Northern Ireland Office

ANNUAL REPORT AND ACCOUNTS 2024-25

HC 1431

3 DECEMBER 2025

Northern Ireland Office

Annual Report and Accounts 2024-25

(For the year ended 31 March 2025)

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of the Government Resources and Accounts Act 2000

Annual Report presented to the House of Commons
By Command of His Majesty

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This is part of a series of departmental publications which, along with the Main Estimates 2024-25 and the document Public Expenditure: Statistical Analyses 2024, present the government's outturn for 2024-25 and planned expenditure for 2025-26.

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Performance Report

Foreword from the Secretary of State for Northern Ireland

The Right Honourable Hilary Benn MP

I am pleased to present the Northern Ireland Office Annual Report and Accounts for 2024-25 to Parliament - the first report I have presented as Secretary of State for Northern Ireland. At the outset, I want to pay tribute to my predecessor Chris Heaton-Harris for the pivotal role he played in supporting the political leaders in Northern Ireland to take the courageous step to restore the Northern Ireland Executive.

The return of power-sharing in February last year was a significant moment, allowing Northern Ireland to take another step forward. To support further progress, my priorities have focused on working with all parties and communities, including resetting our relationship with the Irish Government, to uphold the Good Friday Agreement and ensure the stability of devolved government.

Since taking office, I have focused on building a new relationship between the UK Government and the Northern Ireland Executive which will allow us to tackle the challenges that Northern Ireland faces, particularly in relation to productivity, economic inactivity, generating investment and economic growth, and helping to improve the delivery of public services.

The allocation of a £18.2 billion settlement for 2025/26 for the Northern Ireland Executive is the largest in real terms in the history of devolution. This settlement provides a strong foundation for stability and growth and has supported the Executive in developing a Budget Sustainability Plan and Investment Strategy. This collaboration is crucial for the development of a longer-term fiscal framework for Northern Ireland.

In partnership with the Executive, we have worked together on public sector transformation, creating a new Board to oversee £235 million in funding for new initiatives. Given the complementary nature of the UK Government's Plan for Change and the Executive's nine priorities, we now have a strong foundation to drive innovation, share best practice across the UK, and enhance public service delivery.

The UK Government has also shown its commitment to protecting Northern Ireland's place in the UK internal market and working to deliver the Safeguarding the Union Command Paper – the basis on which devolution was restored. We are implementing the Windsor Framework in good faith, with maximum pragmatism and proportionality, to ensure Northern Ireland can benefit from its unique trading position. To further this, we have established Intertrade UK to boost trade across the UK and the East-West Council to enhance trade promotion and connectivity between Northern Ireland and the rest of the UK. Building on our work to champion Northern Ireland as a place to invest, these developments help to enhance trade and protect the UK internal market and support Northern Ireland's economy to thrive in the longer term.

I am also pleased that during the year, the threat level in Northern Ireland reduced to SUBSTANTIAL having been marked as SEVERE for most of the previous ten years. I will continue to ensure that close collaboration is maintained with our security partners efforts to keep our communities safe and the increase of £37.8 million in funding for the Police Service of Northern Ireland through the Additional Security Fund, combined with our £8 million contribution for the Executive Programme on Paramilitarism and Organised Crime, announced in the October budget, underscores the UK Government's continuing and steadfast commitment to security.

Finally, while nothing can ease the pain so many families still endure from the Northern Ireland Troubles, this Government takes its responsibilities to victims and survivors extremely seriously. I am committed to helping society heal the wounds of the past. I have undertaken extensive discussions with victims, survivors, and other interested parties to seek their views and published legislation to repeal and replace the Legacy Act. I am committed to ensuring that we have a system in place which can help families who are still searching for answers about what happened to their loved ones.

The Right Honourable Hilary Benn MP
Secretary of State for Northern Ireland

Permanent Secretary's Perspective on Performance

Dr Julie Harrison
Northern Ireland Office Permanent Secretary

In my foreword to last year's Northern Ireland Office (NIO) Annual Report and Accounts, I paid tribute to the work and the resilience of the department's staff for their efforts to ensure the successful restoration of the Northern Ireland Executive in February 2024. With the Executive now back in place for over 18 months, I am once again reflecting on the work of colleagues across the department during the 2024-25 reporting period.

Across this period, which included the General Election, the department has worked with Northern Ireland departments and across Whitehall to help ensure that Northern Ireland delivers on its potential. Following the Chancellor's 2024 Budget, Northern Ireland benefits from a substantial £18.2 billion financial settlement for 2025-26, the largest in real terms in the history of devolution. Work to secure this historic funding and agreement on a funding formula that recognises the particular circumstances of Northern Ireland has been complemented through extensive engagement with a wide range of Northern Ireland stakeholders to foster economic growth and budget sustainability, including our work to support the Executive delivering a Budget Sustainability Plan, as well as confirmation of four City and Growth deals.

During this period, we welcomed a new Ministerial team following the General Election in July and have supported Ministerial priorities that seek to strengthen both the UK Government-Northern Ireland Executive relationships as well as British-Irish relations. Through close working with the Executive and other partners we have supported public sector transformation, creating a new Board which will oversee £235m in funding for new initiatives. We have spearheaded new economic initiatives, enhanced trade opportunities and protected the UK internal market including through the establishment of Intertrade UK and the ongoing delivery of the East-West Council.

Since taking up post, the Secretary of State for Northern Ireland has set clear direction for the department, in particular, delivering the manifesto commitment to repeal and replace the

previous Government's Legacy Act. I am immensely grateful to colleagues for their expertise and sustained support to the Secretary of State on this issue, as we seek to bring forward a reformed legacy system that provides answers for families and is compliant with human rights obligations.

Finally, as Accounting Officer, I continue to be extremely conscious of ensuring that the work of the NIO delivers value for money for the taxpayer. This remains a priority for the year ahead.

On a personal note, I am grateful for the support, expertise and dedication that the NIO team and our Non-Executive Directors provide. I am also thankful for the networks and relationships that the department has across Northern Ireland and beyond. I am confident that by continuing to build on those relationships, to focus on delivery, that the NIO will continue to perform effectively into 2025-26 and beyond.

Dr Julie Harrison

Performance Overview

Our Purpose

The UK Government is clear on the Northern Ireland Office's purpose and priorities, which are:

1. Working with the Northern Ireland Executive to transform public services and champion investment opportunity.
2. Implementing the Windsor Framework and protecting the UK internal market, helping Northern Ireland to stabilise.
3. Addressing the legacy of the past in Northern Ireland by repealing and replacing the Legacy Act, including by working on the UK Government's response to relevant judgments in a way that commands the support of the people of Northern Ireland and supports the journey towards reconciliation.

These priorities sit alongside the Secretary of State's statutory responsibilities, including on National Security. They support the UK Government's missions and foundations with a focus on economic growth, safer streets and health as well as National Security which is one of the underpinning foundations. They also complement the department's work to build effective intergovernmental relations and enhance reconciliation.

Vision and Mission

The Northern Ireland Office (NIO) strategic vision is to deliver a stable, prosperous and vibrant Northern Ireland. To achieve this vision, deliver on its priorities, and support the UK Government's mission and foundation delivery, the department's work is structured around four interconnected aims:

- Improving Northern Ireland's capability to deliver better public outcomes: to support Northern Ireland's capability to deliver improved public service outcomes for its people.
- Promoting economic growth and investment: to promote growth through championing Northern Ireland as a trade and investment opportunity domestically and overseas.
- Building a safer, more reconciled society: to contribute to a Northern Ireland society in which current and future generations feel safer and more reconciled.
- Enhancing delivery and ensuring a mission focused NIO: to ensure NIO is delivery and mission-focused by improving efficiency, digital utilisation, equipping staff and maintaining an agile footing.

As the NIO's work has to understand and respond strategically to deep interdependencies between issues that shape how Northern Ireland functions, across a range of measures, our delivery approach is based on:

- Planning for outcomes;
- Being agile and productive via our project approach and close team working;
- Organising around our relationships and expertise; and
- Seeing everything we do through a reconciliation lens.

Further information on the department's delivery approach and principles can be found at:

https://www.gov.uk/government/organisations/northern-ireland-office/about

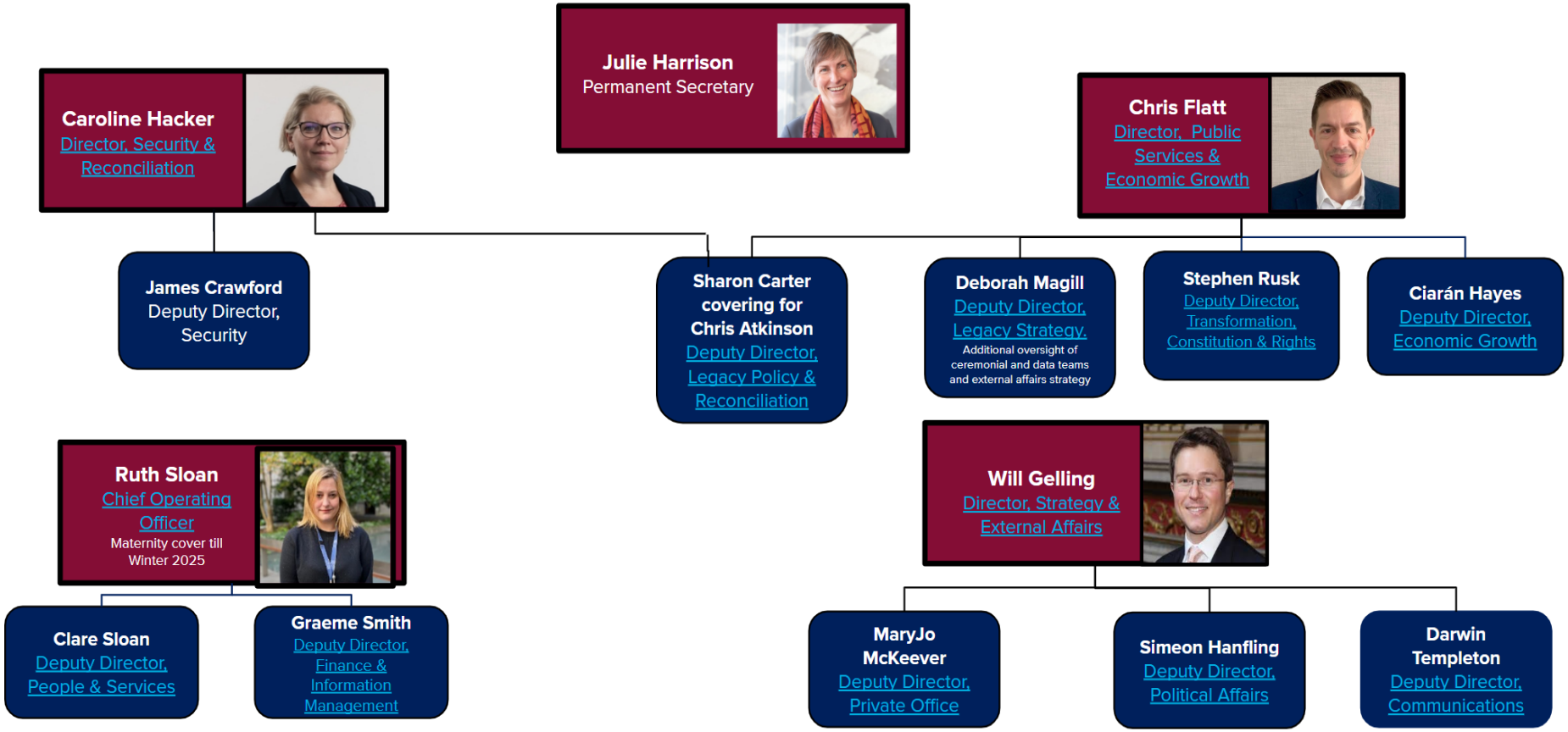
Northern Ireland Office Structure

As at 31 March 2025, the Northern Ireland Office employed 156 staff across its offices in Belfast and London.

The departmental Board, and the Executive Committee, oversees and manages the work of the department. Each of these have responsibilities for making sure that the department carries out its work as efficiently as possible and meets legal and other obligations. Further information on the work of the Board and the department's Committee structures can be found in the Governance Report.

