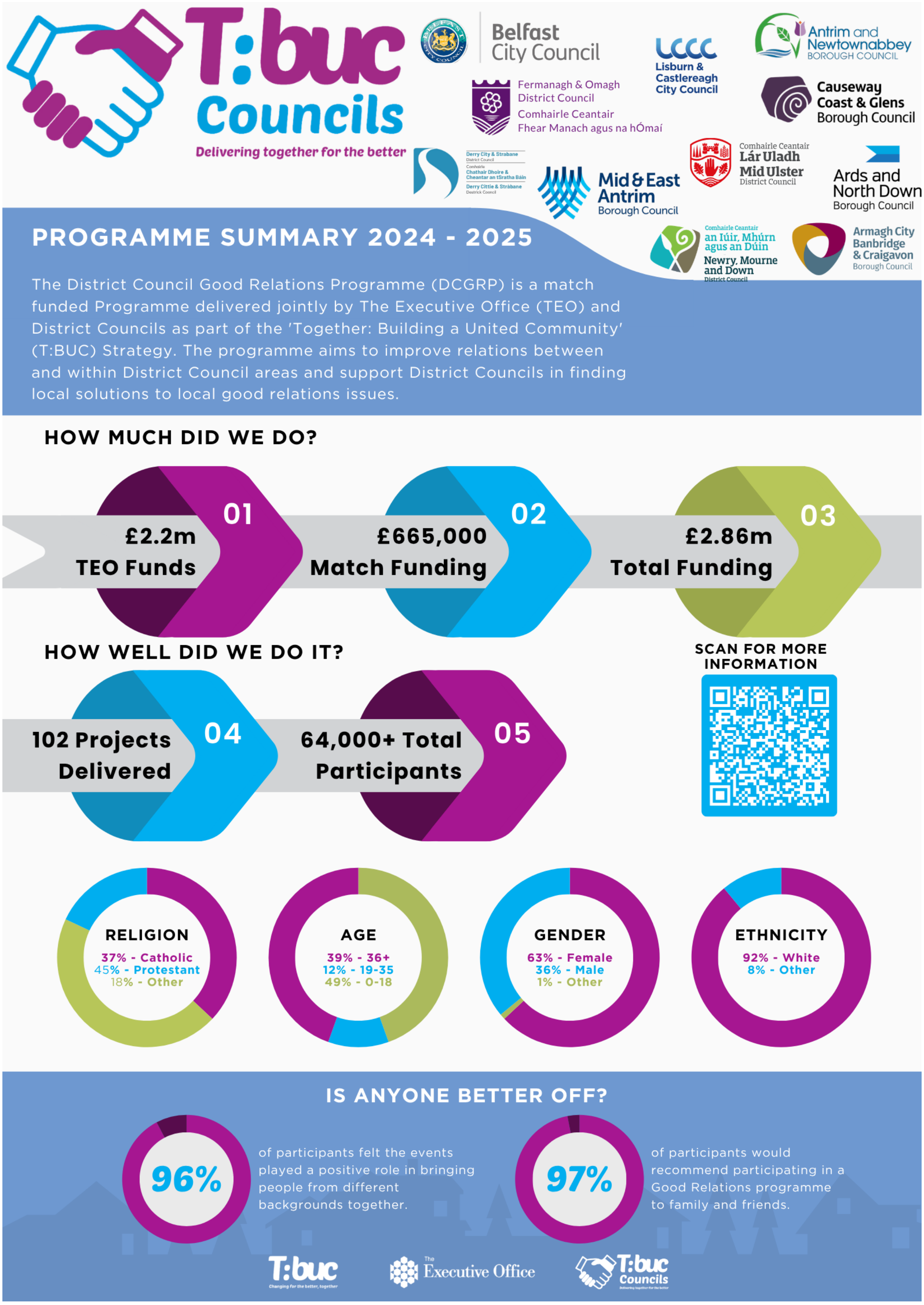




T:BUC Camps Programme most recently available outcomes data are set out in the infographic below:

The infographic below shows the most recent available verified outcomes data for 2024-25 for the Central Good Relations Fund




T:buc Councils
Delivering together for the better
Belfast City Council
Lisburn & Castlereagh City Council
Antrim and Newtownabbey Borough Council
Fermanagh & Omagh District Council
Comhairle Ceantair Fhear Manach agus na hÓmaí
Causeway Coast & Glens Borough Council
Mid & East Antrim Borough Council
Comhairle Ceantair Lár Uladh
Mid Ulster District Council
Ards and North Down Borough Council
Comhairle Ceantair an Iúir, Mhúrn agus an Dúin
Newry, Mourne and Down District Council
Armagh City Banbridge & Craigavon Borough Council
PROGRAMME SUMMARY 2024 - 2025
The District Council Good Relations Programme (DCGRP) is a match funded Programme delivered jointly by The Executive Office (TEO) and District Councils as part of the 'Together: Building a United Community' (T:BUC) Strategy. The programme aims to improve relations between and within District Council areas and support District Councils in finding local solutions to local good relations issues.
HOW MUCH DID WE DO?
01 £2.2m TEO Funds
02 £665,000 Match Funding
03 £2.86m Total Funding
HOW WELL DID WE DO IT?
04 102 Projects Delivered
05 64,000+ Total Participants
SCAN FOR MORE INFORMATION
RELIGION
37% - Catholic
45% - Protestant
18% - Other
AGE
39% - 36+
12% - 19-35
49% - 0-18
GENDER
63% - Female
36% - Male
1% - Other
ETHNICITY
92% - White
8% - Other
IS ANYONE BETTER OFF?
96% of participants felt the events played a positive role in bringing people from different backgrounds together.
97% of participants would recommend participating in a Good Relations programme to family and friends.
T:buc
The Executive Office
T:buc Councils

T:BUC trees
Growing our future, together

T:BUC TREES INITIATIVE

Since 2022/23 Councils have delivered T:BUC Trees events as part of their Good Relations Action Plans. While initially focused on tree planting events, the programme quickly evolved to include events with a broader environmental focus, including outdoor learning, guided walks, forest classrooms, mental health initiatives and seed kit distribution.

SCAN ME FOR MORE INFORMATION

HOW MUCH DID WE DO?

75+ events held, with over 1,400 participants planting over 5000 trees, with over 500 seed kits distributed.

100% of respondents said they felt the environment was a good way of bringing people from different backgrounds together and would like to see more events focused on the environment.

T:BUC Trees continues to work with multiple partners to ensure we are positioned to develop the programme when opportunities arrive. Reps from the programme have attended funding fairs, been involved in the QUB Working Group on Good Relations & The Environment, attended the launch of the Belfast City Council's "Segregation and the Environment; Breaking Down Barriers" report, addressed young people on school visits to Parliament Buildings and liaised with NIHE. We continue to look at ways of growing the programme that maintain our collaborative, partnership-based approach with the recent notable example of the T:BUC Woodland Of Peace - a collaboration between the T:BUC Trees, T:BUC Camps and District Council Good Relations Programmes that saw 50 young people plant over 400 Trees at Ballymully Cottage Farm, site of the Annual Stendhal Festival, creating a legacy that will be seen by thousands of visitors annualy.

IS ANYONE BETTER OFF?

100% of ambassadors would like to see T:BUC Trees events rolled out across all 11 Council areas

"It was a brilliant event and experience with excellent Good Relations. Would be brilliant for similar events to happen more often and in a wider variety of places"

"I would like to learn more about the individual impact each tree we plant has"

"Include some way to encourage businesses and individuals to reduce their emissions."

T:buc Planned Interventions

PROGRAMME SUMMARY 2024 - 2025

THE PLANNED INTERVENTIONS PROGRAMME FUNDS COMMUNITY ACTIVITY TO PROVIDE POSITIVE ALTERNATIVES FOR YOUNG PEOPLE AT RISK OF BECOMING INVOLVED IN ANTI-SOCIAL BEHAVIOUR, SECTARIANISM, RACISM AND RECRUITMENT FROM PARAMILITARY GANGS, AND TO ADDRESS HEIGHTENED INTER AND INTRA-COMMUNITY TENSION AROUND INTERFACES (INCLUDING NOT ONLY PHYSICAL PEACE WALLS, BUT ANYWHERE THERE IS A POTENTIAL FOR COMMUNITY TENSIONS TO ARISE).

HOW MUCH DID WE DO?

122 PROJECTS WERE DELIVERED IN 2024/25.

2,845 YOUNG PEOPLE PARTICIPATED.

SCAN FOR MORE INFORMATION

HOW WELL DID WE DO IT?

99% of participants felt they were well treated during the programme

97% of young people completed the project

IS ANYONE BETTER OFF?

97% of participants felt less likely to engage in negative behaviour

96% of participants felt their confidence has increased after taking part in the programe

82% of participants felt more favourable towards people from a different religious or community background

The Executive Office · T:buc · Department of Education · ea Education Authority

PERFORMANCE ANALYSIS

In the 2025-26 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.

2025-26	Estimate £000s	Outturn £000s	Underspend/ (Overspend) £000s	%
Administration Costs	26,319	25,570	749	2.85%
Grants	45,550	45,884	(334)	(0.73)%
Other Current (including accruing resources)	467,161	126,367	340,794	72.95%
Total Resources	**539,030**	**197,821**	**341,209**	**63.30%**
Capital	**18,706**	**18,531**	**175**	**0.94%**
Departmental Total	**557,736**	**216,352**	**341,384**	**61.21%**

Note - Figures presented on a Consolidated basis

The Departmental Group's total Resource Outturn for the 2025-26 financial year was £197.8m against an Estimate of £539m. Total Capital Outturn for the 2025-26 financial year was £18.5m, against an Estimate of £18.7m.

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	539,030	197,821	341,209	63.30%
Departmental Total	**539,030**	**197,821**	**341,209**	**63.30%**

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 £341.2m can be analysed as resulting primarily from:

- TDPDPS (Victims' Payment Scheme) year-end provision less than estimate set at Spring Supplementary Estimates (£250m);
- Truth Recovery provision underspend – no provision was required in 2025-26 against AME forecast (£58m);
- HIA write back of provision not required (£14m);
- FTC amortisation (£10.2m);
- Lower than anticipated revaluation of land and buildings at Ebrington and MLKDC (£4m);
- Easement in salary costs due to vacancies not being filled by year-end (£1.3m);
- Unrealised exchange losses mainly due to EU Peace programme (£1.3m); and,
- Overall underspend in AME (£2m).

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	18,706	18,531	175	0.94%
Departmental Total	**18,706**	**18,531**	**175**	**0.94%**

Note - Figures presented on a Consolidated basis

Request for Resources A (RfR A)

The Departmental Group had a total capital underspend against Estimate of £0.2m. This underspend primarily resulted from:

- Easement in Civil Contingencies relating to the Secure Video Conference (SVC) facility (£0.5m);

- Easement made up of smaller underspends from the Department and its ALBs (£0.35m);

- Managed overspend in Urban Villages following reallocation of underspend in Civil Contingencies (-£0.7m).

Assets Valuation

TEO and MLKDC Land and Buildings are valued annually by Land and Property Services. In the 2025-26 financial year TEO impaired its land and buildings by £0.11m, (2024-25 - £0.09m (Note 7)) which was funded by Annually Managed Expenditure budget.

Net Cash Requirement

The net cash requirement for 2025-26 was £210.2m. This is £34.3m lower than the Spring Supplementary Estimates net cash requirement of £244.5m.

The reduction in requirement was mainly due to lower cash advances paid to the Special EU Programmes Body (SEUPB) in respect of the PEACEPLUS programme which is still in its early stages. The issue is one of timing rather than overall anticipated costs or entitlement.

Forward Look Financial Position

The Budget Act (Northern Ireland) 2026, which received Royal Assent on 20 March 2026, together with the Northern Ireland Spring Supplementary Estimates 2025-26 which were agreed by the Assembly on 23 February 2026, provide the statutory authority for the Executive's final 2025-26 expenditure plans. The Budget Act (Northern Ireland) 2026 also provides a Vote on Account to authorise expenditure by departments and other bodies into the early months of the 2026-27 financial year. The Department is currently operating under the authority provided by the Vote on Account which provides 45% of the 2025-26 financial year's cash and resources. The cash and resource balance to complete for the remainder of 2026-27 will be authorised by the 2026-27 Main Estimates and the associated Budget Bill based on an agreed 2026-27 Budget.

In the event that this is delayed, then the powers available to the Permanent Secretary of the Department of Finance (DoF) under Section 59 of the Northern Ireland Act 1998 and Section 7 of the Government Resources and Accounts Act (Northern Ireland) 2001 will be used to authorise the cash, and the use of resources during the intervening period.

In the interim, the Department has been operating on the basis of advice from the DoF Permanent Secretary and Contingency Planning Envelope provided. As with all Departments, this is significantly less that the amounts requested. 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 2021–22 £'000	Outturn 2022–23 £'000	Outturn 2023–24 £'000	Outturn 2024–25 £'000	Outturn 2025–26 £'000
Resource DEL	**128,238**	**147,956**	**150,996**	**181,083**	**179,499**
AME	**102,711**	**(41,712)**	**(6,502)**	**712,154**	**18,322**
	230,949	**106,244**	**144,494**	**893,237**	**197,821**
Capital DEL	**34,983**	**60,811**	**19,948**	**21,260**	**18,531**

Resource DEL	Outturn 2021–22 £'000	Outturn 2022–23 £'000	Outturn 2023–24 £'000	Outturn 2024–25 £'000	Outturn 2025–26 £'000
RfR A	**128,238**	**147,956**	**150,996**	**181,083**	**179,499**
Of Which:					
Staff Costs (Baseline)	17,392	21,694	25,802	29,328	31,677
ALBS	40,350	33,453	32,006	27,818	30,178
Other	6,442	7,646	10,264	9,205	9,570
Earmarked Funds (including directly attributable Salary costs)	56,902	79,780	80,142	105,257	95,838
Baseline Programme	7,152	5,383	2,782	9,475	12,236
Total Resource DEL	**128,238**	**147,956**	**150,996**	**181,083**	**179,499**

Resource AME	Outturn 2021–22 £'000	Outturn 2022–23 £'000	Outturn 2023–24 £'000	Outturn 2024–25 £'000	Outturn 2025–26 £'000
RfR A	**102,711**	**(41,712)**	**(6,502)**	**712,154**	**18,322**
Of Which:					
Diminution of Value of PPE	1,051	2,950	3,277	(110)	6,769
Increase/(Decrease) in Provision	101,660	(44,662)	(9,910)	711,874	11,851
Unrealised Exchange Gains/Losses	-	-	131	390	(298)
Impairment FTC loans	-	-	-	-	-
Total Resource AME	**102,711**	**(41,712)**	**(6,502)**	**712,154**	**18,322**

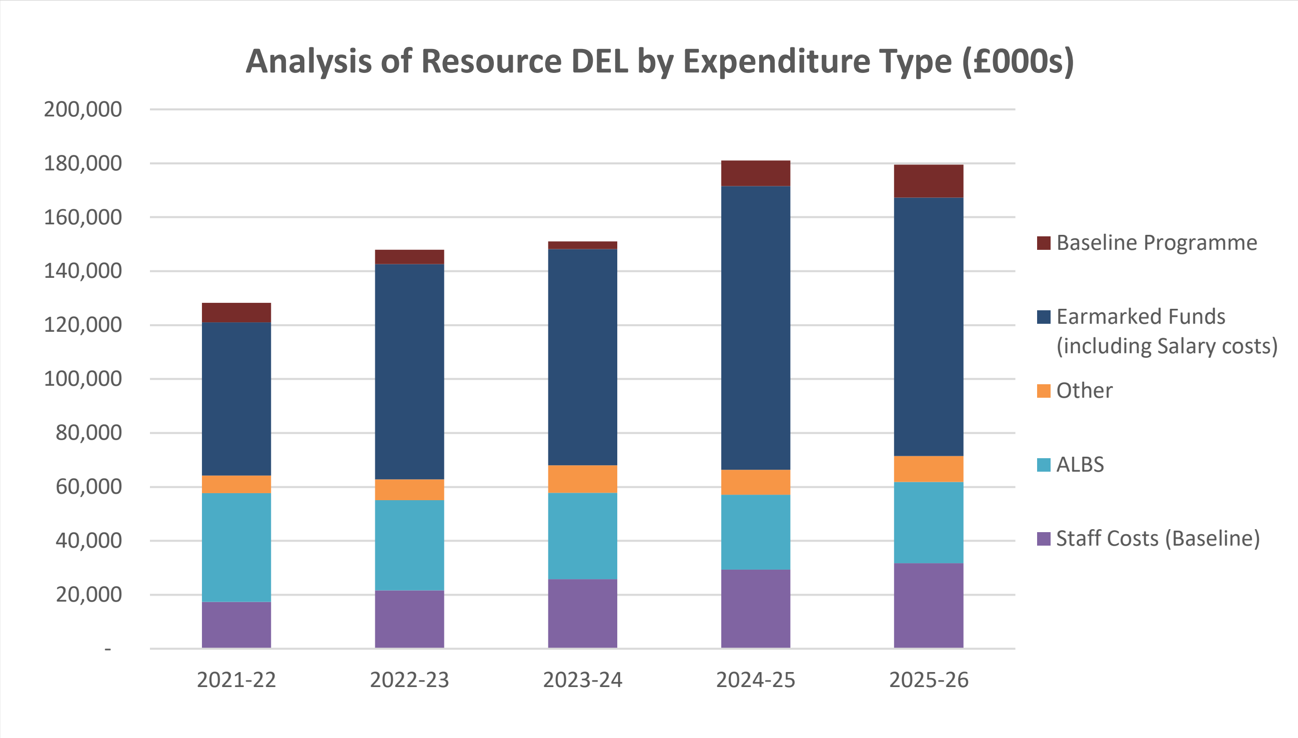
Provisions were created in 2021-22 in respect of the total future anticipated costs of the Redress Scheme for HIA and in 2024-25 for the Victims' Payment Scheme.