The department's organisation is centred on the delivery of key objectives and priorities. The department's senior leadership structure as at 31 March 2025 is shown below:

SENIOR MANAGEMENT TEAM



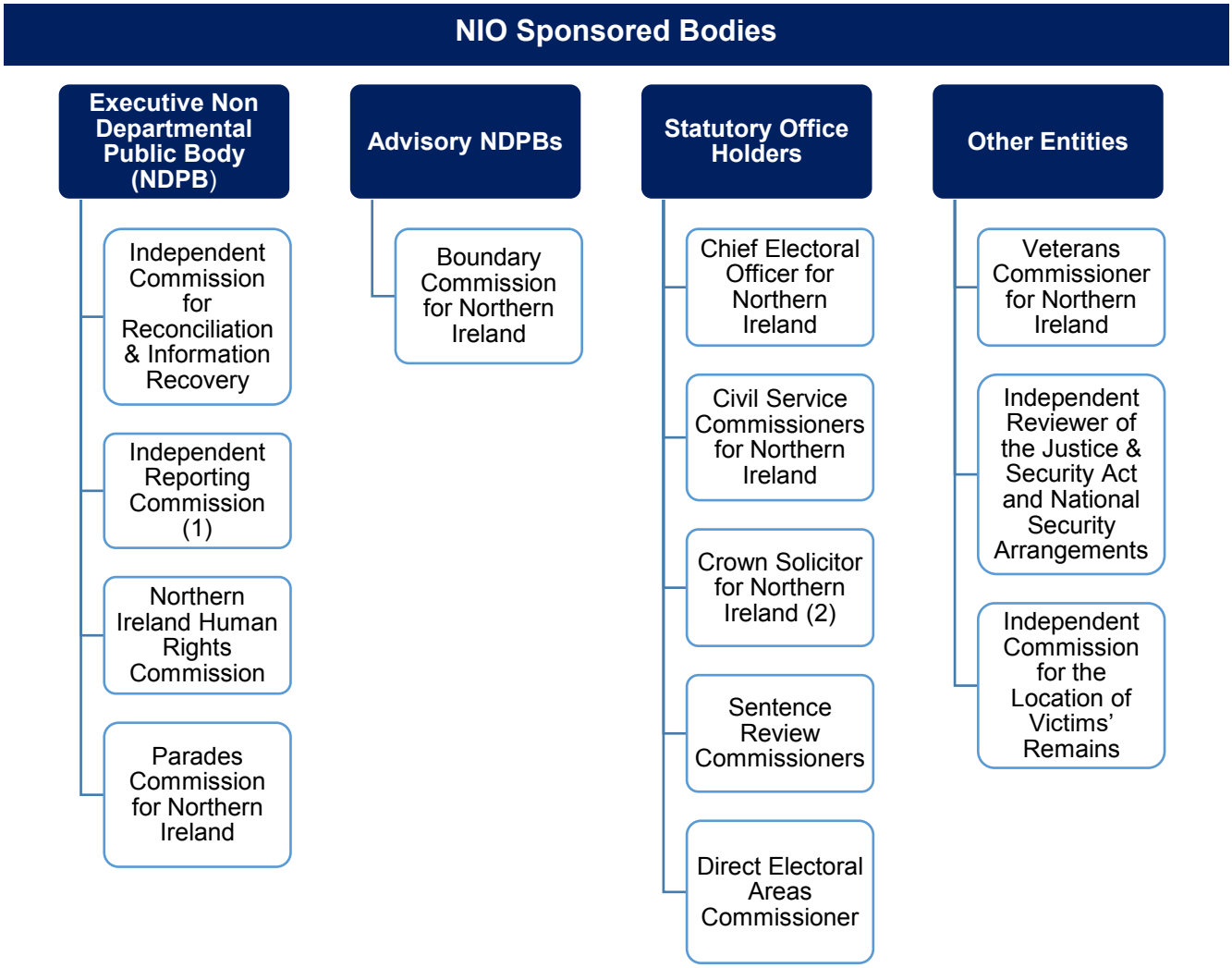
*Holly Clark - maternity leave

Sponsored Bodies

In addition to the core department, there are a range of matters that are managed through a network of associated bodies, such as the Northern Ireland Human Rights Commission, the Boundary Commission for Northern Ireland, and the Independent Reporting Commission (among others). These bodies and other entities differ considerably from each other in terms of their formal status, intended purpose, statutory or other responsibilities, the degree of independence from government, and size.

An overview of the department's sponsored bodies is shown below and further information about the department's governance structures is available at:

https://www.gov.uk/government/organisations/northern-ireland-office/about/our-governance



Notes:

(1) The Independent Reporting Commission is an International Treaty Body but for accounting purposes it is treated as an Executive NDPB.

(2) The Crown Solicitor is appointed by the Advocate General under Section 35 of the Northern Ireland Constitution Act 1973 but funded via the NIO which acts an Exchequer Department.

In addition to the bodies and entities sponsored by the NIO, the Secretary of State for Northern Ireland also makes appointments to the Equality Commission for Northern Ireland, an executive NDPB sponsored by The Executive Office, which is a department of the Northern Ireland Executive.

Priority Outcomes

The Northern Ireland Office's (NIO) Outcome Delivery Plan for 2024-2025 sets out the four strategic outcomes that support the departmental vision. They are focused on **Economic Growth, Society, Safety and Governance.** Our whole department effort is focused on delivering these priority outcomes, maximising the use of the resources available.

Performance Overview

With the restoration of power-sharing, an improvement in the security situation from Severe to Substantial and approval of a £3.3bn financial package to stabilise public services and increase investment opportunities, Northern Ireland took a number of positive steps forward at the beginning of 2024 in advance of a new financial year. To build on these developments, at the outset of 2024-25, the department focused on supporting the newly restored Executive, progressing commitments under the Command Paper 'Safeguarding the Union' and working with stakeholders across Northern Ireland to support economic growth and public sector transformation.

Following the election of a new UK Government in July 2024, the work of the Northern Ireland Office has focused on strengthening intergovernmental and British-Irish relations, working with the Northern Ireland Executive and wider partners to progress public sector transformation, supporting the institutions, and advancing new economic initiatives, including enhancing trade opportunities and protecting the new UK Internal Market.

The department also supported the new Secretary of State in conducting a series of engagements aimed at having a new system in place for addressing the legacy of the past that wins support from victims' families, has the confidence of all communities and is compliant with human rights obligations.

Looking ahead, key challenges and risks remain including ensuring the sustainability of public finances, enhancing public service delivery, progressing economic growth, and supporting Northern Ireland and its institutions in its continued journey towards reconciliation. By building on our intergovernmental and wider stakeholder relationships, the department is focused on supporting ongoing delivery and making further progress into 2025-26 and beyond.

Key delivery highlights for 2024-25 include:

- **£18.2 billion** settlement agreed for 2025/26, the largest in real terms in the history of devolution, providing a strong foundation for stability and growth.

- Establishment of the **East-West Council** (with a focus on enhancing trade promotion, connectivity, and culture and skills) and **Intertrade UK** (to advise on opportunities to promote and boost trade across the UK).

- Establishment of a **Public Services Transformation Board** to oversee £235m funding to support new public sector transformation initiatives.

- **Independent Commission for Reconciliation and Information Recovery** (ICRIR) became operational and work began to repeal and replace the Legacy Act.

- £730,000 to facilitate transition of schools towards **integrated education**.

- Supporting the Northern Ireland Executive in their development of a **Budget Sustainability Plan** for Northern Ireland.

- Progressing **four City and Growth Deals** in Northern Ireland.

Progress against each of the four priority outcomes is set out in the Performance Analysis section below. Further information on work undertaken throughout the year, such as announcements and other publications is available at:

https://www.gov.uk/search/news-and-communications?organisations[]=northern-ireland-office&parent=northern-ireland-office

Financial Summary

Spending summary highlights for 2024-25

Spend By Budget Classification	2024-25 £m	2023-24 £m	Variance £m
Resource DEL (Voted)	48.4	38.2	10.2
(Departmental operations including depreciation)			
Resource DEL (Non-Voted)	6.8	-	6.8
(Election Funding)			
AME			
(Non-Cash accounting provisions)	4.6	(3.3)	7.9
Capital DEL	12.4	2.6	9.8
(Expenditure on Departmental non-current assets)			
Non Budget (NI Executive funding)	23,411	20,899	2,512
Prior Period Adjustment – Resource DEL	-	14.5	(14.5)
Prior Period Adjustment - Capital DEL	-	0.4	(0.4)

Funding

The department's activities are financed by Supply voted by Parliament. Each year the NIO is given Parliamentary approval for its expenditure when Parliament votes the Main Supply Estimates. Subject to Parliament's agreement, the estimates may be amended during the year at the Supplementary Estimate stage. The estimates are published by Her Majesty's Stationary Office (HMSO) and contain details of voted monies for all Government departments. The 2024-25 Supplementary Estimates are available at:

https://www.gov.uk/government/publications/supplementary-estimates-2024-25

Departmental Expenditure Limit (DEL)

The NIO DEL (budget) for 2024-25 was £70,840k including non-voted expenditure of £6,935k and covers expenditure arising from:

- overseeing the effective operation of the devolution settlement in Northern Ireland and representing the interests of Northern Ireland within the UK Government;
- expenditure on administrative services;
- expenditure arising from the Stormont House Agreement, the Fresh Start Agreement, New Decade New Approach and New Deal for Northern Ireland;
- Head of State related costs and VIP visits to Northern Ireland;
- Northern Ireland Human Rights Commission and other Reviews and Commissions arising from the Belfast (Good Friday) Agreement, the Northern Ireland Act 1998, the Northern Ireland Act 2000, the Northern Ireland Act 2009, political development and inquiries;
- work of the Parades Commission for Northern Ireland;
- the Chief Electoral Officer for Northern Ireland, elections and boundary reviews;
- Civil Service Commissioners for Northern Ireland;
- legal services, security, victims of the Troubles including the work of the Independent Commission for the Location of Victims Remains and arms decommissioning;
- compensation schemes under the Justice and Security (Northern Ireland) Act 2007 and Terrorism Act 2000;
- arrangements for the running of Hillsborough Castle and certain other grants;
- the Independent Reporting Commission; and
- the Independent Commission for Reconciliation and Information Recovery

The department's DEL budget for 2024-25 also includes provision for depreciation and any other non-cash costs.

The department also received income during the year arising from:

- Recoupment of electoral expenses;
- Receipts from the use of video conferencing facilities;
- Fees and costs recovered or received for work done for other departments;
- Freedom of information and data protection act receipts;
- Recovery of compensation paid; recoupment of grant funding;
- Costs and fees awarded in favour of the crown;
- Receipts arising from arms decommissioning;
- Fees and costs recovered or received for the use of the NIO estate; and
- Contributions from third parties to fund grant programmes and monies from other departments to fund projects in Northern Ireland.

During 2024-25, the department received £13.0m additional funding at Supplementary Estimates, of which £10.4m was to provide funding for the Independent Commission for Reconciliation and Information Recovery.

Annually Managed Expenditure (AME)

The department's AME allocation for 2024-25 was £8.8m and was primarily related to the funding for the ICRIR's investigative activities. In addition, AME funding also related to provisions relating to litigation claims and leasehold property dilapidations in line with IFRS 16.

Non-Budget Expenditure

Non-budget estimate totalling £25,381m was allocated to cover expenditure arising from:

- Providing appropriate funding to the Northern Ireland Consolidated Fund for the delivery of transferred public services as defined by the Northern Ireland Act 1998, Northern Ireland Act 2000 and the Northern Ireland Act 2009; and
- Grants to the Northern Ireland Consolidated Fund and transfers of EU funds.

The department's final resource Estimate for 2024-25 was £25,446m (2023-24: £23,999m) and the department's final capital Estimate for 2024-25 was £14.21m (2023-24: £11.33m).

Comparison of Estimate and Outturn

Resource

The total outturn shown in the Statement of Outturn against Parliamentary Supply of these Accounts reflects underspend on both the Resource DEL and Resource AME Estimates due to lower than anticipated expenditure on programmes. The net resource outturn for 2024-25 was £23,470m (2023-24: £20,948m) compared with the Estimate of £25,446m (2023-24: £23,999m).

This is a variance of £1,976m (2023-24: £3,051m) which was due to:

- £1,970m funds anticipated to be required by the Northern Ireland Executive were not drawn down from the Consolidated Fund.
- A £4m underspend in AME due to lower than forecast spend by the ICRIR and foreign exchange differences for the Peace Plus Programme liability.
- Other underspends across the remainder of the department and its ALBs due to lower than anticipated expenditure on programmes and services.

Capital

The net capital outturn for 2024-25 was £13.28m (2023-24: £3.01m) compared with the Estimate of £14.21m (2023-24: £11.33m). This is a variance of £0.93m (2023-24: £8.32m).

This variance mainly relates to lower than forecast estimates relating to property dilapidations for both the core department and the ICRIR against the capital AME budget.

Net Cash Requirement

The net cash requirement (note SOPS3) outturn was £23,565m (2023-24 £21,240m) compared with the Estimate of £25,551m (2023-24: £24,318m). This is a variance of £1,986m (2023-24: £3,078m). This variance resulted from lower than anticipated drawdowns made by the Northern Ireland Executive during the financial year.

Decisions on how funding to the Executive is spent are managed by the devolved administration and funding is allocated to the Northern Ireland departments by the Department of Finance (DoF). Each of the Northern Ireland departments, including DoF, publishes their own financial statements. Additional information regarding the budgets of the Executive and the grants paid by the NIO to the Northern Ireland Consolidated Fund are included in an Annex at the end of this report.

Statement of Financial Position

The net liabilities at 31 March 2025 of £85m (2023-24: £190m) occurs primarily due to an accrued liability for PEACE PLUS.

This results in the continued material net liability on the Statement of Financial Position. Funding for the programme will be fully met via HMT Estimates processes through Annually Managed Expenditure funding. The recognition of this liability does not raise any uncertainty in relation to the department's going concern status.

The liabilities are disclosed net of assets, which principally comprise property, plant and equipment of which Hillsborough Castle and its surrounding estate is an asset of £83.9m (2023-24: £83.7m) as the remainder of the other assets and liabilities largely offset.

The financial assets include loans issued to DoF under the National Loans Fund, but these are balanced by corresponding amounts in current and non-current liabilities.

Hillsborough Castle's most recent valuation was carried out as at 31 March 2025 using indices supplied by Land and Property Services increasing the carrying value by c.£2m, less depreciation charged in year, to c.£83.9m.

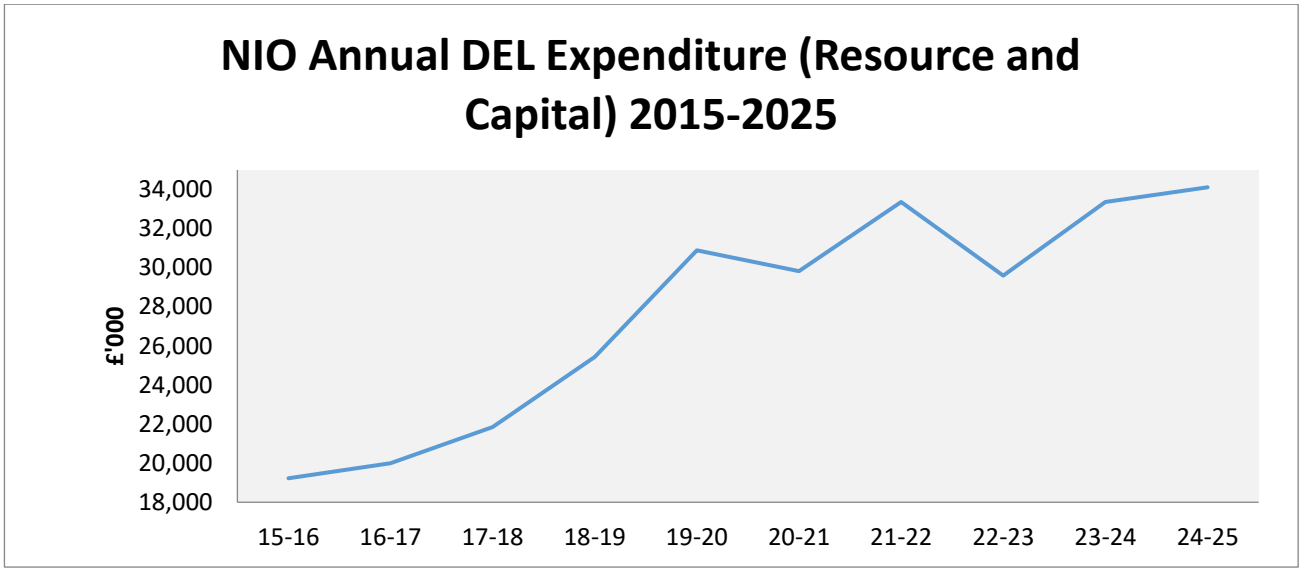
External Auditor

These accounts are audited by the Comptroller and Auditor General (C&AG) who is appointed by statute and reports to Parliament on the audit examination. His certificate is included in the Parliamentary accountability and audit report. The audit of the financial statements for 2024-25 resulted in a group audit fee of £444,900 (cash fee £234,900, non-cash fee £210,000) (2023-24: £344,150; cash fee £128,150, non-cash fee £216,000).

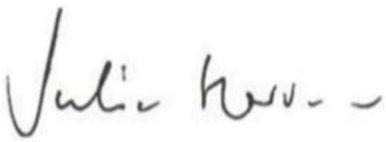
The C&AG may also undertake other statutory activities that are not related to the audit of the department's accounts such as value for money reports. No such reports directly related to the activities of the NIO were published during the year.

Long Term Expenditure Trends

The graph below shows NIO annual DEL expenditure over the past 10 years:



The outturn figures have been adjusted to exclude the impact of significant one-off additional areas of expenditure when additional funding was provided e.g. the European Elections and Assembly Elections in 2014-15, 2016-17, 2019-20 and 2022-23, as well as General Elections in 2015-16, 2017-18, 2019-20 and 2024-25. The increase since 2016 represents additional funding for new areas of expenditure and to address additional pressures e.g. EU Exit, PEACE PLUS as well as increased capital expenditure on IT and infrastructure projects and the decline from 2019-20 largely due to reduced or paused expenditure on items due to Covid-19. In 2021-22 there was additional spend in relation to the Centenary year, EONI Canvass and relocating from Stormont House to Erskine House.



Dr Julie Harrison
Accounting Officer
26 November 2025

Performance Analysis

The section summarises progress against four strategic priority outcomes and essential enabling activity in 2024-25 over the period in which the election was held and new Ministers took up their roles.

Priority Outcome 1: Economic Growth

Kickstart growth for NI, working across Whitehall, with the good jobs and productivity growth making everyone better off

Economic challenges such as inflation and low growth have continued to place pressure on the Northern Ireland economy and subsequently local households. Together with our partners, the department is developing an economic vision which seeks to address structural weaknesses in the economy, build resilience to deal with challenges brought about by rapid changes in the national and global economy, and create the conditions for transformative economic growth. Key highlights delivered during 2024-25 include:

New Funding Settlement		£18.2 billion agreed for the Northern Ireland Executive for 2025/26, the largest in real terms in the history of devolution, providing a strong foundation for stability and growth.
Trade and Connectivity		Establishment of the East-West Council (with a focus on enhancing trade promotion, connectivity, and culture and skills) and Intertrade UK (to advise on opportunities to promote and boost trade across the UK). Ongoing support for implementing and monitoring the Windsor Framework, including commissioning an Independent Review of the Framework.
Regional Economic Growth		Progressing the four City and Growth Deals in Northern Ireland which include: Belfast Region City Deal (£1bn), Derry City & Strabane District Council City Deal (£250m); Causeway Coast and Glens Growth Deal (£72m) and Mid- South West Region Growth Deal (£252m).
UK Local Growth Funds	UKSPF Community Ownership Fund support programme	Supporting delivery of UK Shared Prosperity Fund in NI (£77m for 24-25) and the Community Ownership Fund (£11.4m for 24-25).
Fiscal Sustainability and Investment		Working with the Northern Ireland Executive to support the development of a Budget Sustainability Plan and Infrastructure Strategy for Northern Ireland.

Priority Outcome 2: Safety

Contribute to a safer Northern Ireland, where terrorist and paramilitary groups are less able to cause harm in communities

While the overall security situation in Northern Ireland is in no way comparable to that which existed during the Troubles, the department continues to work with all delivery partners to support efforts against the enduring threat and harms posed to communities by terrorist and paramilitary groups. The department's ongoing ambition is to help strengthen democracy and the role of law through supporting the delivery of a range of effective security justice, community and individual interventions. Key highlights delivered during 2024-25 include:

Independent Scrutiny and Governance

Supporting reviews of justice measures to ensure they are appropriate for the needs of the security environment, including facilitating completion of the annual reports of the:

- Investigatory Powers Commissioner's Office.
- Independent Reviewer of National Security Arrangements (IRNSA).
- Independent Reviewer of Justice and Security (Northern Ireland) Act 2007.
- Independent Reporting Commission's report on progress towards ending paramilitarism.
- Sentence Review Commissioners for Northern Ireland.

Transitioning Criminal Justice

Supporting the normalisation of reserved/excepted aspects of the Northern Ireland criminal justice system by:

- Monitoring the conditions required to remove Non-Jury Trial provisions and launching a consultation on extending the powers for a further two years.
- Scoping potential to develop a paramilitary group transition process including processes to appoint (jointly with the Irish Government) an independent expert to conduct an assessment.

National Security

Responding effectively to national security incidents and civil contingency incidents, as well as:

- Providing an assessment, from a Northern Ireland perspective, to inform the development of the Independent Reviewer of Terrorism Legislation Annual Report.
- Working across Government to monitor and assess non Northern Ireland – related terrorism National Security risks to Northern Ireland and the rest of the UK.
- Updating the Code of Practice (Northern Ireland) for the authorisation and exercise of stop and search powers relating to sections 43, 43a, 43c and 47a of, and schedule 6b to the Terrorism Act 2000.
- Securing the PSNI £37.8 million in additional funding, an increase from c£32m a year, a level which had been in place since 2015-16.

Justice and Security and Other Protective Measures

- Ensuring a more effective operation of the authorisation process regarding stop and search powers under the Justice and Security (Northern Ireland) Act 2007 to delivering statutory responsibilities regarding the licensing of explosive precursors, prohibited weapons and firearms.
- Delivering protective security measures to those deemed at substantial or greater threat from Northern Ireland Related Terrorism.

Priority Outcome 3: Governance

Ensure that Governance in Northern Ireland is resilient and fiscally responsible in order to deliver effective public services

Instability and a lack of resilience in political structures in Northern Ireland provides a barrier to thriving communities, limiting the delivery of effective public services for the people of Northern Ireland and having an overall detrimental political, social, and economic impact. The UK Government's priority is to ensure stable and effective devolved government within the Union, in full respect of the principle of consent enshrined in the Belfast (Good Friday) Agreement. Key highlights delivered during 2024-25 include:

Supporting Devolution

Leading a series of engagements with Northern Ireland political parties and governmental stakeholders to support restoration of the Northern Ireland Executive/Institutions and wider intergovernmental relations.

Diplomatic relations

Continuing to build strong diplomatic relations with our partners, such as strengthening our diplomatic presence in Washington and supporting British-Irish governmental relations.

Election processes

Maintaining plans for elections in response to the Secretary of State's election duties, including implementation of Boundary review and provisions of electoral laws.

Civic engagement

Engaging with 180+ civic organisations and civil leaders across Northern Ireland to discuss their perceptions of current issues and explain Northern Ireland Office policy.