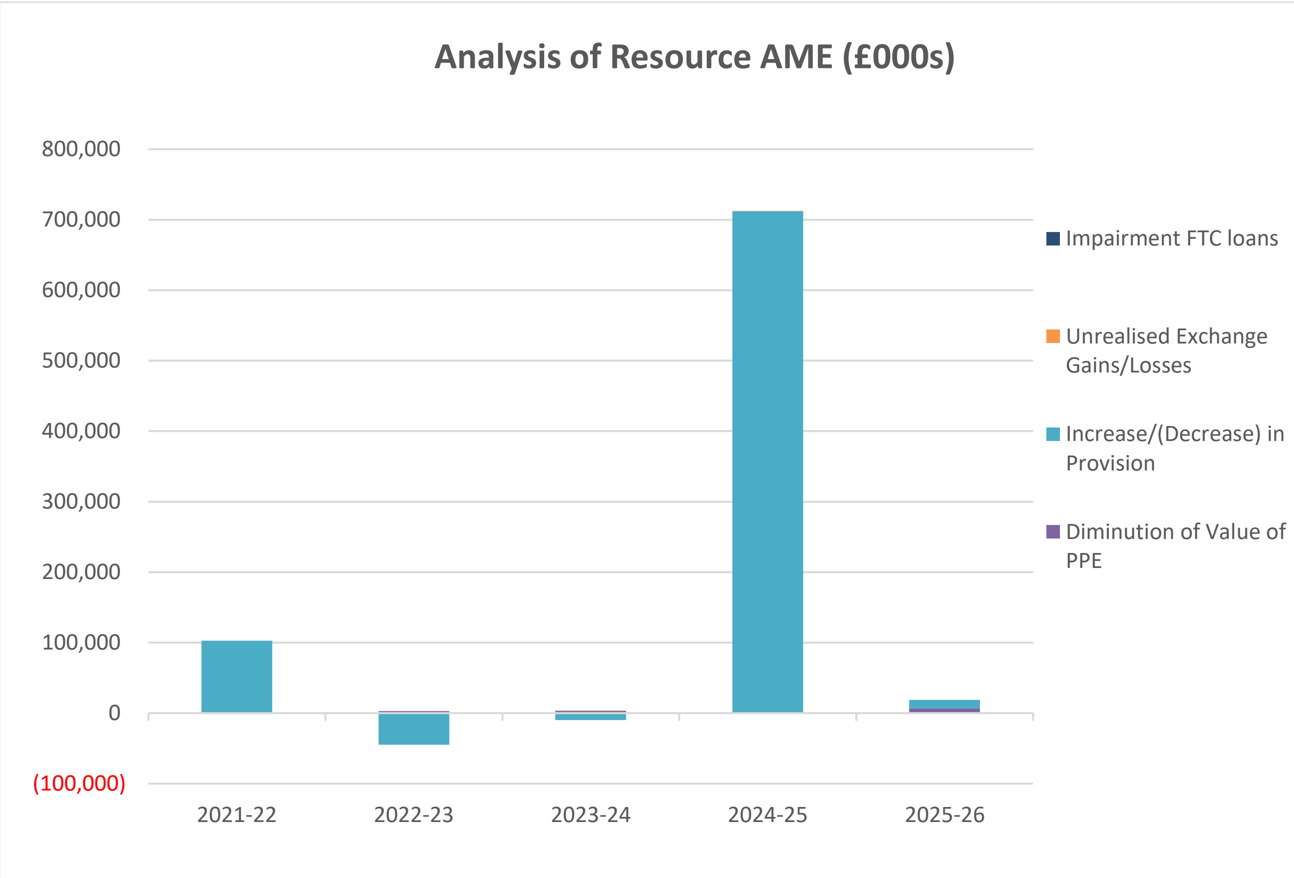
Capital DEL	Outturn 2021–22 £'000	Outturn 2022–23 £'000	Outturn 2023–24 £'000	Outturn 2024–25 £'000	Outturn 2025–26 £'000
RfR A	**34,983**	**60,811**	**19,948**	**21,260**	**18,531**
Of Which:					
Property, Plant and Equipment	6,190	3,199	3,803	3,297	2,164
Intangible Assets	63	496	319	281	634
Financial Transactions Capital (Net of Repayments)	22,800	50,313	7,541	8,225	3,802
Capital Grants	5,930	6,803	8,285	9,457	11,931
Total Capital DEL	**34,983**	**60,811**	**19,948**	**21,260**	**18,531**

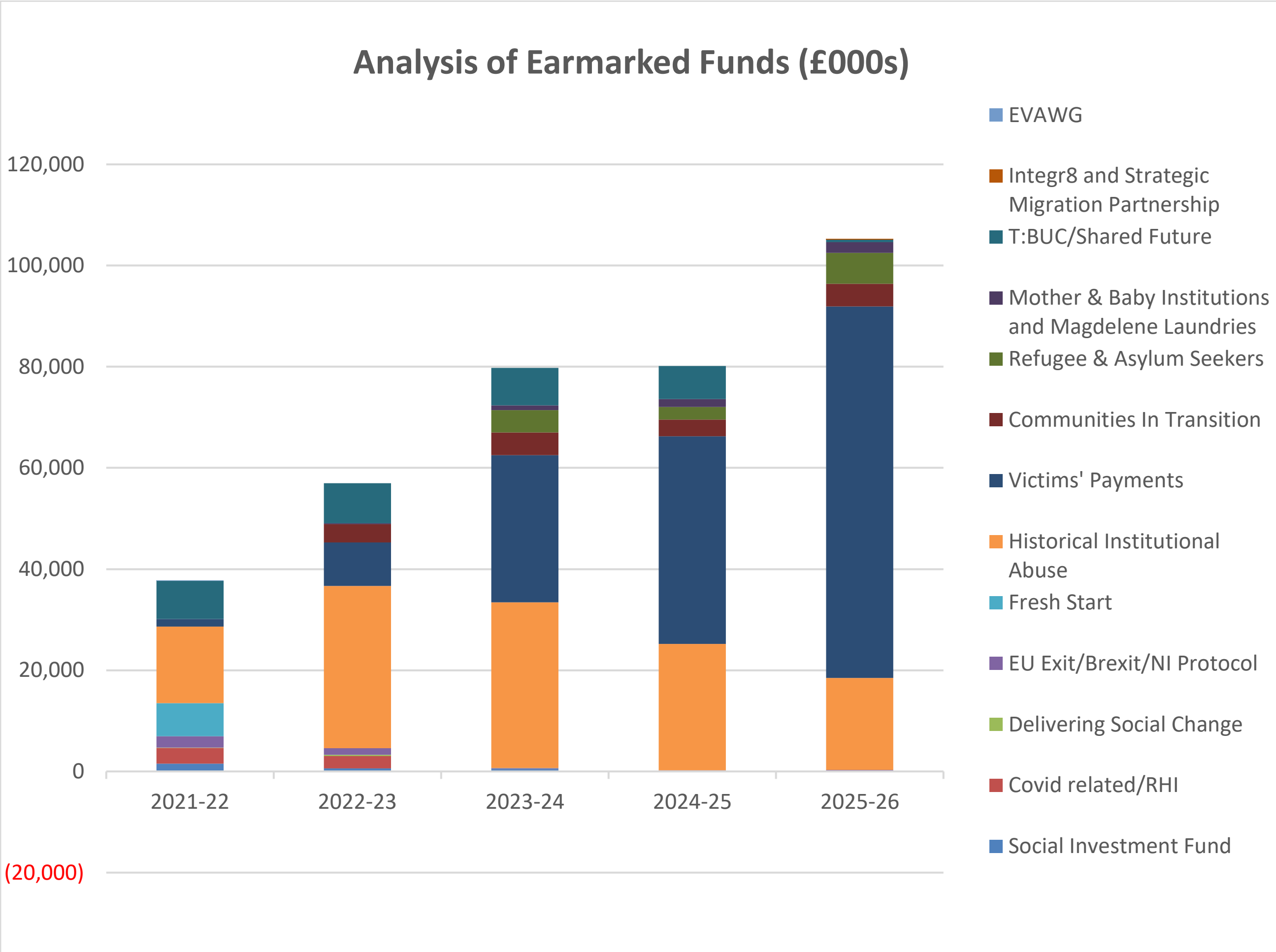
The Department and SIB work with other NICS Departments (DoF and DfE) to ensure delivery of Financial Transactions Capital finance to relevant projects. Further information is available in the Governance Statement and notes 8 and 9 to the accounts.

Earmarked Funds (including Salary costs)	Outturn 2021–22 £'000	Outturn 2022–23 £'000	Outturn 2023–24 £'000	Outturn 2024–25 £'000	Outturn 2025–26 £'000
Social Investment Fund (SIF)	580	465	2	-	-
Covid related/RHI	2,428	-	-	-	-
Delivering Social Change (DSC)	271	-	-	-	-
EU Exit/Brexit/NI Protocol	1,292	148	206	269	665
Fresh Start	(95)	79	-	-	-
Historical Institutional Abuse (HIA)	32,098	32,731	24,992	18,193	17,471
Victims' Payments	8,575	29,120	41,051	73,466	62,570
Communities in Transition (CIT)	3,610	4,438	3,296	4,477	2,940
Refugee & Asylum Seekers	-	4,458	2,529	6,127	4,700
Mother and Baby Institutions and Magdalene Laundries (MBIML)	211	905	1,534	2,078	2,820
T:BUC/Shared Future	7,932	7,436	6,532	500	-
Integr8 and Strategic Migration Partnership (SMP)	-	-	-	147	472
EVAWG	-	-	-	-	4,200
Total	**56,902**	**79,780**	**80,142**	**105,257**	**95,838**

Total Departmental Spending	Outturn 2021–22 £'000	Outturn 2022–23 £'000	Outturn 2023–24 £'000	Outturn 2024–25 £'000	Outturn 2025–26 £'000
Of Which					
Total DEL	163,221	208,767	170,944	202,343	198,030
Total AME	102,711	(41,712)	(6,502)	712,154	18,322
	265,932	**167,055**	**164,442**	**914,497**	**216,352**


Analysis of Resource DEL by Expenditure Type (£000s)
200,000
180,000
160,000
140,000
120,000
100,000
80,000
60,000
40,000
20,000
-
2021-22
2022-23
2023-24
2024-25
2025-26
Baseline Programme
Earmarked Funds (including Salary costs)
Other
ALBS
Staff Costs (Baseline)


Analysis of Resource AME (£000s)
800,000
700,000
600,000
500,000
400,000
300,000
200,000
100,000
0
(100,000)
2021-22
2022-23
2023-24
2024-25
2025-26
Impairment FTC loans
Unrealised Exchange Gains/Losses
Increase/(Decrease) in Provision
Diminution of Value of PPE



Analysis of Earmarked Funds (£000s)
120,000
100,000
80,000
60,000
40,000
20,000
0
(20,000)
2021-22
2022-23
2023-24
2024-25
2025-26
EVAWG
Integr8 and Strategic Migration Partnership
T:BUC/Shared Future
Mother & Baby Institutions and Magdelene Laundries
Refugee & Asylum Seekers
Communities In Transition
Victims' Payments
Historical Institutional Abuse
Fresh Start
EU Exit/Brexit/NI Protocol
Delivering Social Change
Covid related/RHI
Social Investment Fund

NON-FINANCIAL PERFORMANCE

Overview

During 2025-26, TEO operated within a challenging delivery environment shaped by fiscal constraint, complex dependencies and the cross-cutting nature of its work. Despite these pressures, TEO delivered positively against its priorities, with the majority of Business Plan objectives assessed as Green or Amber/Green at year end.

Performance reflected effective governance, strong coordination across government and partners, and a sustained focus on delivery of outcomes aligned to the PfG.

TEO continued to play a central enabling role within the Executive, coordinating strategic policy development, overseeing delivery of complex cross-cutting programmes, supporting international engagement, and ensuring the effective operation of the machinery of government.

Developing overarching strategic policy frameworks, including the PfG

TEO led on the coordination for the PfG. During the year, PfG delivery arrangements were strengthened through the embedding of bi-annual reporting to ensure an enhanced oversight of progress against outcomes to ensure collective Executive accountability. TEO also progressed work on a range of enabling strategic and legislative frameworks, including identity and language, equality, climate change and legacy-related matters.

Instances where TEO was unable to deliver on the agreed outcomes in the Plan, were primarily due to dependencies.

Developing and delivering programmes which can support those frameworks, including those problems which need a cross-cutting response

TEO directed and supported a wide portfolio of delivery programmes designed to address complex, cross-cutting policy that cannot be met by individual Departments acting alone.

These included programmes focused on good relations, community cohesion, urban regeneration, victims and survivors, refugee integration, and Ending Violence Against Women and Girls.

During 2025-26, these programmes continued to demonstrate tangible benefits for individuals and communities.

Engaging Internationally

International engagement remained a strategic priority for TEO, supporting the Executive and Departments by coordinating the NICS's approach to international relations, including matters arising from the Windsor Framework. TEO played a key role in ensuring that local interests were represented effectively in a rapidly evolving geopolitical context.

During the year, work also commenced to review and update the International Relations Strategy to ensure alignment with emerging global risks and opportunities, and to support more targeted and outcome-focused engagement going forward.

Ensuring that the Machinery of Government works effectively

TEO ensured the effective operation of the machinery of government, supporting Ministers and Departments through legislative coordination, Executive business and performance reporting.

Corporate functions, including learning and development and business improvement planning, supported organisational capability. Governance arrangements remained effective throughout the year, enabling TEO to manage competing pressures while maintaining oversight of delivery and risk.

Ensuring that contingency planning and delivery mechanisms are in place

TEO maintained a strong focus on organisational resilience and contingency planning. Civil contingencies arrangements were kept under review, and the Department continued to meet its obligations in relation to the COVID public inquiry and statutory reporting. These arrangements ensured preparedness in the face of emerging risks.

Information on Equality

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.

Equality Data Accessibility

TEO has developed an analysis tool, Equality Matters to interrogate the wealth of equality data distributed across the NICS. This is a multi-annual project and in 2025-26 it has enhanced the tool's user functionality and the associated data sets available ahead of a public launch in early 2026-27. Further refinements, additional functionality, and data sets will be added in future years.

Human Rights

TEO aims to promote a culture of rights and responsibilities within the NICS 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 Council of Europe and the United Nations on:

- The International Covenant on Civil and Political Rights.
- The International Covenant on Economic, Social and Cultural Rights.
- The Convention on the Elimination of Racial Discrimination.
- The Convention on Preventing and Combating Violence against Women and Domestic Violence. (Istanbul Convention, Council of Europe).

Rural Needs

The Rural Needs Act (Northern Ireland) 2016 came into operation for Departments and district councils on 1 June 2017, and for the 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 for publication in its Rural Needs Annual Monitoring Report for each financial year. One Rural Needs Impact Assessment was completed by policymakers within TEO under Section three of the Act between 1 April 2025 and 31 March 2026.

The draft Framework for Race Relations consultation launched on the 11 March 2026. This included a rural needs impact assessment along with equality.

Information on Information Management and Information Technology (IT)

Freedom of Information (FOI)

During the 2025 calendar year, TEO dealt with 150 requests for information under the Freedom of Information Act. This is an increase of 25 (20%) on the number of requests received in 2024. Of those FOI requests commissioned, 47% came from members of the public and 35% from the media. The remainder came from businesses, members of public campaigning groups, and public representatives.

In addition to the 150 FOI requests, a further 63 requests for information were responded to under normal course of business; the same as 2024.

There were 17 requests for internal reviews of the Department's responses to requests for information (an increase of ten on 2024).

There were eight complaints, under the FOI Act made to the Information Commissioner (an increase of five on 2024).

Compliance rates are available on the TEO website and are now updated quarterly: TEO FOI EIR Compliance Statistics.

During 2025, the Department reviewed 132 historical files, in line with the FOI Act for transfer to the Public Record Office of NI (PRONI) for potential release through PRONI.
Information Assurance and Management

The TEO Information Management Unit 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.

An updated Retention and Disposal Schedule was completed in March 2026. The Schedule helps TEO to demonstrate how the Department manages records in accordance with statutory obligations. The Schedule sets out how long different categories of records must be kept, along with the lawful basis for retention. It provides clear guidance on when information should be securely destroyed, and it helps ensure the preservation of historical records by PRONI.

During the year the Information Management Unit provided written updates to TEO ALBs outlining recent developments in public sector information management and setting out the information management obligations for ALBs.

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.

The Department had one data breach during 2025 which was reported to the Information Commissioner's Office. No further action was deemed necessary.

During 2025-26, 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, eleven subject access requests

The Data Protection Team has commenced the introduction of an electronic Information Asset Register for the Department. This project will include a review of existing information assets as the migration completes.

IT Security and Cyber Resilience

The TEO Digital Systems Unit offers IT Security and Cyber Resilience services, assisting Departmental staff with the use, implementation, and adoption of IT systems and platforms. They foster a proactive culture of cyber resilience and risk management for all services and projects that depend on IT.

The majority of TEO IT Services are provided by the Department of Finance's (DoF's) Digital, Security and Finance Shared Services, which includes IT Assist. IT Assist have a mature IT Governance structure in place, ensuring key IT services are regularly reviewed by external experts.

IT Assist provide NICS Departments with an annual assurance statement that shared IT services are managed appropriately, outlining the key management processes.

In 2025-26, the Digital Services Unit continued to review the internal IT Governance processes to ensure that IT information management assurance procedures are current. They continue to work towards the implementation of the recommended improvements outlined in the Internal Audit IT Governance Audit.

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

Eighteen complaints were received directly by TEO during the 2025-26 financial year. Eleven of these related to TEO or its ALBs. Other complaints outside scope were referred directly to the relevant authority by TEO and the complainant informed. There was one open complaint at the year end. All other complaints were addressed fully from TEO's perspective and have been closed.

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 2025-26, the Department's performance in relation to the payment of invoices within 30 days was an average of 96%, which is a one percentage point increase on the previous year and is slightly below the NICS average. In 2025-26 an average of 92% of invoices were paid within ten days; this is an improvement compared to the previous year (88%) and is slightly below the NICS average.

TEO Prompt Payment Performance 2025-26 and 2024-25

Prompt Payments Rates	2025-26 TEO	2025-26 NICS	2024-25 TEO	2024-25 NICS
Total number of invoice payments	3,081	188,584	3,587	174,269
Number of invoice payments within 30 days	2,957	183,389	3,395	169,857
Percentage paid within 30 days (%)	96%	97%	95%	97%
Number of invoice payments within 10 days	2,828	176,626	3,171	163,282
Percentage paid within 10 days (%)	92%	94%	88%	94%

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 2025-26 or 2024-25.

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 buildings, Departmental strategies and policies in relation to the efficient use of energy and which contributes to the Department's sustainability initiatives. This includes (in conjunction with DoF) the replacement of light fittings with more energy efficient LED's where possible, and 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.

TEO remains committed to reducing the environmental impact of its operations and continues to take practical steps to minimise the use of single-use plastics across the Department. Wherever possible, recycled and more sustainable stationery products are procured, including pens and notebooks etc. The Department also continues the use of approved, recycled photocopier paper, supporting reductions in paper consumption. Across the last 2 financial years, the Department managed to make significant savings and reductions on the overall use of paper.

Within Stormont Castle, TEO has reduced the number of water dispensers from eight to five across the building. In addition, plastic cups have been replaced with compostable recycled paper alternatives, contributing to a reduction in plastic waste generated on site.

The Department also has procedures in place to ensure used ink cartridges are recycled and re-used. Used HP cartridges are donated to a charity, who refill and re-cycle and Xerox cartridges (as part of the IT Assist contract) are returned to supplier for re-purposing.
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 eleven percent compared to pre-Covid.

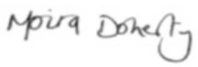
In line with NICS Policy the Department supports the use of Fair-Trade products. The Stormont Estate has a dedicated staff allotment site which provides opportunities to promote more sustainable living.

Looking ahead, TEO will continue to identify and implement further opportunities to reduce reliance on single-use plastics and to increase the use of recycled and sustainable materials. This will include ongoing review of procurement practices, promotion of reusable alternatives among staff where appropriate, and regular assessment of waste reduction measures to support continuous improvement in environmental performance across the estate.

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.

Further information on Sustainability Reporting within TEO is available in Annex A 'Sustainability Report' (page 173).

Approved and signed



Accounting Officer
26 June 2026

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 2026 as directed by the Department of Finance (DoF) 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 2025-26 in addition to the TEO core Department the bodies shown at page 10 in the Performance Report and note 20 to the Financial Statements are considered to be within the boundary, and their financial performance is consolidated in the Department's resource accounts.

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 61 to 62. During 2025-26 the Departmental Board comprised the following members:

- David Malcolm, interim TEO Permanent Secretary and interim Accounting Officer (until 8 February 2026)
- Moira Doherty, interim TEO Permanent Secretary and interim Accounting Officer (from 9 February 2026) and TEO Permanent Secretary and Accounting Officer (from 13 April 2026)
- Jo Aston, Independent Board Member
- Claire Keatinge, Independent Board Member (until 31 July 2025)
- Bernie McCrory, Independent Board Member (from 3 March 2026)

- Gareth Johnston, Director of Good Relations and Inclusion
- Tom Reid, Director of EU Exit and International Relations
- Brenda Henderson, Director of Executive Services & International Relations (from 1 May 2025)
- Alexander Gordon, Head of the Office of the Legislative Counsel
- Claire Archbold, Director of Finance, People & Planning (until 6 February 2026)
- Gary Fair, Director of Corporate Services
- Ronan Murtagh, Director of Finance
- Marcella Phillips*, NICS HR Strategic Business Partner.

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

Management

Jayne Brady is the Head of the Civil Service.

David Malcolm was Interim Permanent Secretary and Interim Accounting Officer until 8 February 2026.

Moira Doherty was appointed Interim Permanent Secretary, and Interim Accounting Officer, on 9 February 2026 and TEO Permanent Secretary and Accounting Officer from 13 April 2026.

Departmental Reporting Cycle

This report provides a summary of the Department's performance and key achievements during 2025-26. The Department's original Estimates for the year were set out in *NI Main Estimates 2025-26*. These were updated through the Spring Supplementary Estimates. 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

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 2025-26 Register of Interests page.

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 2025-26 resulted in a notional audit fee of £115,000 (2024-25 - £109,000) 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 Bodies (ALBs) designated by order made under the GRAANI by Statutory Rule 2025 No. 50, as amended by Statutory Rule 2025 No. 189 (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.

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 ALBs;
- 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 take personal responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced and understandable.