Priority Outcome 4: Society

Support greater integration and reconciliation in Northern Ireland

While the Belfast (Good Friday) Agreement in 1998 has helped to deliver peace and has enabled significant reconciliation, societal change does not happen overnight. In line with the principles of the Agreement, the UK Government remains committed to promoting inclusion, tolerance and openness in the expression of all identities within society, enhancing diversity and social understanding, facilitating integration and addressing the legacy of the past. Key highlights delivered during 2024-25 include:

Public Service Transfor		Establishment of a Public Service Transformation Board, comprising officials from the Northern Ireland Civil Service and UK Government as well as independent experts, to oversee the approval of £235m funding to support new public sector transformation initiatives.
Addressing the Legacy of the past	ICRIR	Completing the legislative passage of the Northern Ireland Troubles (Legacy and Reconciliation) Act 2023 and establishing the Independent Commission for Reconciliation and Information Recovery (ICRIR), which became fully operational on 1 May 2024.
		Establishment of an independent inquiry under the Inquiries Act 2005 into the murder of Patrick Finucane.
Integrated Education		Providing £730k to supporting initiatives in schools to facilitate their transition towards integrated education.
Supporting devolution	Northern Ireland Assembly	**Supporting devolution:** • Worked closely with partners across UK Government and in the Northern Ireland Executive to deliver key policy and legislation, supporting a UK wide approach in multiple policy areas. • Commenced several provisions of the Identity and Language Act, fulfilling UK Government commitments.

Strategic Enablers

Our strategic enablers sit at the heart of the NIO's delivery plan and are critical to our success. They include our Estates & Services, Finance, Governance, HR, IT, Knowledge & Information Management, Strategic Planning, Private Office and departmental Security activities.

Over the course of the last reporting period, we have continued to ensure that we focus on living within our means, driving efficiencies, and reducing costs as far as possible. As part of our commitment to supporting continuous improvement, the Northern Ireland Office undertakes an annual review of compliance with those Government Functional Standards which are appropriate for a department of our size and best meet our business needs and priorities. Key enabling activities delivered during 2024/25 include:

Supporting our People	Development of a People Strategy focused on developing a skilled workforce, providing an environment which is an empowering, inclusive and engaging place to work and encouraging an organisation where everyone is accountable for people success.
Workforce Planning	Establishment of a new strategic workforce planning processes to support continuous improvement and new systems for end-to-end recruitment, onboarding and off boarding.
Skills Exchange	Establishment of new processes to support skills exchange between the Northern Ireland Civil Service and the Home Civil Service.
Financial Planning	Development of a financial strategy to support new financial management processes for an increasingly challenging fiscal environment.
Governance	Supporting a new constituted departmental board following the on boarding of new ministers and ensuring continued effective governance processes within the department.
Knowledge Management	Transferring 799 historic files to the National Archives and consistently meeting deadlines and upholding the NIO's commitment to transparency in respect of FOI responses.
Estates/ IT	Completed the refurbishment of the London Office at 1 Horse Guards Road and supported the Omagh Bombing Inquiry to set up and facilitate their new office accommodation.
Departmental Security	Continuing to make further improvements towards meeting the minimum standards in respect of Physical and Personnel Security and progressed 75 National Security Vetting applications.
Spending Review	Lead the Department's response to Phase 1 of the 2025 Spending Review to ensure the department is equipped to deliver on the Government's priorities.

Corporate Performance

Recruitment Practice

All Civil Service recruitment in the Northern Ireland Office (NIO) is carried out in accordance with relevant employment legislation, including applicable equality and human rights laws, and the Recruitment Principles issued by the Civil Service Commission.

The NIO is committed to being an inclusive employer with a diverse workforce. The department encourages applications from the widest possible diversity of backgrounds, cultures, and experiences to join the department and is focused on building an organisation that understands and values staff with a range of backgrounds, ideas, skills, and experience, as they contribute to greater creativity, innovation, and effective decision making in meeting our strategic objectives.

Public Appointments

As at 31 March 2025, the NIO sponsored four executive Non-Departmental Public Bodies, an advisory Non-Departmental Public Body, and a range of smaller bodies, office holders and other entities. In addition, the NIO has responsibility for making appointments to the Equality Commission for Northern Ireland.

During the reporting period, the Secretary of State for Northern Ireland made the following appointments that were regulated by the Commissioner for Public Appointments:

- Re-appointment of the Chief Commissioner of the Equality Commission for Northern Ireland.
- Re-appointment of seven Commissioners of the Equality Commission for Northern Ireland and a further appointment of three new commissioners;
- Re-appointment of a member of the Boundary Commission for Northern Ireland;
- A new appointment to the Northern Ireland Human Rights Commission.

The Commissioner for Public Appointments publishes further information on the department's regulated appointments, including statistical information, which can be found at:

https://publicappointmentscommissioner.independent.gov.uk/publications/

In addition to regulated appointments, the Secretary of State for Northern Ireland also has responsibility for making appointments to a number of statutory and non-statutory positions in public life. In 2024-25, the Secretary of State for Northern Ireland made the following non-regulated appointments:

- The appointment of a new Veterans Commissioner for Northern Ireland;
- The appointment of members of the new Windsor Framework Independent Monitoring Panel[1];
- The appointment of chair and five members to Intertrade UK[2];
- The re-appointment of two Sentence Review Commissioners for Northern Ireland; and
- The re-appointment of the UK Commissioner to the Independent Reporting Commission.

The NIO routinely publishes details of all new and renewed appointments in the news section of our website. Further information on the appointments made during 2024-25 are available at:

https://www.gov.uk/search/news-and-communications?organisations%5B%5D=northern-ireland-office&parent=northern-ireland-office

Employee Consultation

The NIO recognises the importance of sustaining good employee relations to achieve its objectives. Facilitating a culture of constructive challenge and ongoing consultation with employees, and their representation, is central to that work.

Regular communication and consultation takes place with staff through a variety of channels, including the departmental intranet, weekly all staff meetings, staff bulletins, working groups, and other briefings. More formal consultation exercises also take place with staff, including through the Staff Engagement Group and the Unions, on matters such as organisational change, and changes to staff terms and conditions, when necessary.

During the year, the NIO delivered a wide range of initiatives across the department that help make the NIO a great place to work. This included strengthening the Learning and Development offer and how that offer is communicated to all staff. The NIO's Diversity, Inclusion and Wellbeing group also delivered a range of sessions and campaigns on Mental Health Awareness, Ramadan Celebrations and Neurodiversity Celebration Week. The NIO's Culture Club has played an important role in bringing the department's values to life and supporting our charity partners.

[1] Appointments to the Windsor Framework Independent Monitoring Panel were made directly by the Secretary of State and no remuneration is paid.
[2] Appointments to Intertrade UK were made directly by the Secretary of State and no remuneration is paid.

The department worked closely with the Staff Engagement Group, which represents staff across all grades, and took their views on issues, ranging from wellbeing initiatives, and the redevelopment of the London Office space. The NIO also continued to support the Mirror Board, which shadows the work of the departmental Board so that staff can provide views on wider operational and policy matters and contribute to shaping strategic decision-making.

This year, the department continued to embed its People Board, which has responsibility for discussing and taking action in relation to a range of People opportunities and issues on behalf of NIO's Executive Committee.

There are a number of internal staff networks representing particular interests, including a learning and development volunteer group, and other groups that our staff can access through our relationship with the Ministry of Justice and the wider Civil Service.

Staff Engagement

The NIO participates in the Civil Service annual People Survey that captures employee views on a number of issues. The results from the People Survey form an evidence base to support the department's people priorities. The results of the annual Civil Service People Survey were published in December 2024. The report, which combines NIO results with those for all Territorial Offices is available at:

https://www.gov.uk/government/publications/civil-service-people-survey-2024-results

The 2024 Civil Service People Survey saw NIO employee engagement at 70%. This is an increase from 64% in 2023 and higher than the Civil Service average (64%). The top three drivers of engagement were people's sense of pride when telling others they work for the organisation, a strong personal attachment to the organisation and the organisation inspires me to do the best in my job.

This year's People Survey showed five out of the nine Core Themes scoring 80% or above, including 'My Team', 'Organisational Objectives', 'Inclusion & Fair Treatment' and 'My Work' scores. A People Survey response plan has been agreed by the People Board, focusing on themes including learning and development and bullying, harassment and discrimination.

Diversity and Inclusion

The NIO recognises the importance of embedding diversity in everything that the department does. The department has an active and enthusiastic diversity, inclusion and wellbeing network, who raise awareness on a range of topics including mental health.

In 2024-25, the department continued to embed and implement its Diversity, Inclusion and Wellbeing Action Plan to drive sustained improvements in representation across all levels and to make sure we continue to foster an inclusive workplace culture at the NIO.

The NIO is committed to:

- Eliminating discrimination, harassment, victimisation, and other conduct that is prohibited by, or under, equality legislation;
- Advancing equality of opportunity between persons who share a protected characteristic, and persons who do not share it; and
- Fostering good relations between persons who share a protected characteristic and persons who do not share it.

The NIO is committed to being an organisation where everyone is:

- Treated with fairness and respect;
- Able to contribute and develop; and
- Confident about how to ensure that the work they do supports equality of outcomes for everyone in society.

The NIO's people management policies and practices reflect the Civil Service Code and build on the equality legislation and legal obligations under Northern Ireland, and UK Law.

Employment, Training and Advancement of Disabled Persons

The NIO is committed to securing, retaining, and developing people with a disability. The department has adopted Ministry of Justice policies for staff-related matters, including making reasonable adjustments, where necessary, for staff with disabilities. During the year, the department continued to monitor and report progress against the published Disability Action Plan that articulates our vision, our priorities, and sets out our measures, to promote positive attitudes towards disabled people, and encourages the participation by disabled people in public life. The plan makes a clear statement of our commitment to implementing our equality duties in relation to disability.

Our Diversity Inclusion and Wellbeing Group includes advocates for the promotion of diversity and inclusion across the whole department, including a lead on disability issues.

Learning and Development

The NIO is committed to supporting the learning and development of all staff to enable them to do their jobs to the best of their ability and to develop the necessary skills for the present and future. The department encourages staff to take up a minimum of five days each year to focus on learning and development, and we maintain a ring-fenced budget year-on-year to support this goal.

Staff at all grades can make use of the Civil Service-Learning portal, as well as on-the-job and face to face learning. Learning for all colleagues is provided throughout the year, both on core competencies and leadership skills, and on business relevant learning. Line Managers

monitor the progression of individual learning against agreed personal development plans, supported by the coaching focus of the department's performance development scheme.

Managing Attendance

Throughout the year the NIO kept a strong focus on the well-being of its staff. The majority of staff were able to fulfil their roles whilst working flexibly and being able to avail themselves of the ongoing hybrid working models. The department supports staff by promoting flexible working, as well as providing mental health and wellbeing information on work-life balance options, on the department's staff intranet.

Sickness absence figures for the reporting year are included in the Staff Report and show that the average working days lost for the department was 3.1 days. This figure compares to a Civil Service average working days lost figure of 2.6 days as at March 2025.

Pensions

From 1 April 2015 a new pension scheme for civil servants was introduced – the Civil Servants and Others Pension Scheme or alpha, which provides benefits on a career average basis with a normal pension age equal to the member's state pension age (or 65 if higher). From that date all newly-appointed civil servants, and the majority of those already in service, joined alpha. Prior to that date, civil servants participated in the Principal Civil Service Pension Scheme (PCSPS). The PCSPS has four sections: three providing benefits on a final salary basis (classic, premium and classic plus) with a normal pension age of 60; and one providing benefits on a whole career basis (nuvos) with a normal pension age of 65.

Those organisations within the boundary covered by the Scheme(s) meet the costs of the contributions paid by employers for their staff by the payment of Accrued Superannuation Liability Charges. This is charged to the Statement of Comprehensive Net Expenditure on an accrued basis annually.

The NIO is also required to meet the additional cost of benefits beyond the normal PCSPS (UK) and PCSPS (NI) benefits in respect of staff who retire early. The NIO provides in full for this cost, charged against the Statement of Comprehensive Net Expenditure, when the early retirement has been announced.

The pension benefits of NIO Board members and senior civil servants are outlined in the Remuneration Report.

Health and Safety

The NIO recognises its obligations under Health and Safety at Work legislation for ensuring, so far as is reasonably practicable, the development of an effective health and safety regime. During the period, the department ensured that it continued to remain compliant with all

specific recommendations in relation to health and safety, and provide a safe working environment for all.

All staff are required to complete annual mandatory health & safety training, and regular risk assessments of workstations are undertaken to comply with the Health and Safety (Display Screen Equipment) Regulations 1992, ensuring that the right interventions are made to increase the safety and wellbeing of all our colleagues. In addition, the department keeps its health and safety guidance under review and makes policies available to all staff on the department's intranet. During 2024-25, there were no accidents reported to the relevant authorities (nil in 2023-24).

Social, Community and Environmental Responsibility

The NIO, as part of its corporate responsibility agenda, actively promotes awareness of social, community and environmental issues on its staff intranet, and is committed to promoting inclusion, social mobility, and equality through its human resources and other corporate policies. A major contributor to this is the encouragement of volunteering, whether individually or in groups, including providing special leave for this purpose. Information on volunteering is made easily available to staff through the department's intranet.

The Civil Service has a long tradition of supporting staff to volunteer, and the NIO is committed to making a positive impact on the community in which it operates. The NIO offers up to five days' special leave for each member of staff to undertake volunteering. Staff can organise their own volunteering activity or can visit www.do-it.org.uk for ideas and information on volunteering.

Fraud/Whistleblowing/Raising a Concern

The NIO has robust arrangements in place for the prevention, detection and reporting of fraud, and is committed to the highest possible standards of openness, honesty, and accountability. Our arrangements follow the principles outlined in the HM Treasury's publication Managing Public Money, and Civil Service policies on whistleblowing or raising a concern about any suspicions on matters that staff think are wrong, illegal or endangers others, including fraud, bribery or corruption. An annual report on both fraud and whistleblowing activity is presented to the Audit and Risk Assurance Committee.

During the reporting period, the department reviewed its counter fraud policy and kept its nominated whistleblowing officers under review. Updated guidance for staff was published on counter fraud policy and this was supported by a staff discussion. There were no cases of fraud during the year and there were no reported cases of whistleblowing during 2024-25 (one in 2023-24).

Estates Management Strategy

The NIO is a tenant within two UK Government hubs located in Erskine House, Belfast and Government Offices Great George Street (GOGGS), London. The accommodation is maintained under lease arrangements with HM Revenue and Customs (HMRC) and the Government Property Agency (GPA) respectively. Some accommodation, and a small office for Ministers, are also available at Hillsborough Castle, however, responsibility for the management and day-to-day running of Hillsborough Castle rests with the charity, Historic Royal Palaces.

Payment of Suppliers

The NIO paid on average 80% (83% in 2023-24) of invoices within five working days, 89% (89% in 2023-24) within 10 working days, and 94% (96% in 2023-24) within 30 working days, during the reporting period.

Better Regulation

The NIO is committed to producing less, and better, regulation in line with the government's general principles of regulation. As such, the department continually looks for ways to reduce regulation, where possible. As part of this process, the department is committed to actively promoting the better regulation agenda across the Northern Ireland departments and representing the needs of the devolved administration in Whitehall, and vice versa.

During the reporting period, the NIO published one consultation regarding the use of Non-Jury Trials in Northern Ireland. All NIO consultations are available on our website at:

https://www.gov.uk/government/publications?departments%5B%5D=northern-ireland-office&publication_filter_option=consultations

Parliamentary Questions

The UK Government has committed to providing departmental Parliamentary Question statistics to the Procedure Committee of the House of Commons on a sessional basis. NIO statistics for 2024-25 are intended for publication on the Committee's website in due course.

Complaints to the Parliamentary Ombudsman

No complaints were made to the Parliamentary Ombudsman about the department during the reporting period (nil in 2023-2024).

Political and Charitable Donations

The NIO did not make any political or charitable donations in 2024-25 (nil in 2023-24).

Freedom of Information requests

Statistics on Freedom of Information requests in central government, including those for the NIO, are published quarterly at:

https://www.gov.uk/government/collections/government-foi-statistics

Transparency

The NIO, in line with the UK Government's transparency agenda, regularly publishes information on any significant areas of expenditure, and other items of public interest at:

https://www.gov.uk/government/latest?departments%5B%5D=northern-ireland-office

Sustainability Report

Overview

This Sustainability report has been prepared in accordance with 2024-2025 guidelines as set out in The Government Financial Reporting Manual: 2024-25.

The NIO has reported on climate-related financial disclosures consistent with HM Treasury's TCFD-aligned disclosure application guidance, which interprets and adapts the framework for the UK public sector. Climate is not considered a principle risk for the NIO, however we have undertaken activity to comply with the TCFD phase 2 recommendations and recommended disclosures relating to:

- Governance – recommended disclosures (a) and (b)
- Risk Management – recommended disclosures (a) to (c)
- Metrics and Targets – recommended disclosures (a) to (d)

The NIO intends to provide the recommended disclosure for Strategy, Risk Management and Metrics and Targets in future periods, following the central government implementation timetable.

The NIO is committed to minimising the impact we have on our environment and supporting the wider UK Government's Net-Zero commitment. Our approach encourages sustainable decision-making and establishes greener ways of working; increases inclusive staff engagement and communication of our ambitions; supports our building owners to meet Government targets and ensures people are making good choices; reduces waste, promotes recycling and sustainable repurposing of equipment, and greener procurement.

Governance

Given the areas the NIO has the ability to control in relation to its climate impact, climate related matters are reviewed on an annual basis by the Board, unless significant risks or opportunities materialise.

The Executive Committee (ExCo) will review climate-related matters at three meetings per annum, as a minimum. One of these instances which will coincide with the departmental budget setting process, to ensure climate matters have been reviewed as part of this process.

Metric and targets

The NIO, has continued to apply Greening Government Commitment (GGC) emissions methodology for metrics, having been out of scope for sustainability reporting before 2023-24.

2024-25 has enabled the NIO to mature it's collection of GGC data, over 2025-26 the NIO will ensure that the current approach can be sustained to ensure our emission baseline can be accurately calculated.

In 2025-26 the NIO will review the outcome of the Spending Review and, utilising the collection of data over the previous two financial periods, decide where it is possible to set emission targets and aim to implement these for 2026-27.

Recommendations (a) and (c) are subject to a materiality assessment, given climate is not considered a principal risk, we do not see these as material risks to the department.

Risk Management

Climate is not considered a principal risk to the NIO.

Risk identification and management will follow the process used for all risks to the department, whereby if appropriate they are included on the overarching risk register and reviewed through NIO governance mechanisms, as set out in the Corporate Governance Report.

Over the course of 2025-26 the NIO will review that process to ensure it is effective and proportionate to the climate risks the department faces. This will also allow the department to integrate climate-related risks into the NIO's strategy and planning moving forward.

Greening Government Commitments

The Greening Government Commitments (GGCs) launched on 1 April 2011 requires UK Government to take action to significantly reduce environmental impact. These commitments can be found at:

Greening Government Commitments 2021 to 2025 - GOV.UK

The table below sets out the areas on which the NIO has captured information on the Government Greening Commitment:

	2024-25	2023-24
Air Travel (CO2e tonnes)	239	396
Air Miles	765,553	1,031,185
Rail Travel (CO2e tonnes)	0.67	0.50
Rail Miles	13,156	8,807
Taxi Travel (CO2e tonnes)	1.59	2.41
Taxi Miles	6,635	8,978
Car Travel (CO2e tonnes)	1.42	0.63
Hire Car Travel (CO2e tonnes)	4.85	5.11
Car Miles (total)	26,343	25,807
Paper (Reams)	230	200

*These are captured at a department level only.

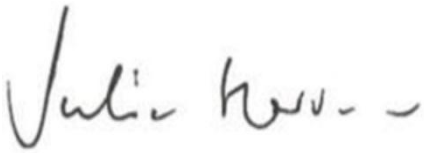
The NIO is based at 1 Horse Guards Road in London and Erskine House in Belfast. The NIO do not own and are not the sole occupants of either location. The buildings are shared with other UK Government departments and are provided by the Government Property Agency (GPA) as a managed service. It is not possible to identify the individual responsibility of each organisation to the overall sustainability of each building. Shared occupations are not accounted for due to the difficulties of extrapolating reliable sustainability data from service charges. Additionally, the NIO does not report on any emissions for any of our Arms' Length Bodies, as they fall below the requirements for TCFD and because the NIO does not have the ability to influence the emission which they generate.

Carbon Reduction Commitment

The NIO has put in place a number of measures necessary to adapt to future climate change. Where the NIO draws on services supplied by the Government Property Agency under contract to them, the Office's contribution to UK Government commitments on environmental impact and sustainability are met within those wider frameworks.

The NIO are committed to reducing their environmental impact by:

- Encouraging the use of video conferencing and dial-in facilities rather than travelling to meetings;
- Using recycled paper and other stationery;
- Using public transport rather than cars when travelling to meetings; and
- Ensuring that our printers and photocopiers are all energy efficient models which reduce paper wastage.



Dr Julie Harrison
Accounting Officer
26 November 2025

Accountability Report

Corporate Governance Report

Directors Report

NIO Lead Non-Executive Board Members Report

Les Philpott
Lead Non-Executive Board Member and Chair of the NIO Audit and Risk Assurance Committee

Introduction

This is my fifth report as the Northern Ireland Office's Lead Non-Executive Board member and Chair of the NIO Audit and Risk Assurance Committee (ARAC). My report reflects on the work of the Board and the Committee over the last twelve months. It has been prepared in line with HM Treasury guidance, and is based on the information and assurances that were provided to the Board and the Committee during the year.

2024-25 Overview

Throughout the reporting period, the Board and the ARAC have taken assurance from the wide range of deep dives on key strategic and corporate matters and reports on performance and management of risk. The series of deep dives at each meeting have been particularly helpful in improving the non-executive team's understanding of the environment in which the department operates and the challenges it faces as well as providing an opportunity for the non-executives to test and scrutinise the robustness of delivery plans and the use of resources.

A key focus of the departmental board's work during the reporting period has been to support the induction of the new ministerial team and take a visible role in supporting the development of the department's spending review considerations and preparations of a new business plan for 2025 -2026.

Over the last year, I have seen a marked step change in the quality and comprehensiveness of reports presented to both the Board and the ARAC and improvements in how the

department uses data to inform policy proposals and decisions. Further information on the department's achievements, challenges and risks are outlined in the Performance Report.

Board Membership and Effectiveness

The Board met three times during 2024-25, in October and December 2024 and then again in March 2025. A meeting scheduled for June 2024 was cancelled due to the calling of a general election.

In July 2024, following the appointment of a new Secretary of State for Northern Ireland, it was agreed that he would Chair the departmental Board, with membership reconstituted to include both ministers, the Permanent Secretary, Chief Operating Officer and two Non-Executive Board Members. I was impressed with how quickly the changes bedded in and the speed with which the reformed Board became familiar with the department's risk landscape and began to provide leadership and direction. The Board also took time to review its Operating Framework to ensure it continued to reflect its role and responsibilities.

Due to changes in the Board membership, a decision was taken to delay the in-year effectiveness review but this will be completed in the next reporting period.

Audit and Risk Assurance Committee (ARAC)

The ARAC met five times during 2023-24, including a technical meeting in December 2024 to discuss and endorse the sign-off of the 2023-24 Annual Report and Accounts, which I am pleased to report received an unqualified opinion and was presented to Parliament in December 2024.

In addition to the Committee's work to scrutinise the Annual Report and Accounts, throughout the year, the Committee conducted a regular series of deep dives into key functional risk areas and reviewed the work conducted by internal and external auditors. A key focus of the Committee over the last year has been to support the department review its approach to sponsorship arrangements. This included the creation of a new centralised sponsorship team with appropriate skilled resources to support the department and its sponsored entities. Since the creation of this team, I have noticed improved reporting of sponsorship issues that have allowed the ARAC to take a greater level of assurance on the arrangements in place. The ARAC will continue to monitor these arrangements in the next reporting period.

At each meeting, the Committee reviewed the department's risk register and provided challenges on the department's approach to managing risks and issues, including its assessment of risk and the robustness of the mitigations put in place. In addition to the register, the Committee was also provided with a risk analysis of each of the sponsored bodies. During the reporting period, an internal audit was conducted on the department's risk management policy which provided a 'substantial' opinion. This was a great achievement and

reflects the department's approach to ensuring that risk is given appropriate consideration at all levels of the organisation.