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

David Malcolm took up post as Interim Permanent Secretary (and Interim Accounting Officer) on 17 June 2024. Moira Doherty was appointed Interim Permanent Secretary (and Interim Accounting Officer) on 9 February 2026 and then Permanent Secretary and Accounting Officer from 13 April 2026.

The Accounting Officer of the Department has also appointed the most Senior Officials of its sponsored non-departmental and other ALBs 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 ALBs 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 2025-26. 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 2025-26, the Department was responsible for fifteen Arm's Length Bodies (ALBs), including three new bodies established on 13 November 2025: the Office of Identity and Cultural Expression; the Irish Language Commissioner; and the Commissioner for the Ulster Scots and Ulster British tradition. These, along with the Core Department, are consolidated into the Group Accounts.

The 15 ALBs include independent bodies and executive Non-Departmental Public Bodies (NDPBs) 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) 2026, which received Royal Assent on 20 March 2026, together with the Northern Ireland Spring Supplementary Estimates 2025-26 which were agreed by the Assembly on 23 February 2026, provide the statutory authority for the Executive's final 2025-26 expenditure plans. The Budget Act (Northern Ireland) 2026 also provides a Vote on Account to authorise expenditure by departments and other bodies into the early months of the 2026-27 financial year. The Department is currently operating under the authority provided by the Vote on Account which provides 45% of the 2025-26 financial year's cash and resources. The cash and resource balance to complete for the remainder of 2026-27 will be authorised by the 2026-27 Main Estimates and the associated Budget Bill based on an agreed 2026-27 Budget.

In the event that this is delayed, then the powers available to the Permanent Secretary of the Department of Finance (DoF) under Section 59 of the Northern Ireland Act 1998 and Section 7 of the Government Resources and Accounts Act (Northern Ireland) 2001 will be used to authorise the cash, and the use of resources during the intervening period.

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.

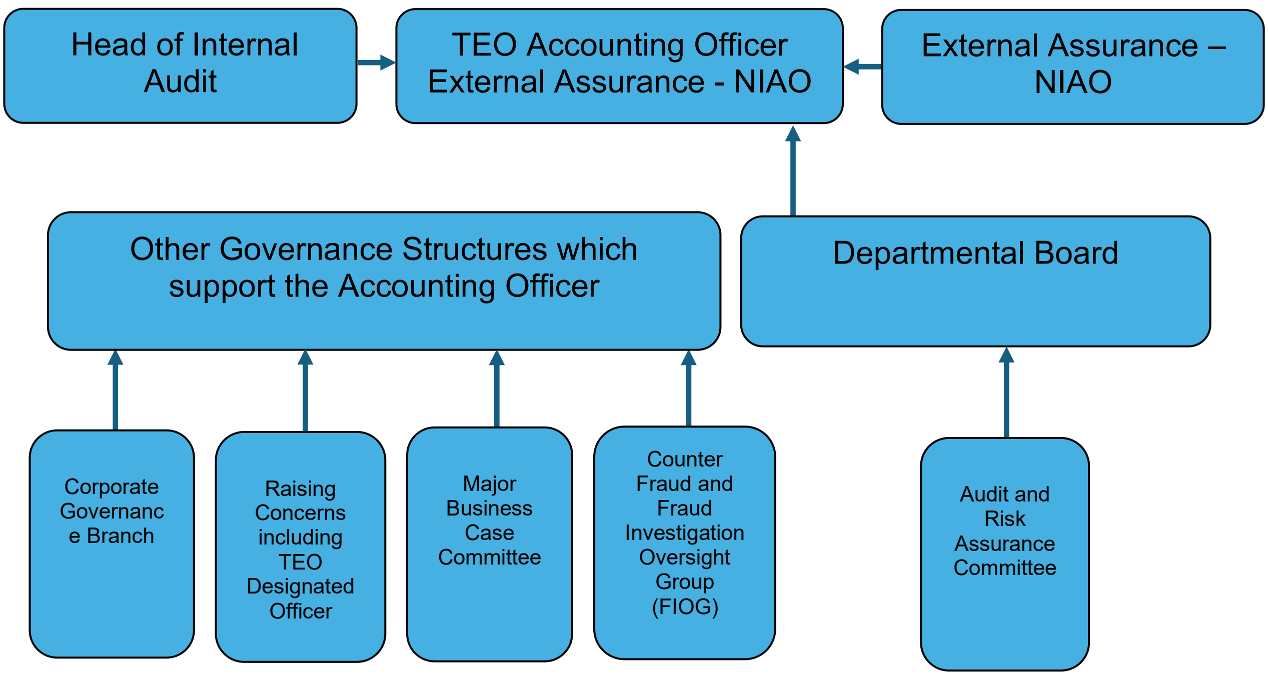
Corporate Governance Framework

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), 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. David Malcolm was appointed Interim Permanent Secretary (and Interim Accounting Officer) on 17 June 2024. Moira Doherty was appointed Interim Permanent Secretary (and Interim Accounting Officer) on 9 February 2026, with the position becoming permanent from 13 April 2026.

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. 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 the TEO Departmental 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 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.

A Non-Executive Board Member chairs the ARAC.

Membership and attendance at the Departmental Board

Six Departmental Board meetings were held in 2025-26. The members and their records of attendance are set out below.

Board Member	Grade	Role	Meetings attended
David Malcolm	G2A	Interim TEO Permanent Secretary and Accounting Officer (until 8 February 2026)	3/5
Moira Doherty	G2A	TEO Interim Permanent Secretary and Accounting Officer (from 9 February 2026)	1/1
Alexander Gordon	G2A	Head of the Office of the Legislative Counsel	5/6
Claire Archbold	G3	Director of Finance, People and Planning (until 6 February 2026)	3/5
Gareth Johnston	G3	Director of Good Relations and Inclusion	5/6
Tom Reid	G3	Director of Inter-Governmental and International Relations	2/6
Brenda Henderson	G3	Director of Executive Services & International Relations (from 1 May 2025)	5/6
Gary Fair	G5	Director of Corporate Services	5/6
Ronan Murtagh	G5	Director of Finance	6/6
Marcella Phillips *	G7	NICS HR Strategic Business Partner	6/6
Jo Aston	n/a	Non-Executive Board Member	5/6
Claire Keatinge	n/a	Non-Executive Board Member (until 31 July 2025)	2/2
Bernie McCrory	n/a	Non-Executive Board Member (from 3 March 2026)	1/1

* *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 The Executive Office business areas;
- on appropriate operational strategies to best implement policies set by Ministers and ensure coherence of policy across The 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 (twice a year);
- progress on cross-cutting Executive matters for which senior Executive Office staff have responsibility (as required);
- financial performance (every two months);
- review and monitoring of the Departmental risk register (three times a year);
- scrutiny of performance of the Department's funded organisations in the delivery of the outcomes of the PfG (as required);
- 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 business plan; Human Resource issues; the Risk Register; the Finance Report; Reports from the ARAC; Assurance Reports on ALBs; the Contracts Register; the Business Continuity 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 and 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.

A separate meeting is held on a quarterly basis to keep the Non-Executive Board Members informed of any relevant HR/People Development issues. This is led by the Director of Corporate Services and the NICS HR Business Partner. These meetings supplement the standard HR information provided in advance of Departmental Board meetings.

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.

The Board Operating Framework was last reviewed and updated in September 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 2025-26.

Departmental Audit and Risk Assurance Committee (ARAC)

During 2025-26, the Board was supported and advised in its role by the 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.

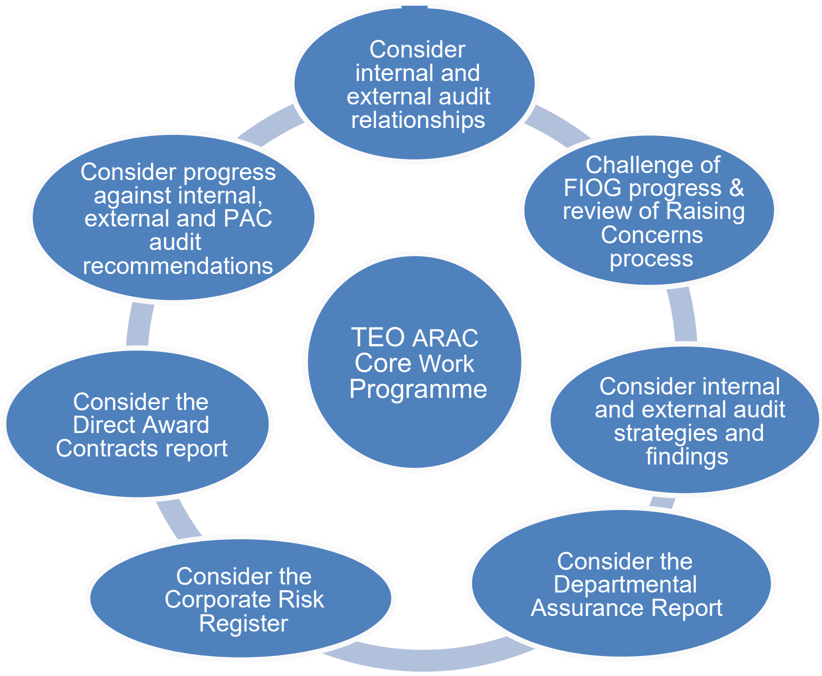
The Committee is chaired by one of the Department's Non-Executive Board Members (NEBMs) and includes the other NEBM and an Independent Member from another NICS Department. The Committee met four times during 2025-26.

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

ARAC Member	Role	Meetings Attended
Jo Aston	Chair and Non-Executive Board Member	4/4
Claire Keatinge	Non-Executive Board Member (until 31 July 2025)	2/2
Bernie McCrory	Non-Executive Board Member (from 3 March 2026)	0/0
Heather Cousins	Independent ARAC Member appointed from Department of Education	3/4

A minimum of two members of the Committee is required to form a quorum and all meetings in 2025-26 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 (NIAO). The ARAC may ask any other departmental official to attend to assist with its deliberations on any 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 Report and 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 2025-26, the ARAC considered and commented on individual issues of internal governance and their implications for wider governance arrangements. These included reports on: TEO's Finance position; the status of TEO's business case approvals and post project evaluations; the new Corporate Governance Code 2025; updates on the National Fraud Initiative; assurance mapping within TEO; reports on the test drilling of business cases and post project evaluations; an annual review of the effectiveness of TEO's Raising Concerns Policy; updates on addressing the Community Relations Council (CRC) Pension Allowance issue; and an update on Cyber Security and Risk Management.

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 noted the closure of process mapping with revised corporate risk registers linked to business plans being adopted. A focus for this year was on the timely completion of post project evaluations.

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 (FTC) loans directly.

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 NIAO. Findings of the self-assessment are presented to ARAC for action as appropriate. A self-assessment review was carried out in 2025-26 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's overall objective is to strengthen financial governance and management within TEO by providing support and challenge through the scrutiny of significant expenditure proposals.

During the period, the Department undertook a review of the composition and operation of MBCC, including benchmarking against other Departments. As a result, the composition of the MBCC increased from three to four members. Until January 2026, expenditure proposals were presented to two Grade 3 staff, alongside the Director of Finance. Proposals are now considered by the Grade 3 Finance, People and Planning (FPP) as Chair (or an Independent Departmental Grade 3 where the Grade 3 FPP is conflicted), the Director of Finance, the Head of Executive Insight and Strategy Branch, and one additional Independent Departmental Grade 5. Grade 3 and Grade 5 MBCC members must not hold Directorate or Divisional responsibility for the project under consideration.

The MBCC Terms of Reference were reviewed and updated twice during 2025-26 to strengthen independence and impartiality within the review process, to reflect best practice in relation to the scrutiny of significant expenditure decisions, and to align with the latest Departmental structures and responsibilities. The key changes were as follows:

- to enable the Chair of the Committee to approve consideration of a business case by correspondence, where this approach is recommended by Corporate Governance Branch (previously, this decision required approval by the Accounting Officer);
- to clarify that the FPP Grade 3 will chair meetings, unless they hold Grade 3 responsibility for the project under consideration, in which case another Independent Departmental Grade 3 will assume the role; and

- an increase in the threshold defining significant resource expenditure from £3.5 million to £5 million.

In addition to the core membership, attendance by corporate governance and economist representatives brings professional expertise to the process. This provides an independent perspective and facilitates the sharing of knowledge, experience and lessons learned from across the Department, which is particularly relevant in TEO given its wide remit.

In 2025-26, the Committee considered eleven expenditure proposals, including business cases and addenda relating to

- the Ending Violence Against Women and Girls (EVAWG) Programme,
- Urban Villages projects,
- the Truth Recovery Programme Public Inquiry,
- the Victims' Payments Scheme for Permanent Disablement,
- the Homes for Ukraine Programme, and
- the Period Products (Free Provision) Act (NI) 2022.

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.

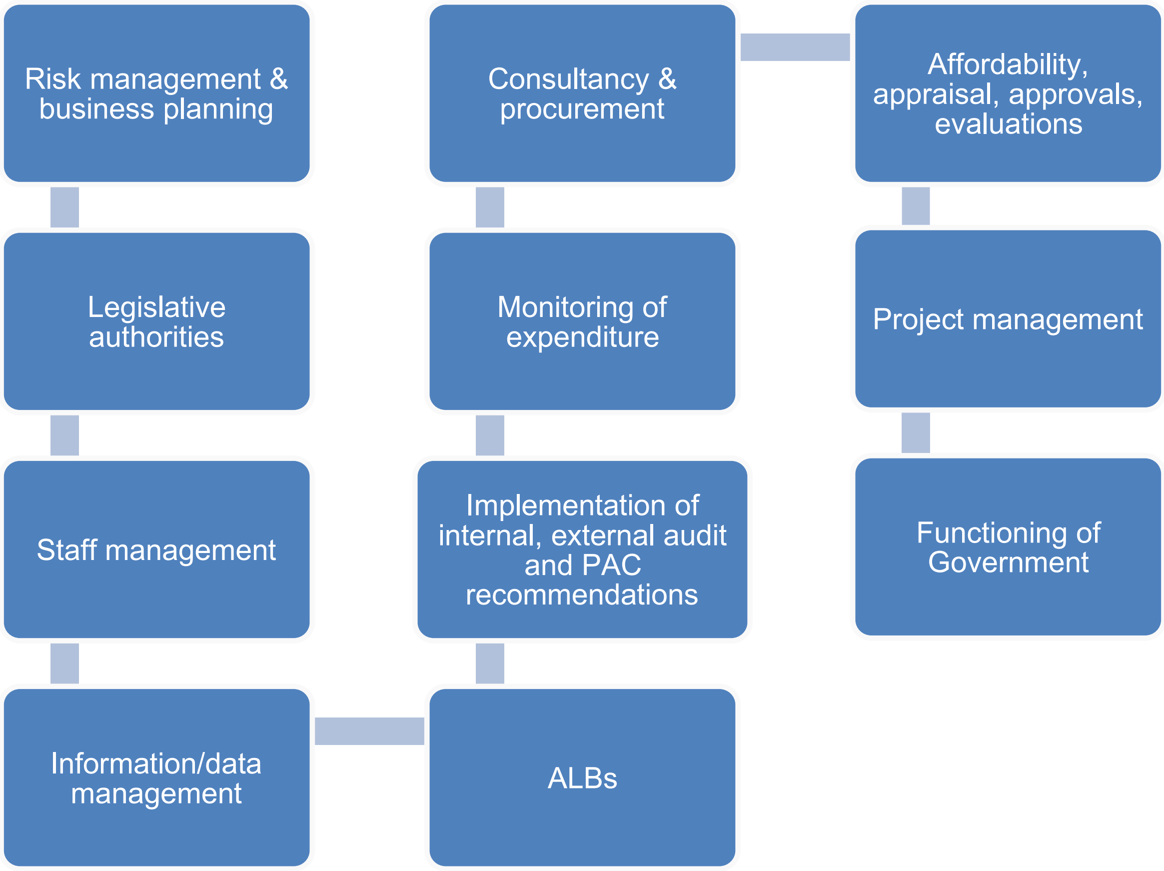
The system of internal control is based on an ongoing process designed to:

- 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 2026 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 regular 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 ten percent 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 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 (2024-25 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, as the Department undertakes a wide range of services and activities, either directly or through its Arm’s Length Bodies (ALBs), many of which are within sensitive and challenging operational areas. The Department has therefore established a robust risk management process to ensure the adequate and effective identification and management of risks in pursuit of its business objectives.

The TEO Risk Policy and Framework for Risk Management sets out the Department’s approach to risk management and the mechanisms through which potential risks to the achievement of Departmental objectives are identified, assessed in terms of their likelihood and impact, and evaluated to inform risk responses. It also outlines the roles and responsibilities for risk management across the Department, and the approach to the management, ownership, monitoring and reporting 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 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.

TEO Board's Risk Appetite

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 CRR, 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 2025-26 CRR focused on seven key strategic and corporate risks as follows:

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

Departmental Security Health Checks (issued by Cabinet Office) are routinely carried out in conjunction with all NICS Departments. These checks are 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, DoF. 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 be undertaken by the Northern Ireland Civil Service (NICS) Internal Audit Service. The Department received a Satisfactory rating and is currently addressing a number of audit recommendations to further enhance cyber security and information assurance, including the development of a Departmental IT Systems Risk Register. Through Sponsor branches, ALBs are included in any IT risk assessment undertaken by the TEO Digital Services Unit and IT advice and guidance is provided as required.

Significant progress was made during the year to update the TEO Retention and Disposal Schedule. At year end, the Schedule was reviewed and agreed by the Public Records Office NI (PRONI). The Schedule will be laid before the NI Assembly early in the 2026-27 year.

During the year the Departmental records management team worked alongside several business areas to streamline some operational areas of the TEO file plan to ensure that it aligns more closely with the Retention and Disposal Schedule.

Work continues with 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 work is ongoing to address the backlog of physical records currently held by TEO.

During 2025-26, the TEO Information Asset register transferred to an electronic version (e-IAR). This will mean that information assets can be updated as required and will allow more relevant data on systems and assets to be captured. It will be crucial to assessing the risks around the use of Artificial Intelligence (AI) applications in relation to Departmental information. The e-IAR system is currently under review, with an updated version due to be implemented in 2026-27.

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, that no further regulatory action was necessary. The ICO has invited TEO, along with the joint controller, to participate in a workshop to discuss learning points. A date to suit all parties will be agreed. Aside from the data breach outlined above, 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 ARAC 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 (IA); and
- the Northern Ireland Audit Office (NIAO).

Internal Audit

The Departmental Internal Audit (IA) function operates to defined Global Internal Audit Standards (GIAS). 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. GIAS requires the HIA to make a conclusion at least annually about the effectiveness of governance, risk management, and/or control processes.

The HIA has concluded that the overall opinion for TEO for 2025-26 is satisfactory. This is based on the internal audit programme of work carried out during 2025-26 and cumulative assurances derived from internal audit activity during the previous three years.

IA 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 processes; and
- providing advice to management on internal governance implications of any proposed and emerging changes.

Internal Audit completed six assignments during 2025-26, five of which received satisfactory audit opinions, while an opinion was not relevant for one consulting review.

Recommendations within these reports are given due consideration with changes made to improve risk management, control and governance.

No new significant issues were identified by Internal Audit during 2025-26.

The Department of Justice (DoJ) Internal Audit also provided TEO with a satisfactory opinion over the Historical Institutional Abuse Redress Board (HIARB) payments.

The following issues identified during 2024-25 remain ongoing and will be followed up by Internal Audit during 2026-27 to ensure that all recommendations accepted by management have been effectively and fully implemented:

- The NI Bureau Washington DC Office review received an overall limited audit opinion. This was due to the introduction of an electronic payment system without adequate staff training and without documented financial procedures being agreed with the Department. There was also a lack of consideration for the IT processes required to implement the new system. Revised financial procedures have now been drafted and are in the process of being implemented by management.

- IT Governance Review. An overall 'satisfactory' audit opinion was provided; however, one priority one recommendation was raised in relation to the delivery of the IT Governance Plan to address IT and cyber security risks. Management are in the process of developing new procedures and reviewing line of business solutions.

- Internal Audit performed a follow-up review of Health and Safety (H&S) which previously received an overall ‘limited’ audit opinion. The audit opinion was raised from ‘limited’ to ‘satisfactory’, however, three recommendations remained partially implemented. This included one priority one recommendation in relation to the completion of H&S risk assessments.

- Internal Audit performed a follow-up of the Civil Contingencies review which previously received an overall ‘limited’ audit opinion. The audit opinion was raised from ‘limited’ to ‘satisfactory’, however, six recommendations remained partially implemented. This included three priority one recommendations which will be progressed through the delivery of the UK Covid-19 Inquiry recommendations in relation to the fundamental wider review.

Internal Audit also performed a follow-up review of the significant issues previously identified within the Truth Recovery Programme consulting assignment. An overall ‘satisfactory’ audit opinion was provided, and the previous priority one recommendations were implemented.

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 4th June 2026.

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.

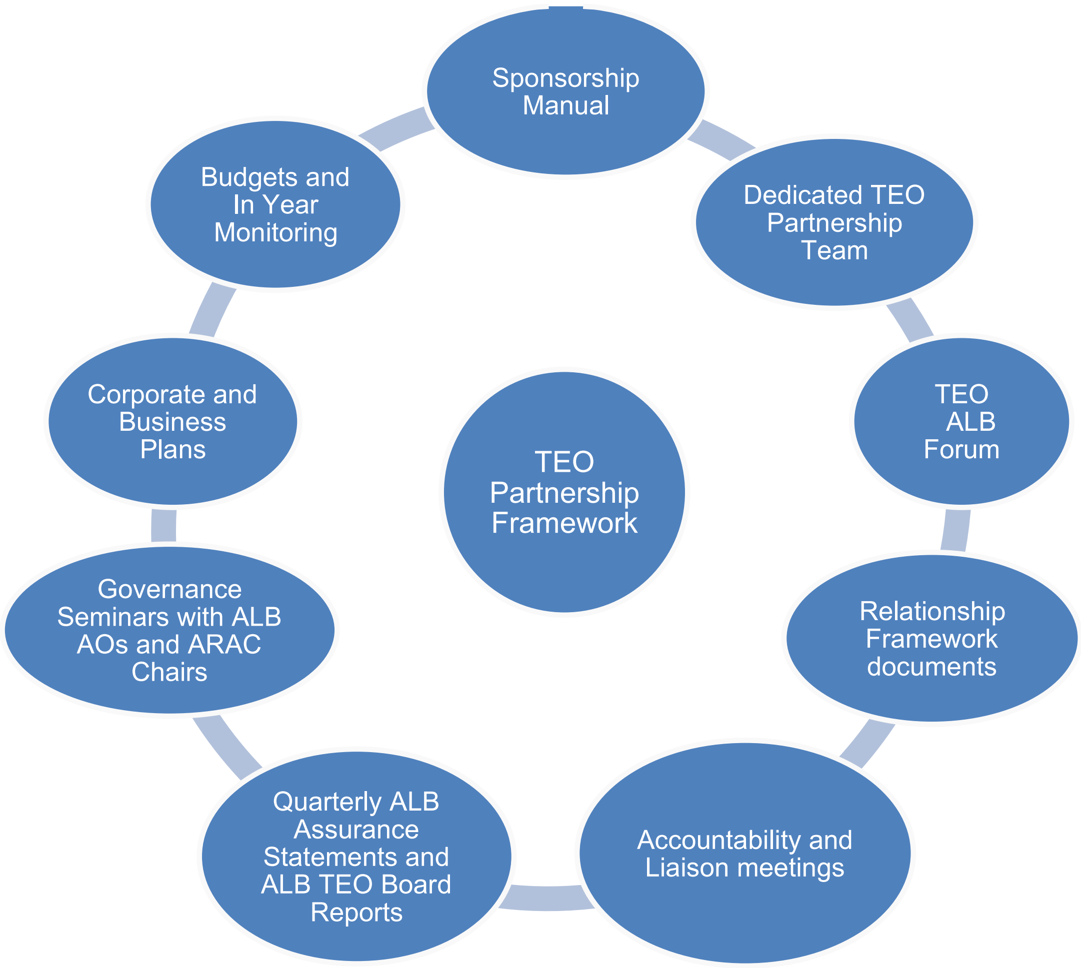
ALBs use their own governance structures developed in line with Managing Public Money Northern Ireland, the requirements of the Department, and other relevant guidance. Each ALB, where required by statute, publishes its own Governance Statement within its Annual Report and Accounts.

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. Partnership Agreements are now in place for the majority of the Department's ALBs, with work progressing to finalise the remaining agreements. 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 ALBs. 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 the departmental role in Partnership working, while delayed, is anticipated to be provided by DoF later this year. 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 reinforce partnership working between TEO and its ALBs, aligning skills and experience to support effective delivery against shared priorities.Two meetings were held in 2025-26. These provided a high-level overview of the department's work and progress, with a focus on budgets and public accountability, 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 2024-25 economic appraisals and post project evaluations sampled, are largely positive in that the analysis was adequate and proportionate for the level of spend and was sufficient to conclude value for money should be achieved. However, some areas were identified where actions could be taken to ensure business cases and PPEs are more closely aligned with the relevant guidance.

Fraud Investigations and the TEO Raising a Concern Process

TEO's Fraud Investigation Oversight Group (FIOG) meets quarterly, depending on the flow of cases under consideration. Its purpose is to ensure that the Department progresses all reported fraud cases in accordance with policy, after considering appropriate advice from attendees. 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 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 2025-26, FIOG had oversight of nine investigations. The investigations related to a number of areas within TEO, its ALBs and funded third-party organisations. There were no fraud-related losses associated with TEO operations declared in the year. Recovery of public funds is pursued where practicable, after taking advice from FIOG and Fraud Investigation Services (FIS), who attend the meetings. This is dependent on a number of factors, including feedback on any PSNI investigation and the materiality of the sum involved.

The Department and its ALBs managed five new Raising Concerns cases in 2025-26. Two cases have been carried forward to 2026-27. Following investigation, the remainder of cases were closed, referred to another NICS department, or dealt with under an alternative policy.

TEO's Raising a Concern Policy was most recently updated in December 2025 and is consistent with the NICS Raising a Concern Policy Framework. An updated NIAO report on Raising Concerns in the Northern Ireland Public Sector across all NICS departments was published in March 2026. The report was broadly positive and, while acknowledging that progress had been made, noted that some departments could further embed the culture and training around raising concerns. 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, supporting an open and transparent culture.

The results of the most recent NICS People Survey conducted in 2025, indicate that, in comparison to the NICS average of 70%, 81% of TEO staff are aware of how to raise a concern. TEO staff also have more confidence that allegations would be investigated appropriately, compared to the NICS average.

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 Department for the Economy (DfE) not having the legal capability to make loans or equity instruments. This can only be addressed by amendment within the next Administrative and Financial Provisions Bill providing them with such powers.

DoF has taken the lead in drafting the amended legislation. Finance Committee scrutiny of the Bill has been completed, and the Bill has now passed Final Stage in the Assembly on 15 June 2026, with a view to securing Royal Assent before the Autumn. Once the 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. The loan balances will then be accounted for in the accounts of the Lead Departments.

Issues Relating to Departmental ALBs

Community Relations Council (CRC) - Since 2010-11, an ongoing issue in relation to pension allowances paid to the staff of CRC has resulted in VSS irregular expenditure of approximately £0.335m, including £15k in 2025-26. 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.

B. Current Year

No new key control issues were identified during the year.

Ministerial Directions

I can confirm that, as Accounting Officer, I am in compliance with the "Accounting Officer responsibilities" set out in MPMNI Chapter three, 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 2025-26.

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 ALBs operated and in conjunction with assurances given to me by the ARAC, I am content that the Department has operated a sound system of internal governance during the period 2025-26.

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 2025-26 Budget in the Assembly, on 19th May 2025, in which the Finance Minister outlined the overarching approach to public sector pay, the NI public sector pay policy guidance was published on 27 May 2025 in FD (DOF) 04/25.

Annual NICS pay awards are made in the context of the wider public sector pay policy. The 2024 pay award, due from 1 August 2024, was paid in April 2025 for weekly paid staff and May 2025 for monthly paid staff. The 2025 pay award, due from 1 August 2025, was paid in August for weekly paid staff and September 2025 for monthly paid staff.

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 Scheme[1].

[1] Civil Service Commissioners for Northern Ireland (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 five Ministers in place during 2025-26 and 2024-25.

Single total figure of remuneration								
Ministers	**Salary (£)**		**Benefits in kind (to nearest £100)**		**Pension Benefits* (to nearest £1000)**		**Total (to nearest £1000)**	
	2025-26	**2024-25**	**2025-26**	**2024-25**	**2025-26**	**2024-25**	**2025-26**	**2024-25**
Ms Michelle O'Neill	72,000	72,000	-	-	17	22	89	94
Mrs Emma Little-Pengelly	72,000	72,000	-	-	22	22	94	94
Ms Aisling Reilly	6,000	6,000	-	-	2	2	8	8
Mrs Joanne Bunting (from 15-09-2025)	3,250	-	-	-	1	-	4	-
Mrs Pam Cameron (to 15-09-25)	2,750	6,000	-	-	1	2	4	8

**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)

Single total figure of remuneration

Officials	Salary (£'000)		Benefits in kind (to nearest £100)		Pension Benefits* (to nearest £1000)		Total (£'000)	
	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
Ms Moira Doherty *Permanent Secretary* (from 09-02-2026)	20-25 (145-150 full year equivalent)	-	-	-	30,000	-	50-55 (175-180 full year equivalent)	-
Mr David Malcolm *Permanent Secretary* (from 17-06-24 to 08-02-2026)	120-125 (145-150 full year equivalent)	95-100 (130-135 full year equivalent)	-	-	156,000	240,000	276 – 281 (301 – 306 full year equivalent)	335-340 (370-375 full year equivalent)
Dr Jayne Brady** *Head of the Civil Service* (HOCS)	210-215	195-200	-	-	81,000	76,000	291-296	270 - 275
Mr Chris Stewart *Director* (to 31-08-2025)	30-35 (70-75 full year equivalent)	70-75	-	-	12,000	39,000	42 – 47 (82 – 87 full year equivalent)	105 -110
Mr Alexander Gordon *Director*	185-190	170-175	-	-	71,000	67,000	256 - 261	235 - 240
Mr Thomas Reid *Director*	115-120	110-115	-	-	95,000	80,000	210-215	190 - 195
Mr Gareth Johnston *Director*	120-125	110-115	-	-	107,000	89,000	237 – 242	195 - 200
Mr Ronan Murtagh *Director*	90-95	85-90	-	-	66,000	56,000	156-161	141 - 145
Mrs Patricia Claire Archbold *Director* (to 08-02-2026)	100-105 (full year equivalent 120-125)	115-120	-	-	67,000	95,000	167-172 (187-192 full year equivalent)	210 - 215
Mrs Brenda Henderson *Director* (from 01/05/2025)	105-110 (full year equivalent 115-120)	-	-	-	72,000	-	177 – 182 (full year equivalent 187-192)	-
Mr Gary Fair *Director*	75-80	85-90	-	-	30,000	75,000	105-110	160-165
Mrs Josephine Aston	5-10	5-10	-	-	-	-	5 - 10	5 -10

Independent Non Executive Board Member from 28-09-22								
Ms Anne Claire Keatinge *Independent Non Executive Board Member from 14-11-22 to 31-07-25*	0-5	10-15	-	-	-	-	0 - 5	10 - 15
Ms Bernie McCrory *Independent Non Executive Board Member from 03-03-26*	-	-	-	-	-	-	-	-

** 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 4 September 2023 Jayne Brady took on the function of Permanent Secretary until the appointment of David Malcolm on 17 June 2024.*

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.

Single total figure of remuneration								
Officials	**Salary (£'000)**		**Benefits in kind (to nearest £100)**		**Pension Benefits* (to nearest £1000)**		**Total (£'000)**	
	2025-26	**2024-25**	**2025-26**	**2024-25**	**2025-26**	**2024-25**	**2025-26**	**2024-25**
Dr Jayne Brady* *Head of the Civil Service*	210-215	195-200	-	-	81,000	76,000	291-296	270 -275
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 Ms 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 2025-26 was £210,000 - £215,000 (2024-25: £195,000-£200,000). The relationship between the mid-point of this band and the remuneration of the organisation's workforce is disclosed below.

In 2025-26, one (2024-25; one) employee received remuneration in excess of the highest paid director.

Remuneration ranged from £15,034 to £266,556 (2024-25: £12,803 to £256,305).

2025-26	**25th percentile**	**Median**	**75th percentile**
Total remuneration (£)	37,694	47,304	61,673
Pay ratio	5.64	4.49	3.45

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

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

** 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.

For 2025-26 and 2024-25, the 25th percentile, median and 75th percentile remuneration values consisted solely of salary payments.

Percentage Change in Remuneration

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

a) 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. No performance pay or bonuses were payable in these years.

Percentage change for:	**2025-26 v 2024-25**	**2024-25 v 2023-24**
Average employee salary and allowances	12%	9%
Highest paid director's salary and allowances	8%	14%

Pension Benefits (Audited)

Pension Entitlements - Ministers

There were five Ministers in place during 2025-26 and four in 2024-25.

	Accrued pension at pension age as at 31/03/26	Real increase in pension at pension age	CETV at 31/03/26	CETV at 31/03/25	Real increase in CETV
	£'000	£'000	£'000	£'000	£'000
Ms Michelle O'Neill (from 04-02-24)	12	1	169	146	8
Mrs Emma Little-Pengelly (from 04-02-24)	3	1	36	19	10
Ms Aisling Reilly (from 04-02-24)	-	-	2	1	1
Mrs Joanne Bunting (from 15-09-2025)	-	-	6	5	-
Mrs Pam Cameron (from 04-02-24 to 15-09-25)	-	-	3	2	1

Ministerial pensions

Pension benefits for Ministers are provided by the Assembly Members' Pension Scheme (Northern Ireland) 2016 (AMPS). This is a Career Average Revalued Earnings (CARE) scheme which was introduced for new and existing members by the Assembly Members (Pensions) Determination (Northern Ireland) 2016.

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. However, the Assembly Members (Independent Remuneration Board) Act (Northern Ireland) 2025, enacted in late 2025, replaced the former panel with an Independent Remuneration Board (the Board) responsible for determining Members' pay and pensions. The AMPS continues to operate under the 2016 Determination until a new Determination is issued by the Board.

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. In December 2018, the Court of Appeal ruled that the transitional protection offered to members of the Judiciary and Firefighters Schemes, when their schemes were reformed, was discriminatory on grounds of age. This is known as the McCloud Judgement. As a result 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. The applicability of, and approach to, the McCloud judgement in relation to this scheme is a matter for the Independent Remuneration Board.

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, up to 5 May 2021, when all members of the scheme moved to CARE. The contribution factor was the relationship between salary as a Minister and salary as an MLA for each year of service as a Minister. These pension benefits are based on the accrual rate ($1/50^{th}$ or $1/40^{th}$) multiplied by the cumulative contribution factors and the relevant final salary as an MLA. Up to 5 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.

Pension benefits for all other Ministers accrue on a career average (CARE) basis and 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. The contribution paid in the CARE Scheme is nine percent 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 retirement age for their section of the Scheme. Under the CARE element of the AMPS, Normal Retirement Age is linked to State Pension Age. Any Final Salary pension accrued before 6 May 2021 will continue to be payable at a Normal Retirement Age of 65.

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 31/03/26 and related lump sum	Real increase in pension and related lump sum at pension age	CETV at 31/03/26	CETV at 31/03/25*	Real increase in CETV	Employer contribution to partnership pension account
	£'000	£'000	£'000	£'000	£'000	Nearest £100
Ms Moira Doherty *Permanent Secretary* (from 09-02-2026)	45 – 50 plus a lump sum of 100 - 105	0 – 2.5 plus a lump sum of 2.5 - 5	930	881	28	-
Mr David Malcolm *Permanent Secretary* (from 17-06-24 to 08-02-2026)	70 – 75 plus a lump sum of 180 - 185	7.5 – 10 plus a lump sum of 12.5 - 15	1,621	1,402	145	-
Dr Jayne Brady *Head of the Civil Service*	20 - 25	2.5 - 5	304	227	53	-
Mr Chris Stewart *Director* (to 31-08-2025)	0 - 5	0 – 2.5	38	26	9	-
Mr Alexander Gordon *Director*	25 - 30	2.5 - 5	434	355	51	-
Mr Thomas Reid *Director*	40 – 45 plus a lump sum of 100 - 105	2.5 – 5 plus a lump sum of 5 – 7.5	984	854	76	-
Mr Gareth Johnston *Director*	50 – 55 plus a lump sum of 125 - 130	5 – 7.5 plus a lump sum of 7.5 -10	1,166	1,018	84	-
Mr Ronan Murtagh Director	30 - 35	2.5 - 5	643	554	53	-
Ms Patricia Claire Archbold *Director*	50 - 55 plus a lump sum of 120 - 125	2.5 – 5 plus a lump sum 2.5 - 5	1,164	1,013	94	-
Mrs Brenda Henderson *Director* (from 01/05/2025)	55 – 60 plus a lump sum of 135 - 140	2.5 – 5 plus a lump sum of 2.5 - 5	1,329	1,218	65	-
Mr Gary Fair *Director*	20 - 25	0 – 2.5	405	368	24	-

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.

Transitional protection measures introduced alongside these reforms meant any members who on 1 April 2012 were within ten years of their normal pension age remained in their previous scheme arrangement (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 (DoF) 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 have been able to be issued by the original regulatory timeline of 31 March 2025. The Scheme Manager has invoked the discretion allowed by the remedy legislation and has extended the timeline for issuing Immediate Choice RSS packs to 31 March 2027. The Pensions Regulator has been notified of this extension. Our priority remains to provide members with all the accurate information they need to make a choice. It can be noted that other Public Service Pension Schemes are also in a similar position. 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 seven year Remedy Period, the value of pension benefits for the 2025-26 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 three percent 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 2025 was 3.8% and HM Treasury has announced that public service pensions will be increased accordingly from April 2026.

Employee Contribution Rates

Percentage rates for employee contributions were revised for all members from **1 July 2025** as a result of the Northern Ireland Civil Service Pension Scheme: Consultation on Scheme Yield/Member Contributions as shown below*:

Annualised Rate of Pensionable Earnings (Salary Bands) 1 April 2025 to 31 August 2025		**Contribution rates – All members from 1 April 2025 to 30 June 2025**	***Contribution rates – All members from 1 July 2025**
From	**To**		
£0	£27,091.99	4.6%	4.65%
£27,092.00	£61,645.99	5.45%	5.65%
£61,646.00	£165,793.99	7.35%	7.55%
£165,794.00 and above		8.05%	8.25%

Salary bands were also updated from 1 September 2025 as follows:

Annualised Rate of Pensionable Earnings (Salary Bands) 1 September 2025 onwards		**Contribution rates- All members**
From	**To**	
£0	£28,716.99	4.65%
£28,717.00	£65,343.99	5.65%
£65,344.00	£175,740.99	7.55%
£175,741.00 and above		8.25%

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 2025-26 (Nil 2024-25).

Staff Report

Senior Civil Servants

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

	2025-26	2024-25
Salary Band	Number	Number
Pay Scale 4 £197,659 - £220,804	1	1
Pay Scale 3 £ 146,469 - £163,267	2	2
Pay Scale 2 £113,060 - £123,946	4	5
Pay Scale 1 £88,268 - £97,070	35	34
Special Adviser 1 £0- £65,918	1	-
Special Adviser 2 £65,919-£83,897	3	3
Special Adviser 3 £83,898-£97,070	2	2

The figures above exclude one senior civil servant (2024-25: 1) currently on career break.