Throughout the reporting period, the Committee also took assurance from the reports provided from the internal and external audit work. In addition, the Committee took assurance from the bi-annual Stewardship Statements provided by senior officials and sponsored bodies. The Committee acknowledges that the overall internal audit opinion reported a 'moderate' level of assurance for 2024-25 and noted the minor recommendations and the management actions that will be taken to implement improvements.

A review of the Committee's effectiveness was commissioned in January 2025 and responses were reviewed at the April 2025 meeting. In summary, responses indicated that the Committee was operating effectively and feedback demonstrated that the Committee understands its role and has the right balance of skills and experience to discharge its functions appropriately.

Throughout the reporting period, the Permanent Secretary received regular updates from the Chief Operating Officer, who was a regular attendee at ARAC meetings, on the work of the Committee and I regularly engaged with both the Permanent Secretary and Chief Operating Officer to discuss matters of interest. This arrangement was effective and ensured that the Committee continued to be briefed on matters within its remit and I am satisfied that regular senior executive attendance effectively supports discussions relating to management of risk and delivery performance.

In addition to the arrangements in place for engagement with the NIO Permanent Secretary / Accounting Officer and other senior officials, following each ARAC meeting the minutes were circulated to the Board for information and I discussed the work of the Committee, and any reflections from this work, as part of my regular reporting at Board level.

Relationships with Other Audit Committees

The Northern Ireland Office continues to sponsor four executive Non-Departmental Public Bodies (NDPBs):

- The Independent Commission for Reconciliation and Information Recovery (ICRIR);
- The Northern Ireland Human Rights Commission (NIHRC);
- The Parades Commission for Northern Ireland (PCNI); and
- The Independent Reporting Commission (IRC).

The ICRIR, NIHRC, and PCNI each operate independent and separate Audit Committees but due to limited budget responsibilities, the NIO ARAC provides oversight for the IRC, which does not operate its own Audit Committee. I am pleased to report that all four NDPBs received unqualified opinions and their annual reports and accounts for 2024-25 were laid in

Parliament in-year. Annual reports and accounts for 2024-25 for each body have also been recently laid in Parliament with unqualified opinions.

Each year, I make it a priority to meet with the NDPB Audit Committee Chairs to discuss matters of common interest and these visits took place in September 2024. I have also continued to observe ICRIR Audit Committee meetings.

Acknowledgements

I am grateful to my fellow non-executive team members for their continued dedication and support throughout the reporting period as well as the auditors and officials within the NIO to ensure that effective assurance is provided to the Committee.

Les Philpott

Northern Ireland Office Ministers and Board Members as at 31 March 2025

Ministers

The Rt. Hon. Hilary Benn MP
Secretary of State for Northern Ireland

Fleur Anderson MP
Parliamentary Under Secretary of State

Officials

Dr Julie Harrison
Permanent Secretary

Ruth Sloan
Chief Operating Officer

Non-Executive Board Members

Les Philpott
Lead Non-Executive Board Member

Fiona Ross
Non-Executive Board Member

Further information about our governance is available on our website:
https://www.gov.uk/government/organisations/northern-ireland-office

Permanent Secretary

The Permanent Secretary for the NIO in 2024/2025 was Julie Harrison.

Other Reporting Entities

The names of the Chair and Chief Executive, or equivalent, of the Northern Ireland Office's other reporting entities as at 31 March 2025 were as follows:

Northern Ireland Human Rights Commission

Chief Commissioner: Alyson Kilpatrick
Director/Chief Executive: Dr David Russell

Parades Commission for Northern Ireland

Chief Commissioner: Professor Evelyn Collins CBE
Secretary: Ralph Roche

Independent Reporting Commission

Chief Commissioner: Not Applicable
UK Joint Secretary: Alex Midgley

Independent Commission for Reconciliation and Information Recovery

Chief Commissioner: Sir Declan Morgan
Chief Executive Officer: Louise Warde Hunter

Further information on the performance and governance of each of these entities can be found in their respective Annual Reports & Accounts which are available on their websites.

Statement of Accounting Officer's Responsibilities

Under the Government Resources and Accounts Act 2000 ("the GRAA"), HM Treasury has directed the Northern Ireland Office to prepare, for each financial year, consolidated resource accounts. These accounts must detail the resources acquired, held, or disposed of, and the use of resources, during the year by the department and its sponsored non-departmental and other sponsored bodies designated by order made under the GRAA by Statutory Instrument 2024 number 295. The 'departmental group' comprises the department and sponsored bodies listed at note 21 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 the income and

expenditure, Statement of Financial Position, Statement of Changes in Taxpayers' Equity, and cash flows of the departmental group for the financial year.

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

- Observe the Accounts Direction issued by HM Treasury, including the relevant accounting and disclosure requirements, 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 sponsored bodies;
- State whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the accounts;
- Prepare the accounts on a going concern basis; and
- Confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable, and take personal responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced and understandable.

The Principal Accounting Officer and the Board confirms that this Annual Report and Accounts as a whole is fair, balanced, and understandable. The Principal Accounting Officer takes personal responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced and understandable.

HM Treasury appointed Julie Harrison as Principal Accounting Officer of the NIO with effect from 16 October 2023.

The Principal Accounting Officer of the department has also appointed the Chief Executives or equivalents of its sponsored non-departmental and other bodies as Accounting Officers of those bodies. During the reporting period, David Russell was Accounting Officer for the Northern Ireland Human Rights Commission and Ralph Roche was the Accounting Officer for the Parades Commission for Northern Ireland. There were changes in-year to the Accounting Officer for the Independence Reporting Commission following the departure of Chris Atkinson on 5 November 2024 with Dianne Wilson being appointed as Interim Accounting Officer from 6 November 2024 to 5 January 2025 before Alexander Midgley was appointed as Accounting Officer for the Independent Reporting Commission with effect from 6 January 2025. Additionally, Louise Warde-Hunter was appointed as Accounting Officer for the Independent Commission for Reconciliation and Information with effect from 7 September 2024 following the departure of Tristan Pedelty on 6 September 2024.

The Principal 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 sponsored body, are set out in Managing Public Money, published by HM Treasury.

As the Principal 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 the NIO's auditors are aware of that information. As far as I am aware, there is no relevant audit information of which the auditors are unaware.

Governance Statement

Introduction

The Northern Ireland Office (NIO) governance statement records the stewardship of the organisation, drawing together evidence on governance and risk management, to give a sense of how successfully the department has responded to the challenges and changes faced during the year.

As Principal Accounting Officer, this governance statement represents my assurance to Parliament that I am satisfied that the department's system of internal control is effective and supports good decision making. This statement is in accordance with HM Treasury guidance. It sets out the governance structures, the internal control and risk management procedures that have operated within the NIO during the financial year 2024-25, and up to the date of approval of the Annual Report and Accounts. The systems in place, as outlined in this statement, are designed to manage risk to a reasonable level rather than to eliminate all risks of failure to achieve policies, aims, and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness.

This statement covers the core department, with the following four sponsored public bodies producing their own governance statements, which are published in their Annual Report and Accounts:

- The Northern Ireland Human Rights Commission;
- The Parades Commission for Northern Ireland;
- The Independent Reporting Commission; and
- The Independent Commission for Reconciliation and Information Recovery

My relationship with the Accounting Officers of these bodies is set out in the respective Framework Agreements and designator letters.

Compliance with the Corporate Governance Code

The NIO abides by the principles and spirit of the principles set out in: *Corporate Governance in Central Government Departments: Code of Good Practice 2017*.

The Code recognises there is not a 'one size fits all model' for boards, and the 'comply or explain' mechanism enables departments to deviate from the principles and supporting provisions, if justifiable, for good governance of the department. Given that the department is considerably smaller than most central government departments, and has a limited budget and responsibilities by comparison, it would be disproportionate to implement some of the detailed provisions in the Code when good governance can be achieved by other, more proportionate means. I am satisfied that where the department deviates from the Code, that there is a proportionate and justifiable rationale to do so.

Northern Ireland Office Board

The NIO Board forms the collective strategic and operational leadership of the department, bringing together its ministerial and civil service leaders with senior non-executives from outside government. Its purpose is to provide advice, challenge, and assurance on the department's Outcomes Delivery Plan, to monitor performance, and to advise on significant risks. An independent Audit and Risk Assurance Committee (ARAC) and an Executive Committee (ExCo) support the Board.

During the reporting period the Board met three times and considered a wide range of strategic and corporate issues, as well as scrutinising performance and risk management. The Board was fully engaged in monitoring the use of resources including how the department was responding to deliver the priorities in the Outcome Delivery Plan. Further information on performance during the year is reported in the Performance Analysis section of the report.

The Board took particular assurance from regular deep dives that scrutinised the delivery performance of business areas and sponsored bodies. A particular focus at each Board meeting was the scrutiny of the corporate risk register. The Non-Executive Board Members also played a key role in challenging the comprehensiveness and accuracy of the risk register.

Further information on how the Board operated, assessed its effectiveness in-year, and assessed the quality of the information and support it received, can be found in the Lead Non-Executive Board Member report.

Board Membership and Attendance

The table below sets out attendance for Board meetings attended by members from 1 April 2024 to 31 March 2025:

Membership Type	Name	Position	Date joined / departed Board	Eligible meeting	Absent
Minister	Chris Heaton-Harris	Secretary of State	Departed July 2024	0	0
	Steve Baker	Minister of State	Departed July 2024	0	0
	Lord Caine	Parliamentary Under Secretary of State	Departed July 2024	0	0

	Hilary Benn	Secretary of State	Joined July 2024	3	0
	Fleur Anderson	Parliamentary Under Secretary of State	Joined July 2024 / Departed September 2025	3	0
	Matthew Patrick	Parliamentary Under Secretary of State	Joined September 2025	0	0
Senior Officials	Julie Harrison	Permanent Secretary	-	3	0
	Dominic Wilson	Director General	Departed May 2024	0	0
	Will Gelling	Director General	Joined June 2025	0	0
	Caroline Hacker	Chief Operating Officer	Departed April 2024	0	0
	Holly Clark	Chief Operating Officer	Joined May 2024 / Departed October 2024	0	0
	Ruth Sloan	Chief Operating Officer	Joined November 2024	3	1
Non-Executive	Les Philpott	Lead Non-Executive	-	3	0
	Fiona Ross	Non-Executive	-	3	0

Executive Committee

The Executive Committee (ExCo) is the senior leadership of the NIO, chaired by the Permanent Secretary and made up of all the department's Directors. It operates under delegated authority of the Board, and within the overall strategic context set by ministers, with particular responsibility for delivering on operational priorities, and setting the culture and tone for the department. It makes collective decisions on corporate issues, and actively monitors departmental delivery and performance. ExCo also provides leadership on diversity and inclusion, and the health and wellbeing of departmental staff.

During the year, ExCo focused on operational deliverables and priorities as well as reviewing departmental risks. The Committee also undertook deep dives on a range of issues including Digital Transformation, implementation of the Independent Commission for Reconciliation

and Information Recovery; Government Missions and Priorities and the People Survey 2024 Results. Throughout the period, staff and wellbeing and resourcing was also a key consideration for ExCo.

ExCo's work was supported by Programme Boards, chaired by Directors, which oversee and assess progress against delivery plans, milestones, risks and outcomes and the People Board that provides ExCo with advice on the development of the department's People Strategy and other staffing matters.

Audit and Risk Assurance Committee

The Audit and Risk Assurance Committee (ARAC) supports the Board and Principal Accounting Officer by providing an independent view of the risk, internal control, and governance arrangements, and assessing the comprehensiveness, reliability, and integrity of those assurances.

The Committee also reviews and makes recommendations to the Principal Accounting Officer on the preparation and sign-off of the annual accounts. In line with the requirements of the Corporate Governance in Central Government Departments: Code of Good Practice 2017 and HM Treasury's Audit and Risk Assurance handbook the ARAC is chaired by a non-executive board member. The current chair is the Lead Non-Executive Director, Les Philpott.

The table below sets out the attendance of members from 1 April 2024 to 31 March 2025:

Name	Date joined / departed	Eligible meetings	Absent
Les Philpott	-	5	0
Neil Sayers	-	5	0
Fiona Ross	-	5	0

During the reporting year, regular reports on the ARAC's work were provided to the Principal Accounting Officer and the Board. Further information on the membership and work of the ARAC can be found in the Lead Non-Executive Board Members Report.