Staff numbers and related costs (Audited)

Staff costs comprise of (Consolidated):

				2025-26	2024-25
	Permanently employed staff* £000	Others £000	Ministers £000	Total £000	Total £000
Wages and salaries	38,631	4,866	156	43,653	41,346
Social security costs	5,261	208	22	5,491	4,296
Other pension costs	10,368	466	27	10,861	10,130
Sub Total	**54,260**	**5,540**	**205**	**60,005**	**55,772**
Less recoveries in respect of outward secondments	(8,067)			(8,067)	(6,676)
Total net costs**	**46,193**	**5,540**	**205**	**51,938**	**49,096**

Of which:	Charged to Administration £000	Charged to Programme £000	Total £000	Total £000
Core department	18,680	17,709	36,389	**34,137**
ALBs	3,358	12,191	15,549	**14,959**
	22,038	**29,900**	**51,938**	**49,096**

*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 three percent cost cap corridor. As there is no breach of the cost control mechanism, there is no requirement for the DoF to consult on changes to the scheme. Further information can be found on the DoF website https://www.finance-ni.gov.uk/articles/northern-ireland-civil-service-pension-scheme-valuations.

For 2025-26, employers' contributions of £10,461,457 were payable to the NICS pension arrangements at a flat rate of 34.25% of pensionable pay, for all salaries (2024-25: £8,933,830 at a flat rate of 34.25% of pensionable pay).

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. Employers' contributions of £40 (2024-25: £9,542) 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% (2024-25: 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 three percent of pensionable earnings.

Employer contributions of Nil (2024-25: Nil) 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.

There were no early retirements on ill-health grounds in 2025-26 (2024-25 one), the total additional accrued pension liabilities in the year amounted to £Nil (2024-25: £8k).

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 other bodies included within the consolidated Departmental Accounts

Activity	Permanently employed staff	Others	Ministers	Special advisers	2025-26 Number Total	2024-25 Number Total
Core Departmental staff in post	387	41	4	5	437	431
North South Ministerial Council	8	-	-	-	8	8
Commissioner for Public Appointments for Northern Ireland	3	-	-	-	3	2
The Inquiry into Historical Institutional Abuse	11	-	-	-	11	13
Attorney General for Northern Ireland	14	-	-	-	14	16
ALBs	267	13	-	-	280	277
Total	**690**	**54**	**4**	**5**	**753**	**747**
Of which:						
Core department	423	41	4	5	473	470
ALBs	267	13	-	-	280	277
Total	**690**	**54**	**4**	**5**	**753**	**747**

Staff Composition at 1 April 2026 and 1 April 2025

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 2026 and 1 April 2025 is as follows:

	2025-26		2024-25	
(Consolidated)	**Male**	**Female**	**Male**	**Female**
Directors	10	11	11	9
Senior Managers (Grade 5 and above)	20	16	23	19
Employees (All other staff)	281	415	293	426
Total	**311**	**442**	**327**	**454**
Of which:				
Core department	177	258	181	263
ALBs	134	184	146	191
Total	**311**	**442**	**327**	**454**

Special Advisers are included in senior managers when employed, six were employed at 1 April 2026, there were five employed at 1 April 2025.

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 2025 to 1 April 2026, 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	13.7	%	6.2	%

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 2025-26 was 13.11% (2024-25: 10.1%).

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 two 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

This information is collated from an annual NISRA report on NICS Sickness Absence. The Department had an overall sickness absence rate of 8.7 days lost per employee in 2024-25, which is below the NICS average of 13.4 days. Similarly, the percentage of staff with one or more long-term absence is 9.6% compared to the NICS rate of 13.7%.

Annual sickness absence figures can be found in the “Sickness Absence in the Northern Ireland Civil Service 2024-25” report at Sickness Absence in the Northern Ireland Civil Service 2024-25 | Northern Ireland Statistics and Research Agency . The 2025-26 sickness absence data is not currently available and will be published later this year.

	2024-25		2023-24	
	TEO	**NICS**	**TEO**	**NICS**
Days Lost per Staff Year	8.7	13.4	10.1	13.8
% of Staff with no recorded absence	65.8	57.6	68.0	56.9
Long term absence				
% of staff with one or more long-term absence	9.6	13.7	10.2	14.0
% of working days lost due to long-term absence	78.0	81.7	82.2	82.6
Average duration (working days)	55.9	66.5	64.3	68.9

- **Figures for ALBs can be found in their respective Annual Report and Accounts on their websites (weblinks per Note 20 on pages 170 – 171)**

Staff Policies

(i) Equality, Diversity and Inclusion

The NICS values and welcomes diversity and is committed to creating a truly inclusive workplace for all. As part of this commitment, leadership and inclusion is a key pillar within the new five-year NICS People Strategy 2025-30 which launched in April 2025. The strategy was developed with a range of stakeholders including NICS staff networks and through its delivery the NICS aims to foster a culture of leadership, inclusivity and diversity that will help drive better outcomes for its workforce and the public it serves.

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 works in partnership with the NICS corporate HR function, People and Organisational Development and the seven NICS staff networks (LGBTQ+, Women, Disability, Race & Ethnicity, Cancer Support, Carers and Students), to develop and deliver actions to help promote and embed equality, diversity and inclusion across the Service

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. A strategic HR policy renewal programme is underway as part of the new People Strategy to modernise NICS people policies, ensuring they are user-centric and have a positive impact on employee experience.

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 was submitted to the Equality Commission for Northern Ireland in 2025 and will be published in 2026.

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

DOF is responsible for the NICS Trade Union Arrangements Policy. People & Organisational Development within DOF 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 NICSHR[2]. 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 People Strategy 2025-30.

NICSHR L&D contributes to the delivery of the Strategy's three priorities:

- Skills and Capacity – Building capability and future-ready skills
- Experience and Environment – Creating inclusive, high-quality working environments
- Leadership and Inclusion – Developing leaders who collaborate and innovate

A portfolio of learning products is developed in consultation with customers and subject experts internally and externally, accessible by staff through the LInKS learning management system icon on all NICS desktops. The themes covered in our portfolio of training are:

- Policy and Government,
- Leadership and Management,

[2] NICSHR is the NICS' centralized human resources operational delivery function, falling under the responsibility of the Department of Finance.

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

(v) Employment, training and advancement of disabled persons

The NICS is a lead partner of Employers for Disability NI (EFDNI) and is an accredited 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 policy and processes for in-work support, and for its recruitment selection and onboarding processes, progressed in 2025 and will conclude in 2026-27. Colleagues with lived experience and external independent advocates have been stakeholders in the reasonable adjustment policy 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, it has also participated in the previous two phases of the Department for Communities JobStart Scheme which aims to improve the employability and long-term employment prospects of those who face additional barriers to employment. The Civil Service will participate in phase three of the scheme during 2026-27 offering paid work placements to eligible benefit claimants aged 16-65 to address barriers to economic participation.

In order 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 recruitment 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 engagement with our people and ensuring our workplace is diverse and inclusive. The Department’s Business Improvement Plan 2024-26 was developed following widespread consultation through a range of methods including our Staff Engagement Forum and a number of people related surveys. 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, corporate events and the sharing of corporate information such as updates on corporate risk and business plans. Regular learning seminars and a Workplace Health Improvement Programme are also available to improve engagement, corporate knowledge, health awareness and wellbeing.

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.

As part of our commitment to our people and to learning and improving, TEO was reaccredited to Investors in People (IIP) Silver Status in March 2024.

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

The NICS People Survey was conducted by NISRA in Spring 2025 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 from 29th April to 23rd May 2025. For The Executive Office there were 510 (2023: 464) staff invited to complete the survey, of which 348 (2023: 334) participated, a response rate of 68.2% (2023: 68.3%). 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 59% (2023: 63%), compared to the NICS average of 56% (2023: 54%). The full survey can be accessed at *https://www.finance-ni.gov.uk/publications/nics-people-survey-results*. The next NICS People Survey is due to take place in 2027.

(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	**2025-26 £’000**	**2024-25 £000**
Consultancy Costs	419	104
Agency staff	3,143	3,086
Seconded in staff	2,397	2,521
Total Temporary Staff	5,959	5,711

Agency and seconded in staff costs have decreased slightly across the Department and include staff who were employed by the Northern Ireland Courts & Tribunal service and dealing with applications under the Historical Institutional Abuse Redress Board (£1.1m) as well as staff from NISRA (£1.3m). Consultancy costs have increased by £0.3m during 2025-26, this is due to the costs of the Digital Maturity Assessment carried out for the Delivery Unit (£0.3m).

(x) Off Payroll Engagements

The Department had Nil ‘off-payroll’ engagements in place during 2025-26 (2024-25: Nil).

There were Nil ‘off-payroll’ engagements by any of the Board members who served on the board at any time during 2025-26 and had significant financial responsibility (2024-25: Nil).

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

No exit packages were paid in 2025-26 (2024-25: 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.

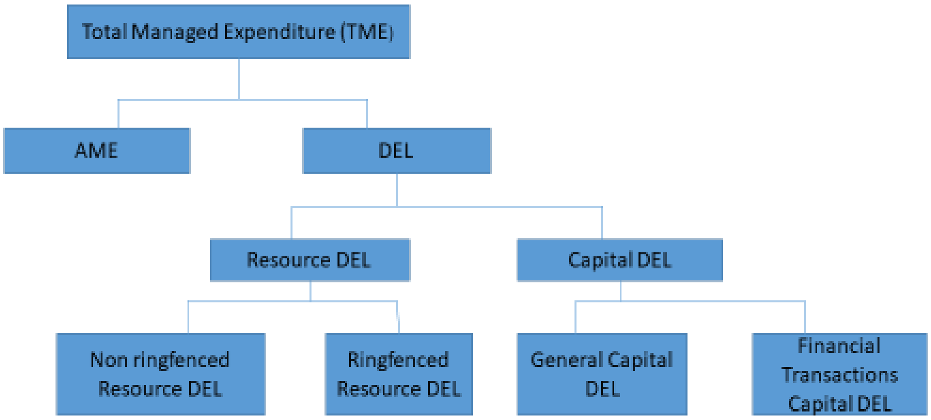
DEL budgets are classified into resource and capital:

- 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 2025 to 2026 - GOV.UK

Budget Structure



Budgetary Performance

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

	Final Plan 2025-26	Outturn 2025-26	Underspend / (Overspend)
	£'000	**£'000**	**£'000**
Resource DEL	**191,866**	**179,499**	**12,367**
Non-ringfenced	*189,373*	*187,170*	*2,203*
Ringfenced D/I	*2,493*	*(7,671)*	*10,164*
Capital DEL	**18,706**	**18,531**	**175**
General Capital	*14,883*	*14,729*	*154*
FTC	*3,823*	*3,802*	*21*
Total DEL	**210,572**	**198,030**	**12,542**
AME	**347,164**	**18,322**	**328,842**
AME Resource	*347,164*	*18,322*	*328,842*
AME Capital	*0*	*0*	***0***
Total Managed Expenditure	**557,736**	**216,352**	**341,384**

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 (£10.2m);
- Overall net overspend in earmarked areas (£0.6m);
- Underspend in baseline salaries due to vacancies not being filled (£1.3m);
- Lower than anticipated spend relating to International Relations and the Washington Bureau (£0.3m);
- Lower than anticipated spend in ALBs (£0.2m);
- Lower than anticipated spend relating to Period Products (£0.2m);
- Lower than anticipated spend in Urban Villages (£0.2m); and
- Exchange gains (£0.2m).

The underspend in AME DEL primarily related to:

- TDPDPS (Victims' Payment Scheme) year-end provision less than budget at Spring Supplementary Estimates (£250m). The AME forecast for 2025-26 was based on the final 2024-25 report from the Government Actuary's Department (GAD). The year-end actuals reflect the findings of an updated GAD report with revised forecasts;
- Truth Recovery provision not required in 2025-26 (£58m), expected to be taken up in 2026-27;
- Write back of Historical Institutional Abuse (HIA) Redress Scheme provision as provision no longer required (£14m);
- Lower than anticipated revaluation of land and buildings at Ebrington and MLKDC (£4m);
- Net underspend made up of smaller AME movements including the release of provisions and a newly created NIJAC provision for dilapidations (£2m); and

- Unrealised exchange gain (£1m).

The Departmental Group had a total capital underspend against Estimate of £0.2m. This underspend primarily resulted from:

- Easement in Civil Contingencies relating to the Secure Video Conference (SVC) facility (£0.5m);

- Easement made up of smaller underspends across the Department and its ALBs (£0.35m); and

- Managed overspend in Urban Villages following reallocation of underspend in Civil Contingencies (-£0.7m).

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Statement of Outturn against Assembly Supply, 2025-26 (£000s) (Audited)

Summary Table

		Outturn			Estimate			Outturn vs Estimate: saving/ (excess)		
Type of spend	**Note**	**Voted**	**Non-Voted**	**Net Total**	**Voted**	**Non-Voted**	**Total**	**Voted**	**Total**	**Prior Year Outturn Total, 2024–25**
Departmental Expenditure Limit										
- Resource	SOAS 1.1	179,499	-	179,499	191,866	-	191,866	12,367	12,367	181,083
- Capital	SOAS 1.2	18,531	-	18,531	18,706	-	18,706	175	175	21,260
Total		**198,030**	**-**	**198,030**	**210,572**	**-**	**210,572**	**12,542**	**12,542**	**202,343**
Annually Managed Expenditure						-				
-Resource	SOAS 1.1	18,322	-	18,322	347,164	-	347,164	328,842	328,842	712,154
-Capital	SOAS 1.2	-	-	-	-	-	-	-	-	-
Total		18,322	**-**	18,322	347,164	**-**	347,164	328,842	328,842	**712,154**
Total Budget										
- Resource	SOAS 1.1	197,821	-	197,821	539,030	-	539,030	341,209	341,209	893,237
- Capital	SOAS 1.2	18,531	-	18,531	18,706	-	18,706	175	175	21,260
Total Budget Expenditure		**216,352**	**-**	**216,352**	**557,736**	**-**	**557,736**	**341,384**	**341,384**	**914,497**
Total Resource		197,821	-	197,821	539,030	-	539,030	341,209	341,209	893,237
Total Capital		18,531	-	18,531	18,706	-	18,706	175	175	21,260
Total Budget and Non Budget		**216,352**	**-**	**216,352**	**557,736**	**-**	**557,736**	**341,384**	**341,384**	**914,497**

Net cash requirement 2025-26, all figures presented in £000

Item	Note	Outturn	Estimate	Outturn vs Estimate, saving/ (excess)	Prior Year Outturn Total, 2024–25
Net cash requirement	SOAS 3	**210,245**	**244,529**	**34,284**	**195,562**

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

Administration costs 2025-26, all figures presented in £000

Type of spend	Note	Outturn	Estimate	Outturn vs Estimate, saving/ (excess)	Prior Year Outturn Total, 2024-25
Administration costs	SOAS 1.1	**25,566**	**24,689**	**(877)**	**22,558**

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, 2025-26 (£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, 2024–25
	Administration			Programme								
	Gross	Income	Net	Gross	Income	Net	Total	Total	Virements*	Total inc. virements		
Spending in Departmental Expenditure Limits (DEL)												
Voted expenditure *Of which:*	**25,570**	**(4)**	**25,566**	**166,225**	**(12,292)**	**153,933**	**179,499**	**191,866**	**-**	**191,866**	**12,367**	**181,083**
1: Executive Support *Of which:*	**23,019**	**(4)**	**23,015**	**136,941**	**(690)**	**136,251**	**159,266**	**171,519**	**(83)**	**171,436**	**12,170**	**165,383**
Executive Support and Policy Development – Departmental Expenditure	*20,507*	*(4)*	*20,503*	*32,855*	*(556)*	*32,299*	*52,802*	*55,814*	*(1,305)*	*54,509*	*1,707*	*49,577*
Historical Institutional Abuse	*-*	*-*	*-*	*17,605*	*(134)*	*17,471*	*17,471*	*17,806*	*(201)*	*17,605*	*134*	*18,192*
Victims Payments	*-*	*-*	*-*	*62,570*	*-*	*62,570*	*62,570*	*60,959*	*1,611*	*62,570*	*-*	*73,466*
Maze/Long Kesh Development Corporation (ALB – Net)	*-*	*-*	*-*	*1,223*	*-*	*1,223*	*1,223*	*1,201*	*22*	*1,223*	*-*	*1,127*
Commissioner for Survivors of Institutional Childhood Abuse (ALB – Net)	*-*	*-*	*-*	*883*	*-*	*883*	*883*	*937*	*(48)*	*889*	*6*	*845*
Commission for Victims and Survivors for Northern Ireland (ALB – Net)	*-*	*-*	*-*	*878*	*-*	*878*	*878*	*878*	*-*	*878*	*-*	*702*
Equality Commission for Northern Ireland (ALB – Net)	*280*	*-*	*280*	*5,833*	*-*	*5,833*	*6,113*	*6,209*	*-*	*6,209*	*96*	*6,196*
Northern Ireland Judicial Appointments Commission (ALB – Net)	*169*	*-*	*169*	*1,008*	*-*	*1,008*	*1,177*	*1,179*	*-*	*1,179*	*2*	*1,147*
Strategic Investment Board Limited (ALB - Net)	*-*	*-*	*-*	*(5,254)*	*-*	*(5,254)*	*(5,254)*	*4,897*	*-*	*4,897*	*10,151*	*(5,635)*
Victims and Survivors Service Limited (ALB - Net)	*2,063*	*-*	*2,063*	*18,580*	*-*	*18,580*	*20,643*	*20,812*	*(162)*	*20,650*	*7*	*19,766*
Office of Identity and Cultural Expression (ALB - Net)	*-*	*-*	*-*	*267*	*-*	*267*	*267*	*275*	*-*	*275*	*8*	*-*
Commissioner for Ulster Scots & Ulster British Tradition (ALB - Net)	*-*	*-*	*-*	*219*	*-*	*219*	*219*	*276*	*-*	*276*	*57*	*-*
Irish Language Commissioner (ALB - Net)	*-*	*-*	*-*	*274*	*-*	*274*	*274*	*276*	*-*	*276*	*2*	*-*

Type of spend (Resource)	Resource Outturn							Estimate			Outturn vs Estimate (inc. Virements), saving/ (excess)	Prior-year outturn Total, 2024–25
	Administration			Programme								
	Gross	Income	Net	Gross	Income	Net	Total	Total	Virements*	Total inc. virements		
2: Good Relations	**521**	**-**	**521**	**28,288**	**(11,602)**	**16,686**	**17,207**	**17,161**	**83**	**17,244**	**37**	**13,123**
Of which:												
Good Relations - Departmental Expenditure	*-*	*-*	*-*	*10,528*	*-*	*10,528*	*10,528*	*10,558*	*-*	*10,558*	*30*	*8,438*
Northern Ireland Community Relations Council (ALB – Net)	*521*	*-*	*521*	*2,814*	*-*	*2,814*	*3,335*	*3,342*	*-*	*3,342*	*7*	*3,197*
Strategic Investment Board Limited (ALB – Net)	*-*	*-*	*-*	*420*	*-*	*420*	*420*	*420*	*-*	*420*	*-*	*475*
EU Peace Funding	*-*	*-*	*-*	*14,526*	*(11,602)*	*2,924*	*2,924*	*2,841*	*83*	*2,924*	*-*	*1,013*
3: North South Ministerial Council	**79**	**-**	**79**	**996**	**-**	**996**	**1,075**	**1,081**	**-**	**1,081**	**6**	**855**
4: Attorney General for Northern Ireland	**1,951**	**-**	**1,951**	**-**	**-**	**-**	**1,951**	**2,105**	**-**	**2,105**	**154**	**1,722**
Total Voted DEL	**25,570**	**(4)**	**25,566**	**166,225**	**(12,292)**	**153,933**	**179,499**	**191,866**	**-**	**191,866**	**12,367**	**181,083**
Spending in Annually Managed Expenditure (AME)												
Voted expenditure	**-**	**-**	**-**	**18,322**	**-**	**18,322**	**18,322**	**347,164**	**-**	**347,164**	**328,842**	**712,154**
Of which:												
5: Strategic Sites	**-**	**-**	**-**	**5,795**	**-**	**5,795**	**5,795**	**8,500**	**-**	**8,500**	**2,705**	**(242)**
6: Provisions	**-**	**-**	**-**	**11,174**	**-**	**11,174**	**11,174**	**336,854**	**-**	**336,854**	**325,680**	**713,014**
7: ALBs (Net)	**-**	**-**	**-**	**1,353**	**-**	**1,353**	**1,353**	**1,810**	**-**	**1,810**	**457**	**(618)**
Total Voted AME	**-**	**-**	**-**	**18,322**	**-**	**18,322**	**18,322**	**347,164**	**-**	**347,164**	**328,842**	**712,154**
Total Resource	**25,570**	**(4)**	**25,566**	**184,547**	**(12,292)**	**172,255**	**197,821**	**539,030**	**-**	**539,030**	**341,209**	**893,237**

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, 2024–25
	Gross	Income	Net total	Total	Virements*	Total inc. virements		
Spending in Departmental Expenditure Limits (DEL)								
Voted expenditure	**18,710**	**(179)**	**18,531**	**18,706**	**-**	**18,706**	**175**	**21,260**
Of which:								
1: Executive Support	**9,515**	**(179)**	**9,336**	**10,196**	**(685)**	**9,511**	**175**	**20,659**
Of which:								
Executive Support and Policy Development – Departmental Expenditure	*4,412*	*(179)*	*4,233*	*4,903*	*(644)*	*4,259*	*26*	*10,315*
Historical Institutional Abuse	*33*	*-*	*33*	*34*	*-*	*34*	*1*	*-*
Victims Payments	*72*	*-*	*72*	*80*	*-*	*80*	*8*	*88*
Maze/Long Kesh Development Corporation (ALB – Net)	*1,000*	*-*	*1,000*	*1,000*	*-*	*1,000*	*-*	*1,075*
Commissioner for Survivors of Institutional Childhood Abuse (ALB – Net)	*56*	*-*	*56*	*56*	*-*	*56*	*-*	*-*
Commission for Victims and Survivors for Northern Ireland (ALB – Net)	*8*	*-*	*8*	*8*	*-*	*8*	*-*	*-*
Equality Commission for Northern Ireland (ALB – Net)	*57*	*-*	*57*	*115*	*(41)*	*74*	*17*	*42*
Northern Ireland Judicial Appointments Commission (ALB – Net)	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*
Strategic Investment Board Limited (ALB – Net)	*3,822*	*-*	*3,822*	*3,843*	*-*	*3,843*	*21*	*8,956*
Victims and Survivors Service Limited (ALB – Net)	*32*	*-*	*32*	*127*	*-*	*127*	*95*	*183*
Office of Identity and Cultural Expression (ALB - Net)	*10*	*-*	*10*	*10*	*-*	*10*	*-*	*-*
Commissioner for Ulster Scots & Ulster British tradition (ALB - Net)	*4*	*-*	*4*	*10*	*-*	*10*	*6*	*-*
Irish Language Commissioner (ALB - Net)	9	-	9	10	-	10	1	-

Type of spend (Capital)	Outturn			Estimate			Outturn vs Estimate (inc. Virements), saving/ (excess)	Prior-year outturn 2024–25
	Gross	Income	Net total	Total	Virements*	Total inc. virements		
2: Good Relations	**9,193**	**-**	**9,193**	**8,510**	**683**	**9,193**	**-**	**(19)**
Of which:								
Good Relations – Departmental Expenditure	*9,183*	*-*	*9,183*	*8,500*	*683*	*9,183*	*-*	*(29)*
Northern Ireland Community Relations Council (ALB – Net)	*10*	*-*	*10*	*10*	*-*	*10*	*-*	*10*
Strategic Investment Board Limited (ALB – Net)	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*
EU Peace Funding	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*
3: North-South Ministerial Council	**2**	**-**	**2**	**-**	**2**	**2**	**-**	***620***
4: Attorney General for Northern Ireland	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Voted DEL	**18,710**	**(179)**	**18,531**	**18,706**	**-**	**18,706**	**175**	**21,260**
Total Capital	**18,710**	**(179)**	**18,531**	**18,706**	**-**	**18,706**	**175**	**21,260**

*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 2025-26 £000	Prior Year Outturn total 2024-25 £000
Total Resource Outturn	**SOAS 1.1**	**197,821**	**893,237**
Add:			
Capital grants		*11,283*	*9,457*
Non-staff costs capitalised		*648*	-
ECNI – Release Dilapidation provision		-	*750*
		-	
Total		11,931	10,207
Less:			
Income payable to the Consolidated Fund		*15*	*16*
Other - ECNI Income		-	*148*
Other – ALBs Income & Expenditure		*(158)*	-
Other		-	*(5)*
Total		(143)	159
Net Expenditure in Consolidated Statement of Comprehensive Net Expenditure	**SOCNE**	209,895	903,285

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. £9.2m of capital grants were issued to Urban Villages, £2.1m issued in respect of Ebrington Buildings and £0.6m issued to Ending Violence Against Women and Girls. A correction (£0.2m) 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**	**197,821**	539,030	341,209
Total Capital outturn	**SOAS 1.2**	**18,531**	18,706	175
Adjustments for ALBs:				
Remove voted resource		(31,531)	(42,512)	(10,981)
Remove voted capital		(5,008)	(5,189)	(181)
Add cash Grant-in-aid		40,356	41,281	925
Adjustments to remove non-cash items:				
Depreciation, impairments and revaluations		(7,190)	(9,933)	(2,743)
New provisions and adjustments to previous provisions		(65,905)	(388,290)	(322,385)
Supported capital expenditure (revenue)		14	-	(14)
Other non-cash items – lease interest		(111)	-	111
- Unrealised exchange loss		298	(500)	(798)
- Profit/loss on disposals		(175)	-	175
- lease addition		(639)	-	639
Adjustments to reflect movements in working balances:				
Increase / (Decrease) in Receivables		11,990	20,000	8,010
(Increase) / Decrease in Payables		(3,427)	20,000	23,427
Lease Payments		791	-	(791)
Use of provisions		54,430	51,936	(2,494)
Total		(6,107)	(313,207)	(307,100)
Net cash requirement		**210,245**	**244,529**	**34,284**

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)

		Outturn total 2025–26 £000		Prior Year, 2024–25 £000	
Item	**Note**	**Income (Accruals)**	***Receipts (Cash basis)***	**Income (Accruals)**	***Receipts (Cash Basis)***
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)		15	*15*	16	*16*
Excess cash surrenderable to the Consolidated Fund		-	-	-	-
Total income payable to the Consolidated Fund		15	*15*	16	*16*

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 2025-26 (2024-25: nil).

Assembly Accountability Disclosures (Audited)

Losses and Special Payments (Audited)

Losses Statement

	2025-26 Core Department	2025-26 Departmental Group	2024-25 Core Department	2024-25 Departmental Group
Total number of losses	24	24	28	30
Total value of losses (£000)	7	7	15	19
There were no cases over £300,000 in 2025-26 (2024-25: no cases)				

Special Payments

	2025-26 Core Department	2025-26 Departmental Group	2024-25 Core Department	2024-25 Departmental Group
Total number of special payments	1	1	13	13
Total value of special payments (£000)	24	24	398	398

There were no special payments over £300,000 in 2025-26 (2024-25: 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

Moira Doherty

Accounting Officer
26 June 2026

THE CERTIFICATE OF THE COMPTROLLER AND AUDITOR GENERAL TO THE NORTHERN IRELAND ASSEMBLY

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 2026 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 2025. The financial statements comprise: the Department's and the Departmental Group's:

- Statement of Financial Position as at 31 March 2026;
- 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 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 2026 and of their 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.

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 2026 and shows that those totals have not been exceeded; and
- the income and expenditure 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 2026 are overstated by £315 million (2024-25: £313 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.

Emphasis of Matter

I draw attention to note 14.4 of the financial statements, in relation to a £770 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.

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 and 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 the part of the Remuneration and Staff Report to be audited has been properly prepared in accordance with Department of Finance directions made under the Government Resources and Accounts Act (Northern Ireland) 2001.

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 parts of the Remuneration and Staff Report to be audited is not in agreement with the accounting records and returns; 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:

- *maintaining proper accounting records;*
- 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;
- 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's 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
- 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 income and expenditure 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 182 to 183.

Dorinnia Carville

Dorinnia Carville
Comptroller and Auditor General
Northern Ireland Audit Office
106 University Street
BELFAST
BT7 1EU

1 July 2026

FINANCIAL STATEMENTS

THE FINANCIAL STATEMENTS

Consolidated Statement of Comprehensive Net Expenditure
for the year ended 31 March 2026

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.

			2025–26		2024–25
	Note	Core Dept	Group	Core Dept	Group
		£000	£000	£000	£000
Other operating income	4	(12,310)	(21,942)	(7,915)	(15,942)
Total operating income		(12,310)	(21,942)	(7,915)	(15,942)
Staff costs	3	36,605	60,005	34,142	55,772
Purchase of goods and services	3	38,315	44,227	91,057	96,085
Depreciation and impairment charges	3	7,365	9,429	797	2,203
Amortisation – FTC Loan	9	-	(10,151)	-	(10,782)
Provision expense	3,14	65,905	66,284	730,020	729,274
External Audit Fees (ALBs)	3	-	215	-	187
Other operating expenditure	3	82,589	61,690	67,956	46,368
Total operating expenditure		230,779	231,699	923,972	919,107
Net operating expenditure		218,469	209,757	916,057	903,165
Finance income		-	-	-	-
Finance expense	3	111	138	81	120
Net expenditure for the year	SOAS2	218,580	209,895	916,138	903,285
Notional Audit Costs	3	115	115	109	109
Other Notional Costs	3	2,933	2,933	3,226	3,226
Total Notional Costs		**3,048**	**3,048**	**3,335**	**3,335**
Net Expenditure for the year including notionals		**221,628**	**212,943**	**919,473**	**906,620**
Other comprehensive net expenditure					
Items which will not be reclassified to net operating expenditure:					

		2025–26		2024–25	
	Note	Core Dept	Group	Core Dept	Group
• Net gain/loss on revaluation of property, plant and equipment	5	(311)	(313)	(158)	(159)
• Net gain/loss on revaluation of intangible assets	6	-	-	(11)	(11)
• Actuarial gain/loss on pension scheme liabilities	14.6	-	31	-	-
Comprehensive net expenditure for the year		**221,317**	**212,661**	**919,304**	**906,450**

The notes on pages 135 to 171 form part of these accounts.

Consolidated Statement of Financial Position
as at 31 March 2026

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.

		2025–26		2024–25	
	Note	Core Dept	Group	Core Dept (*Restated)	Group (*Restated)
		£000	£000	£000	£000
Non-current assets:					
Investment – FTC Loan	9	-	307,878	-	305,346
Property, plant & equipment	5	11,596	19,771	17,165	25,492
Right-of-use assets	16	3,317	3,994	3,422	4,818
Intangible Assets	6	1,212	1,320	837	998
Trade & other receivables	12	355	447	385	385
Total non-current assets		16,480	333,410	21,809	337,039
Current assets					
Assets classified as held for sale	10	-	-	-	-
Trade & other receivables	12	37,577	50,486	25,469	39,826
Cash & cash equivalents	11	115	3,317	258	3,753
Total current assets		37,692	53,803	25,727	43,579
Total assets		54,172	387,213	47,536	380,618
Current liabilities					
Trade and other payables	13	(65,136)	(72,868)	(61,761)	(70,452)
Provisions	14	(170,698)	(171,274)	(129,352)	(129,640)
Total current liabilities		(235,834)	(244,142)	(191,113)	(200,092)
Total assets less current liabilities		(181,662)	143,071	(143,577)	180,526
Non-current liabilities					
Provisions	14	(600,255)	(600,255)	(630,126)	(630,126)
Other payables	13	(2,970)	(3,294)	(3,142)	(3,852)
Retirement benefit obligations	14.6	-	-	-	-
Total non-current liabilities		(603,225)	(603,549)	(633,268)	(633,978)
Total assets less total liabilities		**(784,887)**	**(460,478)**	**(776,845)**	**(453,452)**

	Note	2025–26		2024–25	
		Core Dept	Group	Core Dept (*Restated)	Group (*Restated)
		£000	£000	£000	£000
Taxpayers' equity and other reserves:					
General Fund		(785,587)	(461,275)	(777,311)	(454,054)
Revaluation Reserve		700	797	466	602
Total equity		**(784,887)**	**(460,478)**	**(776,845)**	**(453,452)**

Moira Doherty

Accounting Officer
26 June 2026

The notes on pages 135 to 171 form part of these accounts.

Consolidated Statement of Cash Flows for the year ended 31 March 2026

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.

			2025–26		2024–25
	Note	**Core Dept**	**Group**	**Core Dept**	**Group**
		£000	**£000**	**£000**	**£000**
Cash flows from operating activities					
Net expenditure for the year including notional		(221,628)	(212,943)	(919,473)	(906,620)
Prior year adjustment		-	(13)	-	-
Adjustments for non-cash transactions	3, 4	76,021	78,463	734,542	735,202
Adjustments for non-cash Amortisation Reserve - FTC Loans	9	-	(10,151)	-	(10,782)
(Increase)/Decrease in trade and other receivables	12	(12,078)	(10,722)	(9,001)	(16,100)
Less movements in receivables relating to items not passing through the Statement of Comprehensive Net Expenditure	12	87	87	381	6,725
Increase/(Decrease) in trade and other payables	13	3,203	1,858	16,291	16,673
Less movements in payables relating to items not passing through the Statement of Comprehensive Net Expenditure	13	(224)	554	1,224	2,094
Other		-	-	-	-
Interest on Lease liabilities	16.2	-	-	-	-
Movement in pension scheme deficit: -					
Current service cost settlement	14.6	-	78	-	118
Employer pension contributions/ use of provisions	14.6	-	(106)	-	(115)
Interest on net defined benefit liability	14.6	-	(139)	-	(47)
Interest on unrecognised asset					
Actuarial gains/(losses)					
Unrealised Foreign Exchange		298	298	(390)	(390)
Interest on unrealised asset	14.6	-	136	-	-
Actuarial gain/(loss)	14.6	-	31	-	-
Use of provisions	14	(54,430)	(54,522)	(17,398)	(17,398)
Net cash inflow/(outflow) from operating activities		**(208,751)**	**(207,091)**	**(193,824)**	**(190,640)**

	Note	2025–26 Core Dept £000	2025–26 Group £000	2024–25 Core Dept £000	2024–25 Group £000
Cash flows from investing activities					
FTC Loan Repayment Receipt		-	(7,619)	-	(1,275)
Repayment FTC to Group		-	7,619	-	1,275
Purchase of non-financial assets	5, 6, 13,16	(1,326)	(2,502)	(2,271)	(4,129)
New Leases	16	639	695	396	1,014
Proceeds from disposal of non-financial assets		-	-	849	850
Net cash inflow/(outflow) from investing activities		**(687)**	**(1,807)**	**(1,026)**	**(2,265)**
Cash flows from financing activities					
From the Consolidated Fund (Supply) – current year		209,777	209,777	193,888	193,888
From the Consolidated Fund (Supply) – prior year		381	381	-	-
Transfer FTC payment to DoF		-	-	-	-
Advances from the Contingencies Fund		-	-	-	-
Repayments to the Contingencies Fund		-	-	-	-
Cash payments for the principal portion of lease liability		(791)	(1,680)	(696)	(1,601)
Cash payments for the interest portion of lease liability		-	-	-	-
Net financing		**209,367**	**208,478**	**193,192**	**192,287**
Net increase/(decrease) in cash and cash equivalents in the period before adjustment for receipts and payments to the Consolidated Fund		**(71)**	**(420)**	**(1,658)**	**(618)**
Payments of amounts due to the Consolidated Fund		**(16)**	**(16)**	**(7)**	**(7)**
Net increase/(decrease) in cash and cash equivalents in the period after adjustment for receipts and payments to the Consolidated Fund		**(87)**	**(436)**	**(1,665)**	**(625)**
Cash and cash equivalents at the beginning of the period		(366)	3,753	1,299	4,378
Cash and cash equivalents at the end of the period		**(453)**	**3,317**	**(366)**	**3,753**

The notes on pages 135 to 171 form part of these accounts.

Consolidated Statement of Changes in Taxpayers' Equity
for the year ended 31 March 2026

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 £000	Revaluation Reserve £000	Taxpayers' equity £000
Balance at 31 March 2024		**255,814**	**562**	**256,376**
Net Assembly Funding – drawn down		193,888	-	193,888
Net Assembly Funding – deemed		1,293	-	1,293
Adjustment		(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)
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)**
Net Assembly Funding – drawn down		209,777	-	209,777
Net Assembly Funding – deemed		-	-	-
Adjustment		(16)	(23)	(39)
Supply (payable)/receivable Adjustment	12	468	-	468
Other reserves movements including transfers		-	-	-
CFERs Payable to the Consolidated Fund		(15)	-	(15)
SIB FTC loan repayment received in year	9	(7,619)	-	(7,619)

GROUP	Note	General Fund	Revaluation Reserve	Taxpayers' equity
		£000	£000	£000
Comprehensive Net Expenditure for the year	CSoCNE	(212,943)	-	(212,943)
Auditors' Remuneration	3	115	-	115
Non-cash charges- other notional costs	3	2,933	-	2,933
Revaluation gains/losses		-	297	297
Pension service cost, employer contributions & defined interest benefit	14.6	(31)	-	(31)
Actuarial Gain/(Loss) for year	14.6	31	-	31
Transfers between reserves		79	(79)	-
Balance at 31 March 2026		**(461,275)**	**797**	**(460,478)**

The notes on pages 135 to 171 form part of these accounts.

Notes to the Accounts

1 Statement of accounting policies

These financial statements have been prepared in accordance with the 2025–26 Government Financial Reporting Manual (FReM) issued by the Department of Finance (DoF). 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 Arm's 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.

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 (PPI) published by the Office for National Statistics (ONS) to apply indexation to the value of non-property assets at year-end. In line with previous years, the December 2025 indices have been applied in 2025-26. In March 2025, ONS paused publication to review an issue with the chain-linking methodology affecting historical data from 2008 onwards. ONS recommenced publication of the indices in October 2025, including revised historical series. In accordance with IAS 8 the fair value of assets is an accounting estimate and retrospective restatements are not required for changes in accounting estimates. As such, no adjustments have been made to the prior-year comparative figures as a result of the changes to PPI, but the updated indices have been applied in determining the asset values for the current year-end.

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.

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 one to ten 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 repayment for work in the public sector. It includes not only accruing resources of the Estimate but also income to the Consolidated Fund, authorised by DoF to be treated as operating income. Operating income is stated net of VAT.

All income from the EU is separately identified and is recognised in the Statement of Comprehensive Net Expenditure in the period in which the underlying activity takes place.

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 DoF.

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 3.64% to 5.32%

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 2024-25 are shown for those items listed in the primary schedules and associated notes, in compliance with the disclosure requirements of FReM unless otherwise stated.

Note 5 - Property, plant and equipment (2025-26) reflects only assets owned by the Group. Consequently, the 2024-25 comparative figures have been restated to remove leased assets.

1.16 Impeding application of newly issued accounting standards not yet effective

IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 will replace IAS 1 Presentation of Financial Statements and is effective for annual reporting periods beginning on or after the 1 January 2027 in the private sector. The impact of IFRS 18 on the Public Sector is still being assessed, and a decision has not yet been taken on an implementation date.”

IFRS 19 Subsidiaries without Public Accountability: Disclosures

IFRS 19 allows eligible subsidiaries to apply IFRS Accounting Standards with reduced disclosure requirements and is effective for annual reporting periods beginning on or after the 1 January 2027 in the private sector. The impact of IFRS 19 on the Public Sector is still being assessed, and a decision has not yet been taken on an implementation date.”