Register of Interests

The NIO maintains a register of Board and Committee members' interests, with details of company directorships and other significant interests held by members. The register is a living document and all interests declared by members are considered by the Principal Accounting Officer, who must be satisfied that any potential conflict can be managed. Declarations of any new interests is a standing agenda item for all Board and Committee meetings.

The interests registered by Board members as at 31 March 2025 are set out below:

Name	Position / Interest
Julie Harrison	Close family relative is a Board Member of Derry City Airport
Ruth Sloan	None declared
Holly Clark	None declared
Les Philpott	Non-Executive Board Chair, Government Actuary's Department Non-Executive Director, Benenden Healthcare Society Ltd
Fiona Ross	Non-Executive Director, Network Rail Chair, National Paediatric Hospital Development Board Non-Executive Director, JK Funds Non-Executive Director, Evelyn Partners Non-Executive Director, SphereInvest Non-Executive Director, The National Treasury Management Agency Non-Executive Director, Ireland XO

The NIO's processes for registering outside interests and employments apply to all executive and non-executive members of the Board and Committees, and to all Senior Civil Servants working in the department. For those staff below the Senior Civil Service, the declaration and management of interests is in line with MoJ policies and the requirements of the Civil Service Management Code.

In addition to the requirements set out above for the register of interests, and in line with the current Declaration of Interests policy for Special Advisers, all Special Advisers have declared any relevant interests, or confirmed they do not consider they have any relevant interests. The Principal Accounting Officer has considered these returns, and the following relevant interests are set out in public:

Name	Interest
Aoife Forbes (until 30/05/2024)	Ms Forbes held a paid role in the Parliamentary Office of the Rt Hon Chris Heaton-Harris MP. Ms Forbes' work as a Special Adviser was a part-time contract and her work in the Parliamentary Office of Rt Hon Chris Heaton-Harris MP was performed outside these hours.
Claire Tighe (current)	Ms Tighe is a Local Councillor for North Hanwell Ward, London Borough of Ealing (Elected Representative)

Business Appointment Rules

In compliance with Business Appointment rules, the department is transparent in the advice given to individual applications for senior staff, including Special Advisers, and this information is published at:

https://www.gov.uk/search/transparency-and-freedom-of-information-releases?organisations%5B%5D=northern-ireland-office&parent=northern-ireland-office

During 2024-25, the department did not issue any decision on any application submitted under the Business Appointment Rules (nil in 2023-24).

Internal Audit

HM Treasury mandates that internal audit must give a year-end assurance on the effectiveness of a department's governance, risk, and internal control environment, and this assurance is a source of evidence underpinning the Principal Accounting Officer's Governance Statement.

Internal audit services are provided to the NIO by the Government's Internal Audit Agency, who work in accordance with Public Sector Internal Audit Standards. The work of internal auditors includes reviewing information and holding meetings with senior management, to look at the governance, risk, and internal control framework.

The Head of Internal Audit from the Government's Internal Audit Agency provides an annual assurance to the department's Principal Accounting Officer, by way of an independent opinion on the adequacy and effectiveness of governance, risk, and internal control arrangements. Their internal audit opinion is informed by the internal audit work carried out throughout the reporting period. Their annual work plan is developed in agreement with senior management, the Principal Accounting Officer and the NIO's Audit and Risk Assurance Committee and is informed by an analysis of the risks to which the NIO is exposed.

The Internal Audit opinion for 2024-25 included audits of Risk Management, Private Office Ministerial Correspondence, Travel and Expenses and there was a follow up audit on Spend Controls. Each of these audits received a "moderate" rating with the exception of Risk Management that received a 'substantial' rating. The Government's Internal Audit Agency reported no significant control issues and provided a "moderate" level of assurance that the NIO's overall risk, internal control, and governance framework is adequate to enable the achievement of its objectives, and that the department's key risks are being effectively managed. A common theme cutting across the internal audits completed within this reporting period, and the previous year, was capacity issues with a number of teams carrying vacancies and this impacted on addressing recommendations promptly. I acknowledge that the department has faced some resource issues and action is being taken to address these as a matter of priority.

Risk Management

During the year, the Board reviewed risks associated with the delivery of its strategic priorities and objectives at each of its meetings. A particular focus for the department, and particularly ExCo over the last twelve months has been to work collaboratively with Programme Boards and risk owners to ensure that operational risks continued to be aligned to business deliverables and reviewed and monitored at the appropriate level. The NIO Board was particularly focused on regularly reviewing risks emerging from proposals to reform the Legacy Act and the work on Spending Review preparations in addition to external risks relating to Northern Ireland fiscal challenges.

At each meeting, the ARAC was presented with a summary of the departmental risk register and undertook deep dives into specific risk areas, including reviewing risks relating to the operation of the Home Protection Scheme, ALB Sponsorship, Cyber Security and the Electoral Management System. The ARAC's strong challenge function on the management of risk ensured that mitigations and assessment of each risk were thoroughly and independently tested.

The integrated approach ensured that the Programme Boards focused on reviewing and managing lower-level risk captured in relation to each of the four priority outcomes that were identified and escalated to Programme Boards by individual business areas.

During the reporting period, the department established a Risk Review Panel that works closely with Programme Boards and conducts a detailed review of the risk register at six monthly intervals. In addition, following the completion of an internal audit of the department's approach to risk management, the risk management policy and guidance for staff was refreshed to ensure that roles and responsibilities were clearly set out for all staff.

The department's Risk Management Policy includes advice on maintaining risk registers, risk escalation, risk mitigation, and communication processes and information and tools for effective risk management is available to all staff on the departmental intranet. The Chief Operating Officer acts as risk champion at Board level to support the department's approach to managing risk.

In addition to the oversight arrangements outlined above, particularly the assessments from internal auditors and the ARAC on the adequacy and effectiveness of the overall risk management framework, the NIO Board also continues to take assurance from the Annual Risk assurance report provided by the Chief Operating Officer that provides an analysis of the effectiveness of the internal controls to manage operational level risk. Furthermore, the department's Assurance Map provides a structured way to document the main sources and types of assurance for each of the department's auditable functions. Taken together, these inform the department's wider assurance framework and confirm that, overall, risk management practices are compliant with the principles set out in the Orange Book.

Information Assurance

During the year, information assurance and information security updates were provided to the Board, ExCo, and the ARAC. A Security & Information Assurance Committee was also established in January 2024 with a remit to monitor breaches and provide advice and assurance on departmental security and information matters.

Although the department does not handle large quantities of personal data, we maintain robust internal processes and provide training and guidance to all staff on General Data Protection Regulation (GDPR). Our Data Protection Officer also provides advice and support to our sponsored bodies and monitors compliance.
During the year, the Northern Ireland Office reported one data breach to the Information Commissioner's Office (ICO) (2 in 2023-24). An internal investigation was conducted and remedial action taken to avoid recurrence. Following review, the ICO decided that no regulatory action was required.

Stewardship Statements

Each Deputy Director in the core department, and the senior official in each sponsored body, signs a bi-annual stewardship statement providing assurance to the Principal Accounting Officer on governance, risk management, and the operation of internal controls within their business areas. These stewardship statements clearly set out the internal controls that should be in place, and the steps taken to monitor the effectiveness of those controls.

The statements are normally reviewed in-year, and an assessment of the effectiveness of those controls is also carried out at the end of the reporting year. The Board and the ARAC review a summary report of the effectiveness of the internal control measures at mid-year and the year-end. For 2024-25, no significant concerns were identified following the end of year review.

Transparency Reporting

The NIO publishes monthly data on spend over £25,000, GPC payments over £500 and Workforce Management Information as well as publishing quarterly data on gifts, hospitality, meetings and travel for ministers, senior officials and special advisors alongside data on prompt payment and senior civil servants in post. For 2024-25 the majority of these datasets were published in accordance with the Cabinet Office publication timelines on gov.uk and were published on data.gov.uk. Further information can be found here:

https://www.gov.uk/search/transparency-and-freedom-of-information-releases?organisations%5B%5D=northern-ireland-office&parent=northern-ireland-office

Sponsored Bodies

During 2024-25, the Northern Ireland Office's senior management team regularly engaged with senior officials from our sponsored bodies; these meetings covered a wide range of operational and governance matters. Following an internal review regarding the department's sponsorship arrangements, a centralised sponsorship team with skilled resources was established in December 2024 to strengthen the oversight arrangements and provide more consistent support to the wider NIO family of associated bodies. The department also re-established a sponsored bodies forum that meets on a six-monthly basis to discuss matters of common interest.

Additionally, assurances were sought that each sponsored body was operating sound governance arrangements through the stewardship statement arrangements. The Board and the ARAC also received quarterly updates on general governance matters, and engaged directly with a number of sponsored bodies.

I took assurance from the ARAC, senior sponsors, the Chief Operating Officer, the centralised ALB Sponsorship team and the governance statements produced by the department's Non-Departmental Public Bodies (which are subject to review by both internal and external auditors) that all the NIO sponsored bodies were continuing to operate effectively and efficiently.

Summary of Effectiveness

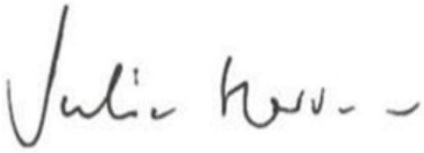
For the period 2024-25 and up to the date of the approval of this Annual Report, I am able to report that there were no significant weaknesses in the Northern Ireland Office's system of internal control of risk management, which affected the achievement of the department's key policies, aims, and objectives.

Throughout the reporting period, the NIO Board kept its effectiveness, its approach to risk management, and how it operated, under review. I am satisfied with the quality of the information presented to the Board, and that its leadership, performance, and approach to business, provided effective support to ministers and senior officials in directing the business of the department.

In respect of the NIO's sponsored bodies that are required to publish separate audited accounts, no material issues have been reported to me, and all the department's sponsored bodies accounts were published at the date of this report.

In addition to the audited accounts for sponsored bodies, the department also has responsibility for electoral policy in Northern Ireland, and for publishing the expenses of the Returning Officer for Northern Ireland. From 2021-2022, it was agreed that these costs would be consolidated and reported on through the Northern Ireland Office group accounts (see Note 22).

No Ministerial directions were issued to me in my role as the Principal Accounting Officer for the Northern Ireland Office during the reporting period.



Dr Julie Harrison
Accounting Officer
26 November 2025

Remuneration and Staff Report

Overview

The remuneration and staff report summarises the department's policy on remuneration of ministers, executive board members, non-executive board members and staff. It also provides details of actual costs and contractual arrangements. The remuneration and staff report has been prepared in accordance with the requirements of the Financial Reporting Manual 2024-25 as issued by HM Treasury.

Remuneration policy

The remuneration of senior civil servants (SCS) is set by the Prime Minister following independent advice from the Review Body on Senior Salaries. The Review Body on Senior Salaries also advises the Prime Minister from time to time on:

- the pay and pensions of MPs and their allowances
- peers' allowances
- the pay, pensions and allowances of ministers and others whose pay is determined by the Ministerial and Other Salaries Act 1975 (as amended)

In reaching its recommendations, the Review Body on Senior Salaries has regard to the following considerations:

- the need to recruit, retain and motivate suitably able and qualified people to exercise their different responsibilities
- regional and local variations in labour markets and their effects on the recruitment and retention of staff
- government policies for improving the public services, including the requirement on departments to meet the output targets for the delivery of departmental services
- the funds available to departments as set out in the government's departmental expenditure limits
- the government's inflation target

The Review Body on Senior Salaries takes account of the evidence it receives about wider economic considerations and the affordability of its recommendations. Further information about the work of the Review Body on Senior Salaries can be found at: www.gov.uk/government/organisations/review-body-on-senior-salaries.

Board members and senior civil servants remuneration

The salaries of NIO's departmental Board members (excluding the ministerial and non-executive members) are determined in line with the Cabinet Office SCS reward policy. Non-consolidated performance-related payments for senior civil servants are determined by the Executive Committee (SCS Pay Band 1 and 2).

Service contracts

The Constitutional Reform and Governance Act 2010 require Civil Service appointments to be made on merit on the basis of fair and open competition. The Recruitment Principles published by the Civil Service Commission specify the circumstances when appointments may be made otherwise.