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	2025–26 Total	Executive Support	GRID	2024–25 Total
		£000	£000	£000	£000	£000	£000
Gross Expenditure	3	28,383	205,555	233,938	25,588	901,800	927,388
Income	4	(104)	(12,206)	(12,310)	(96)	(7,819)	(7,915)
Net Expenditure		28,279	193,349	221,628	25,492	893,981	919,473

2.1 Reconciliation between Operating Segments and SoCNE

	Note	Executive Support	GRID	2025–26 Total	Executive Support	GRID	2024–25 Total
		£000	£000	£000	£000	£000	£000
Total net expenditure reported for operating segments		28,279	193,349	221,628	25,492	893,981	919,473
Reconciling items:		-	-	-			
Income		-	-	-	-	-	-
Expenditure					-	-	-
Total net expenditure per Statement of Comprehensive Net Expenditure		28,279	193,349	221,628	25,492	893,981	919,473

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

	Note	2025–26 £000 Core Department	2025–26 £000 Departmental Group	2024–25 £000 Core Department	2024–25 £000 Departmental Group
Staff Costs[3]:					
Wages and salaries		13,050	15,434	11,807	13,962
Social Security costs		1,661	1,939	1,254	1,436
Other Pension costs		3,969	4,665	3,580	4,129
Contracted Out Services		703	730	670	692
Office Services including advertising, communications and stationery)		271	480	314	479
Staff related costs (including travel subsistence and training)		321	373	333	381
Professional Costs		813	955	280	313
External Audit fees (ALBs)[4]		-	46	-	44
Accommodation Costs		418	530	239	331
Other		654	690	703	782
Finance Expense		29	30	32	36
Rentals under operating leases		5	5	(35)	(35)
Managed Services		356	356	386	386
Consultancy		-	-	17	17
Non Capital Purchases		58	101	66	109
Non-cash items:					
Other notional charges		1,442	1,442	1,994	1,994
Office accommodation		1,491	1,491	1,232	1,232
(Decrease)/Increase in provision		170	170	16	16
Depreciation		165	253	166	252
Loss on disposal of property, plant and equipment		-	1	4	4
Amortisation		35	53	34	55
Total		25,611	29,744	23,092	26,615

[3] Further analysis of staff costs is located in the Staff Report on page 96
[4] Includes £0k for NFI charges (2024-25 £1k)

3b. Programme Expenditure

	Note	Core Department 2025–26 £000	Departmental Group 2025–26 £000	Core Department 2024–25 £000	Departmental Group 2024–25 £000
Staff Costs: [5]					
Wages and salaries		12,608	28,219	12,643	27,384
Social Security costs		1,577	3,552	1,227	2,860
Other Pension costs		3,740	6,196	3,631	6,001
Grants		70,988	50,088	64,211	42,623
EU Programme Spend		11,601	11,602	3,745	3,745
Office Services		1,423	2,529	1,325	2,368
Professional Costs		3,908	5,612	6,086	7,165
External Audit fees (ALBs)[6]		-	169	-	143
Other		4,116	4,430	4,328	4,713
Other– Victims Payments [7]		22,433	22,433	73,147	73,147
Finance expense		82	108	49	84
Rentals under operating leases		91	52	99	139
Interest on net defined benefit liability		-	-	-	-
Contracted Out Services		828	1,298	951	1,411
Accommodation Costs		986	2,150	747	1,823
Staff related Costs		477	897	758	1,105
Managed Services		372	449	178	223
Consultancy Costs		341	393	24	87
Non Capital Purchases		40	63	51	59
Non-cash items:					
Other notional charges		-	-	-	-
Diminution in the value of property, plant and equipment		5,793	6,767	(242)	(117)
Depreciation		1,010	1,955	1,002	1,700
(Decrease)/Increase in provision		65,735	66,114	730,004	729,258
Amortisation		187	219	127	373
Bad debt written off		-	6	2	4
Unrealised Exchange (Gain)/Loss		(298)	(298)	390	390
(Profit)/Loss on disposal of property, plant and equipment		175	175	(296)	(68)
Total		208,213	215,178	904,187	906,620

[5] Further analysis of staff costs is located in the Staff Report on page 96
[6] Includes £0k for NFI charges (2024-25 £4k)
[7] 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.

	2025–26	2024–25
	£000	£000
Core Department	115	109
Departmental Group Notional Audit Costs	**115**	**109**

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

		2025–26 £000		2024–25 £000
	Core Department	Departmental Group	Core Department	Departmental Group
EU Income	11,602	12,534	3,745	4,166
Recovery of Secondee Costs	216	8,067	5	6,676
Rental Income	240	607	116	600
HIA – Contributions from Institutions	134	134	3,947	3,947
Miscellaneous Other Operating Income	118	600	102	553
Total Operating Income	12,310	21,942	7,915	15,942

5 Property, plant and equipment

Consolidated 2025–2026

	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 2025	10,813	5,544	135	1,176	1,298	1,713	9,100	29,779
Adjustment	(1)	(29)	-	(1)	(7)	1	(1)	(38)
Additions	26	(376)	-	37	85	15	1,798	1,585
Lease Reassessments/ Modifications	-	-	-	-	-	-	-	-
Reclassifications	4,749	2,109	-	(23)	-	-	(6,835)	-
Disposals	-	(154)	-	(127)	(4)	(58)	(3)	(346)
Impairment (a)	-	-	-	-	-	-	-	-
Revaluation charged to SCNE (a)	(4,774)	(2,262)	-	-	-	-	-	(7,036)
Revaluation (a)	-	(8)	15	6	8	57	-	78
At 31 March 2026	**10,813**	**4,824**	**150**	**1,068**	**1,380**	**1,728**	**4,059**	**24,022**
Depreciation								
At 1 April 2025	-	718	81	970	1,095	1,420	3	4,287
Adjustment	-	7	1	(2)	(6)	-	(3)	(3)
Charged in period	-	388	25	83	93	74	-	663
Reclassifications	-	-	-	-	-	-	-	-
Disposals	-	(4)	-	(125)	(4)	(58)	-	(191)
Impairment (a)	-	-	-	-	-	-	-	-
Revaluation charged to SCNE (a)	(2)	(268)	-	-	-	-	-	(270)
Revaluation (a)	2	(83)	11	(46)	-	(117)	(2)	(235)
At 31 March 2026	-	**758**	**118**	**880**	**1,178**	**1,319**	**(2)**	**4,251**
Carrying amount								
At 31 March 2025	**10,813**	**4,826**	**54**	**206**	**203**	**293**	**9,097**	**25,492**
At 31 March 2026	**10,813**	**4,066**	**32**	**188**	**202**	**409**	**4,061**	**19,771**
Of the total:								
Department	5,351	1,948	32	83	65	320	3,797	11,596
Arm's Length Bodies	5,462	2,118	-	105	137	89	264	8,175
At 31 March 2026	**10,813**	**4,066**	**32**	**188**	**202**	**409**	**4,061**	**19,771**

Includes only assets owned by the Group. See Note 16 for leased assets.

(a) Revaluations were undertaken in respect of Ebrington Barracks and the Crisis Management Centre as at 31 March 2026 by Land & Property Services (LPS). 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 (£5.225m) for land and £1.44m (£1.41m) for buildings. The Crisis Management Centre was valued at £0.125m (£0.125m) for land and £0.125m (£0.125m) for buildings. LPS revaluation of the MLKDC asset portfolio at 31 March 2026, determined the aggregate value of the asset portfolio, which included operational and non-operational land and buildings to be in the region of £6.400m (£6.370m). Total land was valued at £5.463m (£5.463m) with buildings valued at £0.938m (£0.908m).

5 Property, plant and equipment (continued)

Consolidated 2024–25

	Land	Buildings (*Restated)	Transport Equipment	Plant & Machinery (*Restated)	Information Technology	Furniture & Fittings	Payments on Account & Assets under Construction	Total (*Restated)
Cost or valuation	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**
At 1 April 2024	10,799	3,819	152	1,290	1,311	1,661	9,172	28,204
Adjustment	(3)	38	3	1	(3)	-	-	36
Additions	(5)	862	-	53	41	97	1,530	2,578
Lease Reassessments/ Modifications	-	-	-	-	-	-	-	-
Reclassifications	5	1,356	-	2	-	-	(1,363)	-
Disposals	(175)	(402)	(25)	(180)	(69)	(86)	(230)	(1,167)
Impairment (a)	-	-	-	-	-	-	-	-
Revaluation charged to SCNE (a)	123	(128)	-	1	16	13	(9)	16
Revaluation (a)	69	(1)	5	9	2	28	-	112
At 31 March 2025	**10,813**	**5,544**	**135**	**1,176**	**1,298**	**1,713**	**9,100**	**29,779**
Depreciation								
At 1 April 2024	-	609	78	1,028	1,048	1,405	3	4,171
Adjustment	-	11	1	5	(1)	2	-	18
Charged in period	-	333	24	104	103	65	-	629
Reclassifications	-	-	-	-	-	-	-	-
Disposals	-	(29)	(25)	(176)	(68)	(85)	-	(383)
Impairment (a)	-	-	-	-	-	-	-	-
Revaluation charged to SCNE (a)	-	(127)	-	1	13	12	-	(101)
Revaluation (a)	-	(79)	3	8	-	21	-	(47)
At 31 March 2025	-	**718**	**81**	**970**	**1,095**	**1,420**	**3**	**4,287**
Carrying amount								
At 31 March 2024	**10,799**	**3,210**	**74**	**262**	**263**	**256**	**9,169**	**24,033**
At 31 March 2025	**10,813**	**4,826**	**54**	**206**	**203**	**293**	**9,097**	**25,492**
Of the total:								
Department	5,349	2,549	50	66	65	209	8,877	17,165
Arm's Length Bodies	5,464	2,277	4	140	138	84	220	8,327
At 31 March 2025	**10,813**	**4,826**	**54**	**206**	**203**	**293**	**9,097**	**25,492**

*** Buildings and plant and machinery have been restated to include only assets owned by the Group.** ***See Note 16 for leased assets.***

6 Intangible Assets

Consolidated
2025-26

	Software Licenses £000	Developed Software £000	Web Sites £000	Total £000
Cost or valuation				
At 1 April 2025	964	1,381	180	2,525
Adjustment	-	28	1	29
Additions	19	611	4	634
Disposals	(8)	(6)	(21)	(35)
Revaluations charged to SoCNE	-	-	-	-
Reclassification	-	-	-	-
Revaluations	-	-	-	-
At 31 March 2026	**975**	**2,014**	**164**	**3,153**
Amortisation				
At 1 April 2025	820	568	139	1,527
Adjustment	1	29	(1)	29
Charged in year	65	217	12	294
Disposals	(7)	(6)	(4)	(17)
Revaluations charged to SoCNE	-	-	-	-
Revaluations	-	-	-	-
At 31 March 2026	**879**	**808**	**146**	**1,833**
Carrying amount at 31 March 2025	**144**	**813**	**41**	**998**
Carrying amount at 31 March 2026	**96**	**1,206**	**18**	**1,320**
Of the total:				
Department	-	1,206	6	1,212
Arm's Length Bodies	96	-	12	108
Carrying amount at 31 March 2026	**96**	**1,206**	**18**	**1,320**

6 Intangible Assets (continued)

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**
Arm's Length Bodies	144	(1)	18	**161**
Carrying amount at 31 March 2025	**144**	**813**	**41**	**998**

7 Impairments

	2025–26 £000 Core Department	2025–26 £000 Departmental Group	2024–25 £000 Core Department	2024–25 £000 Departmental Group
Amount Charged to the Statement of Comprehensive Net Expenditure	424	424	88	88
Total	**424**	**424**	88	88

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. £7,619k repayment of FTC was received in 2025–26 (2024-25: £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 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**
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Repayments and redemptions	-	-	-	(7,619)	-	(7,619)
Amortisation	-	-	-	10,151	-	10,151
Revaluations	-	-	-	-	-	-
Impairments	-	-	-	-	-	-
Balance at 31 March 2026	-	-	-	**315,497**	**-**	**315,497**

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	137,968	-	137,968
Later than five years	169,910	-	169,910
	315,497	**-**	**315,497**

The Group (through Strategic Investment Board Ltd) facilitated the transfer of funds for DoF and DfE (the lead Departments) to Queen’s University Belfast, Ulster University and GFS Corporate Directorate II Limited for FTC loan agreements.

i. The loan to GFS Corporate Directorate II Limited, the vehicle holding the NI Investment Fund is interest bearing at a rate of Sterling Overnight Index Average (SONIA) previously London Interbank Offered Rate (LIBOR) plus 4%, with interest accruing quarterly. There is a repayment moratorium until the tenth anniversary of the loan in 2028-29, followed by five years of capital and interest repayments. The total value of the loan as at 31st March 2026 is £150m (2024-25: £150m). The loans are initially recorded at fair value at the HM Treasury (HMT) discount rate of 2.45% (2024-25: 2.15%) and subsequently recorded at amortised cost using the effective interest rate method.

ii. The loan to Queen’s University Belfast is an interest free loan agreement. In 2025-26 Strategic Investment Board Ltd received a loan repayment of £1,275m (2024-25: £1.275m). The outstanding loan amount as of 31st March 2026 is £19.960m (2024-25: £21.235m).

iii. In 2020-21 the Strategic Investment Board Ltd issued an £80m FTC loan to Ulster University and consolidated the outstanding balance on loans previously issued. An additional £21m was issued in 2021-22. In 2025-26 Strategic Investment Board Ltd received a loan repayment of £6.344m (2024-25: nil). The total value of the Ulster University's FTC loans as at 31st March 2026 is £152.3m (2024-25: £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, DoF 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.

10 Assets Held for Sale

TEO currently do not have any assets held for sale as at 31 March 2026.

11 Cash and Cash Equivalents

	2025–26		2024–25	
	£000		£000	
	Core Department	Departmental Group	Core Department	Departmental Group
Balance at 1 April	(366)	3,753	1,299	4,378
Net change in cash and cash equivalent balances	(87)	(436)	(1,665)	(625)
Balance at 31 March	(453)	3,317	(366)	3,753
The following balances at 31 March were held at: Commercial banks and cash in hand	(453)	3,317	(366)	3,753
Balance at 31 March The balance comprises:				
Commercial banks and cash in hand	115	3,317	258	3,753
Overdraft	(568)	-	(624)	-
	(453)	3,317	(366)	3,753

12 Trade receivables, financial and other assets

		2025–26		2024–25
		£000		£000
	Core Department	Departmental Group	Core Department	Departmental Group
Amounts falling due within one year:				
Trade receivables[1]	161	1,741	153	1,752
Deposits and advances	4,748	4,748	4,305	4,305
Other receivables[2]	35	11,045	26	11,130
Prepayments	8,759	8,988	5,000	5,186
Accrued Income	10,825	11,368	6,702	8,541
Amounts due from EU	12,393	12,394	8,629	8,629
VAT	188	(266)	273	(98)
Amounts due from the Consolidated Fund in respect of supply	468	468	381	381
Total	37,577	50,486	25,469	39,826
Amounts falling due after more than one year:				
Deposits and advances	54	54	80	80
Other receivables	301	393	305	305
Total	**37,932**	**50,933**	**25,854**	**40,211**

1.Trade receivables and other current assets contains £6k (2024-25: £6k) which will be surrendered to the Consolidated Fund when received.
2. Departmental Group Other receivables includes £7,619k (2024-25: £1,275k) FTC loan to be repaid (Notes 8 and 9 refer)

13 Trade payables, financial and other liabilities

		2025–26		2024–25
		£000		£000
	Core Department	Departmental Group	Core Department	Departmental Group
Amounts falling due within one year				
Bank Overdraft	568	-	624	-
Other taxation and social security	-	-	-	-
Trade payables	227	687	157	876
Other payables	28	782	28	766
Accruals	56,162	58,435	56,227	58,940
Deferred income	6,856	6,940	3,881	3,916
Non current asset accruals	527	527	115	115
Finance Leases (non PFI)	747	1,201	707	1,607
Amounts due to EU	-	4,275	-	4,210
Amounts issued from the Consolidated fund for supply but not spent at year end	-	-	-	-
Consolidated Fund extra receipts due to be paid to the Consolidated Fund:				
Received	15	15	16	16
Receivable	6	6	6	6
	65,136	**72,868**	**61,761**	**70,452**
Amounts falling due after more than one year:				
Other payables, accruals and deferred income	13	13	13	13
Leases	2,957	3,281	3,129	3,839
Total	**68,106**	**76,162**	**64,903**	**74,304**

14 Provisions for liabilities and charges

	2025–26 £000		2024–25 £000	
	Core Department	Departmental Group	Core Department	Departmental Group
Balance at 1 April	759,478	759,767	46,856	47,890
Provided in the year	80,165	80,544	730,030	730,034
Provisions not required written back	(14,260)	(14,260)	(10)	(760)
Provisions utilised in the year	(54,430)	(54,522)	(17,398)	(17,398)
Changes in discount rate				
Borrowing costs (unwinding of discounts)	-	-	-	-
Balance at 31 March	770,953	771,529	759,478	759,766

Analysis of expected timing of discounted flows

	2025–26 £000		2024–25 £000	
	Core Department	Departmental Group	Core Department	Departmental Group
Not later than one year	170,698	171,274	129,352	129,640
Later than one year and not later than five years	360,082	360,082	430,043	430,043
Later than five years	240,173	240,173	200,083	200,083
Balance at 31 March	770,953	771,529	759,478	759,766

					2025–26 £000
	Equal Pay	Injury Award	Redress	Other	Departmental Group
Not later than one year	11	22	170,500	741	171,274
Later than one year and not later than five years	-	82	360,000	-	360,082
Later than five years	-	173	240,000	-	240,173
Balance at 31 March	11	277	770,500	741	771,529

14.1 Equal Pay

This provision represented the Department's share of the settlement pay made to staff at AA, AO, EOII 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 injury claims by former employees. Payments are expected to continue for the lifetime of the claimants, increasing in line with the Consumer Prices Index.

The amount of the provision is calculated using the current monthly payments and actuarial tables which show average life expectancy.

Future costs have been discounted at the 2.95% 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 and legal costs in relation to the Historical Institutional Abuse Redress Scheme, has been included for £0.5m. 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 £0.4m to cover the costs of these final payments to applicants and £0.1m potential legal costs that may arise from Judicial Reviews.

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.

It is expected that this will be utilised in 2026-27 and will not be carried forward into 2027-28. The HIA Redress Board had received 5,496 applications by the closure date of 2 April 2025. To date £114.6m has been paid to applicants, with legal costs of £3.6m incurred.

The HIA Redress Board will be formally closed down after all outstanding cases have been determined upon and any outstanding legal challenges resolved. The closure process will also involve the transfer of the Board's formal record to PRONI. It is currently estimated that closure will occur during September 2026.

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.
    - 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.
    - 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.
    - 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.
    - 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.
    - 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 twelve months will continue in the future.

- Level of payment award.
    - 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.
    - 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 applicants on 2 April 2025. All determinations were made by 31 March 2026 with less than ten claims remaining to be paid.

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 £770 million (the estimate by GAD only includes future cashflow from 31 March 2026 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 30 August 2026.

Up to 2024-25, the future expected cost of the Scheme had been reported as Contingent Liability under Financial Reporting Standard IAS 37 (Provisions, Contingent Liabilities and Contingent Assets), due to significant uncertainty in the estimates. However sufficient data was available by year end 2024-25 to report a provision of £730m and contingent liability of £330m.

Given the level of successful determinations of applications and payment experience accumulated to date, GAD were asked to update their estimate of the total expected future cost of the TPDPS. Their review analysed data and reviewed changes to the subset that affected material assumptions to inform updated projections and projected costs. This has resulted in

- a provision of £770m 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 of £90m 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 [1]reported/received but not determined at 31 March 2026.

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:

[1] 'Reported' refers to an application which has been received by the Victims' Payments Board.

- Number of cases as at 31 March 2026

  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 award type.

- Success rate of cases
  - an application success rate of 64.05% has been applied based on the information on number of determinations at 31 March 2026.

- 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 [1]reported but not settled and yet to be [1]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 limited number of cases who were not eligible for an immediate lump sum but eligible at a future date. GAD propose an assumption of 40% future lump take-up rate based on the data available.

- 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 lump sum of ten times monthly payments.

- 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 eligible 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 had previously assumed that only a certain proportion of claimants are assumed to have a nominated individual who receives benefits and this remains the case.
  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 [1]reported but not settled and not-reported cases GAD have again assumed that **75%** of claimants have a nominated individual when they die.

The discounted expected future costs, as of 31 March 2026, 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 £860 million. This reflects expected future cash outflows from 31 March 2026. It excludes the cost of payments already made by 31 March 2026, including back payments, lump sums and regular payments.

As at 31 March 2026	Discounted expected future cost (£m)	Accounting treatment in TEO 2025-26 Annual Accounts
Cases already in Payment (In Payment)	70	Provision
Cases that have been [1]reported but not settled (Reported/applications received)	700	Provision
Cases that are yet to be [1]reported (Not Reported/no application yet received)	90	Contingent Liability
Total	**860**	

To date £133.2m has been paid to applicants, of which £48.5m was paid during 2025-26.

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 received by 30 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	**860**		
Discount rate 1.0% lower per annum	910	+50	+6%
Inflation 1.0% higher per annum	910	+50	+6%

10% more successful cases[8]	940	+80	+9%
Award size 10% higher	940	+80	+9%

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 including 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. The 2024-25 Holiday Pay provision has been estimated by HR and covers the period from November 1998 to 31 March 2020, reflecting an assessment of the possible extent of liability under the current legal framework: settlement remains subject to negotiation and resolution of outstanding uncertainties.

There are still some significant elements of uncertainty around this estimate for a number of reasons including:

- i Lack of agreement with claimants' legal representatives around how to treat data for years previous to 2011; and
- ii Ongoing negotiations with Trade Union and their legal representatives which will determine the final scope of settlement.

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).

[8] *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.*

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	**2025–26**	**2024–25**
	£000s	**£000s**
Net defined benefit pension liability at the beginning of the year	**-**	-
Current service cost	78	118
Employer contributions	(106)	(115)
Interest on the net defined benefit liability	(139)	(47)
Interest on unrecognised asset	136	44
Actuarial gains/(losses)	31	-
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

Based on estimates provided by GAD, potential estimated future payments may total around £860m over the lifetime of the Scheme, and a contingent liability of £90m will therefore still be required. This is only for payments to eligible applicants and does not include administration costs.

To date £132.2m has been paid to eligible applicants, of which £48.5m was paid during 2025-26.

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. The Bill was introduced in June 2025 and with Royal Assent is expected in Autumn 2026. 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

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 31st July 2026. This contingent liability totals £0.75m.

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 2025–26

	Buildings	Plant & Machinery	Total
	£000	£000	£000
Cost or valuation			
At 1 April 2025	8,361	10	8,371
Adjustment	(9)	-	(9)
Additions – new leases	682	13	695
Revaluations	(48)	-	(48)
Impairment/impairment reversals	-	-	-
Disposals	(49)	(11)	(60)
Remeasurement – existing leases	19	-	19
Reclassifications	-	-	-
At 31 March 2026	**8,956**	**12**	**8,968**

Consolidated 2025–26

	Buildings	Plant & Machinery	Total
	£000	£000	£000
Depreciation			
At 1 April 2025	3,544	9	3,553
Adjustment	(10)	-	(10)
Depreciation charged in year	1,520	2	1,522
Revaluation	(33)	-	(33)
Impairment/impairment reversals	-	-	-
Disposals	(49)	(9)	(58)
Reclassifications	-	-	-
At 31 March 2026	**4,972**	**2**	**4,974**
NBV at 31 March 2025	4,817	1	4,818
NBV at 31 March 2026	3,984	10	3,994

16.2 Quantitative disclosures around lease liabilities

Maturity analysis

	2025–26		2024–25	
	£000		£000	
Buildings	**Core Department**	**Departmental Group**	**Core Department**	**Departmental Group**
Not later than one year	825	1,300	784	1,773
Later than one year and not later than five years	1,970	2,311	1,988	2,782
Later than five years	1,209	1,209	1,322	1,322
	4,004	4,820	4,094	5,877
Less interest element	(300)	(338)	(258)	(330)
Present Value of obligations	3,704	4,482	3,836	5,547

	2025–26		2024–25	
	£000		£000	
Other	**Core Department**	**Departmental Group**	**Core Department**	**Departmental Group**
Not later than one year	-	-	-	-
Later than one year and not later than five years	-	-	-	-
Later than five years	-	-	-	-
	-	-	-	-
Less interest element	-	-	-	-
Present Value of obligations	-	-	-	-
Total Present Value of Obligations	**3,704**	**4,482**	**3,836**	**5,547**
Current portion	747	1,201	707	1,665
Non-current portion	2,957	3,281	3,129	3,882

16.3 Quantitative disclosures around elements in the Statement of Comprehensive Net Expenditure

	2025–26		2024–25	
	£000		£000	
	Core Department	Departmental Group	Core Department	Departmental Group
Sub-leasing income	-	156	-	187
Variable lease payments not included in lease liabilities	-	-	3	3

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

	2025–26		2024–25	
	£000		£000	
	Core Department	Departmental Group	Core Department	Departmental Group
Total cash outflow for lease	**902**	**1,818**	**777**	**1,721**

17 Capital and other commitments

17.1 Capital Commitments

	2025–26		2024–25	
	£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	1,625	1,625	5,297	5,397
Total	**1,625**	**1,625**	**5,297**	**5,397**

17.2 Other financial commitments

	2025–26 £000 Core Department	2025–26 £000 Departmental Group	2024–25 £000 Core Department	2024–25 £000 Departmental Group
Not later than one year	1,579	1,579	3,852	3,852
Later than one year and not later than five years	200	200	136	136
Later than five years	-	-	-	-
Total	1,779	1,779	3,988	3,988

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.

£0.374m relates to analytical services, £1.4m relates to DNA Museum (DCSDC) and £0.005m relates 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.

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.

A relative of Mrs Joan O’Hara, Director of Urban Villages and Infrastructure, is Secretary of Community Restorative Justice Ireland, an organisation which delivers services funded through the Communities in Transition programme. Mrs O’Hara was not involved in the transactions.

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 2025–26 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 (Arm's Length) Bodies

  Community Relations Council
  www.community-relations.org.uk
  www.community-relations.AnnualReport2024-25

  Commission for Victims and Survivors for NI
  www.cvsni.org
  www.cvsni.org.AnnualReport2024-25

  Equality Commission for NI
  www.equalityni.org
  www.equalityni.org.AnnualReport2024-25

  Maze/Long Kesh Development Corporation
  www.mazelongkesh.com
  www.mazelongkesh.AnnualReport2024-25

  Northern Ireland Judicial Appointments Commission
  www.nijac.gov.uk
  www.nijac.gov.uk.AnnualReport2024-25

  Strategic Investment Board Limited

www.sibni.org
www.sibni.org.AnnualReport2024-25

The Commissioner for Survivors of Institutional Childhood Abuse
www.cosica-ni.org
www.cosica-ni.org.AnnualReport2024-25

Victims and Survivors Service Limited
www.victimsservice.org
www.victimsservice.org.AnnualReport2024-25

The Irish Language Commissioner
www.coimisineir.org

The Office of Identity and Cultural Expression
www.oice.org

Commissioner for the Ulster Scots and the Ulster British Tradition
www.cusubt.org.uk

**The Annual Report and Accounts of the above bodies are published separately and can be accessed for each of the bodies through the weblinks above.*

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 2026.

ANNEX A

ANNEX A: SUSTAINABILITY REPORT

About this sustainability report

This sustainability report has been prepared in accordance with NI's Sustainability Reporting Guidance 2025-26, which is aligned with HMT sustainability reporting guidance and the Task Force on Climate-related Financial Disclosures (TCFD) recommendations.

All information included in this sustainability report conforms to the normal public sector financial year of 1 April to 31 March. NI's Sustainability Reporting Guidance 2025-26 was issued to NICS departments mid-year, i.e. departments were unaware of the information they were expected to collect at the start of the 2025-26 financial year. As such the department does not have full and auditable information on which to report against the emissions reporting and optional disclosures. The department is committed to full reporting in accordance with guidance in future years, commencing 2026-2027.

The organisational boundary used in this sustainability report is the core Department. The information disclosed in this report relates to the estate that the Department occupies. It also includes the environmental impact from a building that is rented by the Department. In cases where a building is shared by two or more Departments, the data is proportioned by the floor space utilised by the tenant. For example, if a department rents 50% of the floor space of a building, the department will report 50% of the emissions associated with that building.

DAERA is the policy holder and will update the guidance over time. The Executive Office acts as its own policy administrator, coordinating data collection, assurance and preparation of this report.

In order to report the greenhouse gas emissions associated with activities, 'activity' data such as distance travelled, or tonnes of waste disposed has been converted into carbon emissions. The greenhouse gas conversion factors used in this report were published by the UK Government and can be found via the following link: Government conversion factors for company reporting of greenhouse gas emissions - GOV.UK

TEO CORE DEPARTMENT

1. GOVERNANCE STATEMENT

Board's Oversight Arrangements

The Climate Change Act has placed substantial new requirements on all Departments, not least the collective responsibility for all NICS departments to achieve Net Zero by 2050. The Act has also placed a specific requirement on TEO in relation to the establishment of the NI Climate Commissioner. Reporting on progress on this work is taken forward through updates to the Department's Business Plan.

In terms of the broader requirements related to achieving Net Zero, it has been acknowledged that TEO has significantly fewer levers available to reduce emissions in a material way when compared with other departments. For example, the Department does not have a large vehicle fleet, it does not hold a substantial estate (beyond that which is managed centrally by DoF), it is not responsible for large ALBs across the public sector, and it is not responsible for policy or programmes which emit significant volumes of greenhouse gases.

In that sense, the department has taken a proportionate approach by ensuring that business areas are engaged with partners where relevant (for example, with DoF Estates and Central Procurement Directorate).

Management's Role in Assessing and Managing Climate-Related Issues

TEO continues to be represented on, and participates in, the DAERA-led fora to progress the Climate Change (NI) Act 2022; and other NICS-wide fora on sustainability initiatives such as the NICS Fleet Working Group. This ensures the Department remains aware of relevant developments.

The Department's primary responsibility from the Climate Change Act is the establishment of the NI Climate Commissioner. To support this work, at the end of 2025-2026, the department strengthened the branch responsible for Climate Change actions with the addition of a Grade 7. Going into 2026-2027 the focus of the team will be on establishing the NI Climate Commissioner's Office, appointing a Commissioner, and taking forward priority work on the Section 52 commitments of the Act.

To date, reporting to the Departmental Board on the duties of TEO stemming from the Act has taken place via updates on the Department's Business Plan. In the year ahead, it is intended that a more regular rhythm of specific reporting will commence which takes account of the Department's broader set of responsibilities.

A staff survey is currently under development between the Climate Change unit and Analytical Services colleagues. The survey will build upon similar surveys that have been undertaken in other NICS Departments. It is intended to raise awareness across the Department of the broad set of requirements placed upon the NICS by the Climate Change Act, to affect behavioural change in terms of working and home-life practices, and to draw attention to and drive engagement with available training packages (e.g. Climate Smart).

2. TARGETS AND BASELINE

The Department continues to gather information on utility usage across its estate. The breadth of information currently available varies across the TEO office accommodation, for example, where commercial leases are in place. The Department recognises the need to develop this information for baseline measurement and target setting which will become mandatory reporting in 2027-2028. This exercise will commence during 2026-2027.

3. EMISSION SCOPE 1 (fuel burned) and 2 (purchased electricity)

Stormont Castle and Castle Buildings are owned by DoF. As the estate owner, DoF is responsible for the management of the buildings, including the Energy Collaborative Framework arrangements, procurement, planned preventative maintenance (PPM) of boilers and associated systems. DoF also has energy management systems in place within both buildings. As the occupying department, The Executive Office has limited influence over these estate and energy management arrangements, as responsibility for these matters rests primarily with DoF.

Table 1: Energy emissions, consumption and cost for fuel burned and purchased electricity in 2025-26

Unit	Description	Scope 1 (fuel burned)	Scope 2 (purchased electricity)*
Stormont Castle	Emissions (kg CO2e)	429,142 x 0.21450 = 92,051	183,616 x 0.20705 = 38,018
	Consumption (kWh Gross CV)	429,142	183,616
	Net Cost (£millions)	£29,587	£33,801
Castle Buildings	Emissions (kg CO2e)	459,781 x 0.21450 = 98,623	189,754 x 0.20705 = 39,287
	Consumption (kWh Gross CV)	459,781	189,754
	Net Cost (£millions)	£30,147	£34,416

Data Source: figures to be provided by DoF

*As the guidance was issued on 23 March 2026, and with 2025-26 data not being available, 2024-25 data is used for Scope 2 (purchased electricity) instead. Work is planned to try and improve the quality, consistency, and availability of data sources ahead of future reporting cycles

EMISSION SCOPE 1: Fuel burned from department owned transport

Table 2: Mileage and emissions by department owned vehicle type in 2025-26

Vehicle size/ type	Fuel type	Mileage 2025-26	Kg CO2e 2025-26
Large passenger car	Petrol/Hybrid	7,675 miles	156.34
Large passenger car	Petrol/Hybrid	13,668 miles	278.41
Large passenger car	Petrol/Hybrid	5,746 miles	117.05
Large passenger car	Petrol/Hybrid	9,324 miles	189.93

Data source: Mileage from vehicles
Conversion factor 0.02037 Kg CO2e per mile

4. EMISSION SCOPE 3: Business Travel using public transport that is claimed back[9]

[9] This data is sourced from a system that processes travel claims for departmental staff. The system is administered by the Department of Finance.

Please note there is no known record of mileage associated with public transport claims, only costs as shown in Table 3.

Table 3: Expenses claimed for public transport used for official business travel (excludes staff commuting to their regular place of work)

Year	Bus (Cost, £)	Rail (Cost, £)	Taxi (Cost, £)
2025-26	720.57	14,541.25	13,938.69

Data Source: Account NI

EMISSION SCOPE 3: Business travel that is booked via Travel Desk[10]

Table 4: Air and rail travel booked by Travel Desk for The Executive Office

Mode of Transport	Category	Class	Year 2025-26	
			Distance (km)	Emissions (kg CO_2e)
Domestic flight		Economy	134,304	32,986
		Premium economy	Nil	Nil
		Business	8,464	2,307
		First	Nil	Nil
International flight	**Short haul**	Economy	33,142	4,876
		Premium economy	Nil	Nil
		Business	Nil	Nil
		First	Nil	Nil
	Long haul	Economy	323,304	39,389
		Premium economy	Nil	Nil
		Business	48,766	15,478
		First	Nil	Nil
Rail travel		Standard	7,223	124
		First	Nil	Nil

Data Source: Selective Travel

Table 5: Hotel stay booked by Travel Desk or equivalent for TEO

Country	Number of nights stayed	Emissions (kg CO2e)

[10] The department sourced the information in Tables 4, 5 and 6 from the contractor who books travel, hotel rooms and hired cars on behalf of departmental staff when requested. The contractor uses the same conversion tables as the department used in this sustainability report.

Belgium	138	634
Canada	7	52
China	14	749
Guernsey	2	-
Ireland	36	800
United Kingdom	443	2,860

Data Source: Selective Travel

Please note that the car size and fuel type of hired cars is unknown, therefore the emissions are based on average car size and fuel type.

Table 6: Car hire booked by Travel Desk or equivalent for The Executive Office

Year	Mileage	Emissions (kg CO2e)
2025-26	356	95.62

Data Source: Selective Travel

5. PAPER PRINTED

Table 7: Paper printed by year

Year	Paper printed (pages)
2025-26	1,160,262 (includes copying as well as printing)

Data Source: DoF - IT Assist

TEO uses Printing paper that is 100% recycled and procured through DoF approved contract

6. RESPONSIBLE DISPOSAL OF ICT WASTE

In the specification of the “Framework for disposal services for IT equipment, electronic and electrical equipment”, suppliers must have BS EN ISO 14001; 2015 - Environmental Management System accreditation (or equivalent) before being appointed to the framework.

The framework specification also requires the following from suppliers.

“All equipment that is not resold must be dismantled and recycled/disposed in accordance with the relevant legislation including, but not limited to:

- the Waste Electrical and Electronic Equipment Directive.
- BS EN ISO 14001: 2015.

- the Environmental Protection Act 1990; and
- the Hazardous Waste Regulations.

Data Source: IT Assist

7. SUSTAINABLE PROCUREMENT

The Scoring Social Value policy approved by the Executive, mandated that from June 2022, tenders must include a minimum of 10 percent of the total award criteria to social value. On 5 December 2024 DoF secured Executive approval for a revised PPN (Procurement Policy Note) 01/21 - Social Value in Procurement. This came into effect on 24 February 2025 and strengthened and broadened the theme ‘Delivering Net Zero’ to 'Delivering Climate Action'.

For information on the meaning of Social Value: the Public Procurement Policy Statement which was approved by the NI Executive on the 5th of June 2025 states “Social Value means economic, environmental and social benefits in support of the Programme for Government”. The DoF Social Value Strategy document 2025-2027 states, “Social Value refers to wider financial and non-financial impacts on the wellbeing of individuals, communities and the environment. It incorporates ethical and sustainable supply chains, community benefits and wealth building, job and skills creation and efforts to combat climate change”.

The Procurement Policy Note (PPN) 01/21 – Scoring Social Value has been revised to Procurement Policy Note (PPN) 01/21 - Social Value in Procurement and came into effect on 24 February 2025.

8. SINGLE USE PLASTICS

Department of Agriculture, Environment and Rural Affairs (DAERA), in partnership with DoF, has removed all unnecessary single-use plastic (SUP) from the Government estate and a ban on the use of unnecessary SUP across the Northern Ireland Civil Service (NICS) estate, is now in place.

Optional disclosures

9. RECYCLED WASTE

As of 31 March 2026, TEO Core Department staff are located in two DoF buildings: Stormont Castle and Castle Buildings. Waste contracts for these sites are managed by Central Procurement Directorate (CPD), with River Ridge currently appointed as the waste contractor. Waste data provided by River Ridge is currently provided per building.

Recycled waste information must be apportioned based on the Department's occupied floor area. In line with reporting boundary guidance, the Department relies on occupancy percentage figures provided by DoF to calculate its share of recycled waste.

The occupancy percentages provided by DoF are as follows:

- Stormont Castle – 100%
- Castle Buildings – 29%

These percentages have been applied in the calculation of the recycled waste figures presented in the following table:

Table 8: Total weight and cost of recycled waste 2025-26

		Waste recycled (tonnes)	Cost of waste recycled (£,000)
Stormont Castle	Total waste recycled	10.272	N/A
	Waste composted/ food waste	N/A	N/A
	Waste incinerated with energy recovery	N/A	N/A
	Waste incinerated without energy recovery	N/A	N/A
Castle Buildings	Total waste recycled	9.919	N/A
	Waste composted/ food waste	N/A	N/A
	Waste incinerated with energy recovery	N/A	N/A
	Waste incinerated without energy recovery	N/A	N/A

Data Source: DoF via River Ridge unable to provide costs at this time

Estimated figures based on overall waste for Castle Buildings and TEO's 29% occupancy levels.

10. WATER CONSUMPTION

As of 31 March 2026, TEO Core Department staff are located in two DoF buildings (Stormont Castle and Castle Buildings) on the Stormont Estate. At present, water consumption data for the Stormont Estate is recorded at an aggregated level and cannot be disaggregated by individual building. Consequently, it is not currently possible to apply an accurate departmental proportion to determine water consumption attributable to the TEO Core Department. This will be addressed once building-level data becomes available.

Table 9: Water consumed

Water consumed Year	Water used (cubic metres)	Emissions (kg CO2e)
2025-26	65,702	65,702 X 0.15311 = 10,060
Including sewage	128,121	128,121 X 0.15311 =19,617

Data Source: DOF

ANNEX B

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 does not own or control FTC loans, nor derive any direct economic benefit from them. In addition, SIB does not have the objective of holding FTC loans in order to collect contractual cash flows. On that basis, SIB does 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 Government Financial Reporting Manual (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 recognises a financial asset for the FTC loans. Consequently, SIB's company accounts for the year ended 31 March 2026 include an appendix to illustrate the financial position if SIB was to comply with DoF's direction in relation to FTC loans. The information contained in this appendix is consolidated within TEO's 2025-26 group financial statements.

8. I do not consider that the accounting treatment for FTC loans as directed by DoF complies with IFRS 9 and the FReM. Therefore, the inclusion of £315 million worth of FTC loans within TEO's assets as at 31 March 2026 (31 March 2025: £313 million) represents a material error in the accounts. Consequently, I have qualified my audit opinion on TEO's 2025-26 accounts.

9. The Department advised me that the Administrative and Financial Provisions Bill [NIA 19/22-27], which passed Final Stage in the Northern Ireland Assembly on 15 June 2026, will provide DfE and DoF with the necessary legal powers to administer FTC loans and that neither TEO nor SIB will have any role or accountability in facilitating such loans. TEO anticipates that the Bill will secure Royal Assent before Autumn 2026.

Dorinnia Carville
Comptroller and Auditor General
Northern Ireland Audit Office
106 University Street
BELFAST
BT7 1EU

1 July 2026