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

Further information about the work of the Civil Service Commission can be found here: https://civilservicecommission.org.uk.

Ministers' salaries and pension entitlements

This section and the related tables have been subject to audit

The salaries, taxable benefits in kind and pension entitlements of ministers are shown in the following tables. Salary figures include all allowances payable by the Office, whereas full-year equivalents are calculated net of allowances, bonuses and ex gratia Payments.

In respect of ministers in the House of Commons, departments bear only the cost of the additional Ministerial remuneration; the salary for their services as an MP £91,346 (from 1 April 2024) and various allowances to which they are entitled are borne centrally. However, the arrangement for ministers in the House of Lords is different in that they do not receive a salary but rather an additional remuneration, which cannot be quantified separately from their Ministerial salaries. This total remuneration, as well as the allowances to which they are entitled, is paid by the department and is therefore shown in full in the figures below.

Benefits in kind

The monetary value of benefits in kind covers any benefits provided by the department and treated by HM Revenue and Customs as a taxable emolument. No minister received benefits in kind in 2024-25 or 2023-24.

Remuneration (salary and payments in kind)

Ministers	Salary (£)		Pension benefits (to nearest £1,000)[3]		Total (to nearest £1,000)	
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
The Rt Hon Hilary Benn MP, Secretary of State for Northern Ireland (from 5th July 2024)	49,721 (FYE 67,505)	-	13,000	-	63,000	-
Fleur Anderson MP, Parliamentary Under Secretary of State (from 9th July 2024)[4]	16,300 (FYE 22,375)	-	4,000	-	20,000	-
The Rt Hon Chris Heaton-Harris MP, Secretary of State for Northern Ireland (from 6th September 2022 to 5th July 2024)[5]	34,660 (FYE 67,505)	67,505	4,000	18,000	39,000	86,000
The Rt Hon Steve Baker MP, Minister of State for Northern Ireland Office (from 7th September 2022 to 5th July 2024)[6]	15,636 (FYE 31,680)	31,680	2,000	8,000	18,000	40,000
Lord Caine Parliamentary Under Secretary of State (from 5th November 2021 to 5th July 2024)[7]	-	-	-	-	-	-

[3] The value of pension benefits accrued during the year is calculated as (the real increase in pension multiplied by 20) less (the contributions made by the individual). The real increase excludes increases due to inflation or any increase or decrease due to a transfer of pension rights.

[4] Fleur Anderson departed as Parliamentary Under Secretary of State on 7th September 2025

[5] Severance pay of £16,876 was due to Chris Heaton-Harrison on his departure in the financial year 2024-25 included within salary noted in the table above

[6] Severance pay of £7,290 was due to Steve Baker on his departure in the financial year 2024-25 included within salary noted in the table above

[7] Lord Caine does not receive a salary for his work in the department. Severance pay due to Lord Caine on his departure was paid by HM Treasury.

Pension Benefits

Ministers	Accrued pension at age 65 as at 31/3/25	Real increase in pension at age 65	CETV at 31/3/25	CETV at 31/3/24	Real increase in CETV
	£000	£000	£000	£000	£000
The Rt Hon Hilary Benn MP, Secretary of State for Northern Ireland (from 5th July 2024)	15-20	0-2.5	324	317	10
Fleur Anderson MP, Parliamentary Under Secretary of State (from 9th July 2024)	0-5	0.2.5	5	-	3
The Rt Hon Chris Heaton-Harris MP, Secretary of State for Northern Ireland (from 6th September 2022 to 5th July 2024)	5-10	0-2.5	91	86	3
The Rt Hon Steve Baker MP, Minister of State for Northern Ireland Office (from 7th September 2022 to 5th July 2024)	0-5	0-2.5	26	24	1

Ministerial pensions

Pension benefits for ministers are provided by the Parliamentary Contributory Pension Fund (PCPF). The scheme is made under statute and the rules are set out in the Ministers' etc. Pension Scheme 2015 is available here:

https://mypcpfpension.co.uk/wp-content/uploads/2019/09/ministerial-pension-scheme-rules.pdf

Those ministers who are Members of Parliament may also accrue an MP's pension under the PCPF (details of which are not included in this report). A new MP's pension scheme was introduced from May 2015, although members who were aged 55 or older on 1st April 2013 have transitional protection to remain in the previous final salary pension scheme.

Benefits for ministers are payable from State Pension age under the 2015 scheme. Pensions are re-valued annually in line with Pensions Increase legislation both before and after retirement. The contribution rate from May 2015 is 11.1% and the accrual rate is 1.775% of pensionable earnings.

The figure shown for pension value includes the total pension payable to the member under both the pre- and post-2015 Ministerial pension schemes.

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. 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 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 Ministerial service, not just their current appointment as a Minister. CETVs are calculated in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

The real increase in the value of the CETV

This is the element of the increase in accrued pension funded by the Exchequer. It excludes increases due to inflation and contributions paid by the Minister. It is worked out using common market valuation factors for the start and end of the period.

Senior Management's salary and pension entitlements

This section and the related tables have been subject to audit

Salary includes gross salary; performance pay or bonuses; 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. This report is based on accrued payments made by the department and thus recorded in these accounts.

Salary figures include all allowances payable by the department, whereas full year equivalents are calculated net of allowances, bonuses and ex-gratia payments.

Bonuses are based on performance levels attained and are made as part of the appraisal process. Permanent Secretary bonuses are determined by the Permanent Secretary Remuneration Committee within Cabinet Office.

The bonuses reported in 2024-25 relate to performance in 2023-24 and the comparative bonuses reported for 2023-24 relate to performance in 2022-23.

Benefits in Kind

The monetary value of benefits in kind covers any benefits provided by the department and treated by HM Revenue and Customs as a taxable emolument.

Single total figure of remuneration										
Senior Managers	Salary (£'000)		Bonus Payments (£'000)		Benefits in kind (to nearest £100)		Pension benefits (to nearest £1,000)[8]		Total (£'000)	
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24[9]	2024-25	2023-24
Permanent Secretary										
Dr Julie Harrison	160-165	85-90 (150-155 FYE)	-	-	-	-	68,000	33,000	225-230	115-120
Madeleine Alessandri (to 30 June 2023)	-	45-50 (165-170 FYE)	-	-	-	2,400	-	-	-	45-50
Director General										
Dominic Wilson (to 30th April 2024)[10]	10-15 (140-145 FYE)	135-140	-	-	-	-	13,000	40,000	20-25	175-180
Chris Flatt (to 21st February 2025)	95-100 (100-105 FYE)	100-105	0-5	0-5	-	-	64,000	40,000	165-170	145-150
William Gelling	110-115	100-105	10-15	0-5	-	-	74,000	5,000	190-195	110-115
Dr Caroline Hacker	105-110	100-105	0-5	0-5	-	-	42,000	40,000	155-160	145-150
Holly Clark (from 15 January 2024 to 24th October 2024)	60-65 (100-105 FYE)	20-25 (95-100 FYE)	-	-	-	-	48,000	22,000	105-110	40-45
Colin Perry (to 31 May 2023)	-	15-20 (100-105 FYE)	-	10-15	-	-	-	(5,000)[11]	-	20-25
Ruth Sloan (from 6th November 2024)	35-40 (95-100 FYE)	-	-	-	-	-	14,000	-	50-55	-

[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 or any increase or decreases due to a transfer of pension rights.

[9] The pension benefits of any members affected by the public service pensions remedy which were reported in 2022-23 based on **alpha** membership for the period between 1 April 2015 and 31 March 2022 have been reported since 2023-24 based on PCSPS membership for the same period. Accrued pension benefits included in this table for any individual affected by the Public Service Pensions Remedy have been calculated based on their inclusion in the legacy scheme for the period between 1 April 2015 and 31 March 2022, following the McCloud judgment. The Public Service Pensions Remedy applies to individuals that were members, or eligible to be members, of a public service pension scheme on 31 March 2012 and were members of a public service pension scheme between 1 April 2015 and 31 March 2022. The basis for the calculation reflects the legal position that impacted members have been rolled back into the relevant legacy scheme for the remedy period and that this will apply unless the member actively exercises their entitlement on retirement to decide instead to receive benefits calculated under the terms of the Alpha scheme for the period from 1 April 2015 to 31 March 2022.

[10] In 2024-25 Dominic Wilson was paid by the Ministry of Defence for the period 1st April – 30th April 2024

[11] Final salary member (classic/classic plus/premium) who has transitioned to alpha. The final salary pension of a person in employment is calculated by reference to their pay and length of service. The pension will increase from one year to the next by virtue of any pay rise during the year. Where there is no or a small pay rise, the increase in pension due to extra service may not be sufficient to offset the inflation increase – that is, in real terms, the pension value can reduce, hence the negative values

Non-Executive Directors

The department has two non-executive directors, details of whom can be found in the Corporate Governance Report. Non-executive director fees are non-pensionable.

Remuneration	Salary (£000)		Benefits in kind (to nearest £100)		Total (£000)	
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
Les Philpott Lead Non-Executive Director	10-15	10-15	-	-	10-15	10-15
Fiona Ross (From 1 March 2023)	10-15	10-15	-	-	10-15	10-15

Pension Benefits

Senior Managers	Accrued pension at pension age at 31/03/25 and related lump sum	Real increase in pension and related lump sum at pension age	CETV at 31/03/25	CETV at 31/03/24[9]	Real increase in CETV	Employer contribution to partner-ship pension account
	£000	£000	£000	£000	£000	Nearest £100
Permanent Secretary						
Dr Julie Harrison (from 6 September 2023)	5-10	2.5-5	94	30	50	
Director General						
Dominic Wilson (to 30th April 2024)	55-60 plus a lump sum of 145-150	0-2.5 plus a lump sum of 0-2.5	1228	1210	12	
Directors						
Chris Flatt (to 21st February 2025)	30-35 plus a lump sum 75-80	0-2.5 plus a lump sum of 2.5-5	674	598	47	
William Gelling	30-35 plus a lump sum 70-75	2.5-5 plus a lump sum of 2.5-5	612	530	54	
Dr Caroline Hacker	10-15	2.5-5	185	138	27	
Holly Clark (from 15 January 2024 to 24th October 2024)	30-35	2.5-5	564	519	34	
Ruth Sloan (from 6th November 2024)	10-15 plus a lump sum of 25-30	0-2.5 plus a lump sum of 0	250	239	7	

Civil Service Pensions

Pension benefits are provided through the Civil Service pension arrangements. Before 1 April 2015, the only scheme was the Principal Civil Service Pension Scheme (PCSPS), which is divided into a few different sections – **classic, premium, and classic plus** provide benefits on a final salary basis, whilst nuvos provides benefits on a career average basis. From 1 April 2015 a new pension scheme for civil servants was introduced – the Civil Servants and Others Pension Scheme or **alpha**, which provides benefits on a career average basis. All newly appointed civil servants, and the majority of those already in service, joined the new scheme.

The PCSPS and **alpha** are unfunded statutory schemes. Employees and employers make contributions (employee contributions range between 4.6% and 8.05%, depending on salary). The balance of the cost of benefits in payment is met by monies voted by Parliament each year. Pensions in payment are increased annually in line with the Pensions Increase legislation. Instead of the defined benefit arrangements, employees may opt for a defined contribution pension with an employer contribution, the **partnership** pension account.

In **alpha**, pension builds up at a rate of 2.32% of pensionable earnings each year, and the total amount accrued is adjusted annually in line with a rate set by HM Treasury. Members may opt to give up (commute) pension for a lump sum up to the limits set by the Finance Act 2004. All members who switched to **alpha** from the PCSPS had their PCSPS benefits 'banked', with those with earlier benefits in one of the final salary sections of the PCSPS having those benefits based on their final salary when they leave **alpha**.

The accrued pensions shown in this report are the pension the member is entitled to receive when they reach normal pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over normal pension age. Normal pension age is 60 for members of **classic**, **premium**, and **classic plus**, 65 for members of **nuvos**, and the higher of 65 or State Pension Age for members of **alpha**. The pension figures in this report show pension earned in PCSPS or **alpha** – as appropriate. Where a member has benefits in both the PCSPS and **alpha**, the figures show the combined value of their benefits in the two schemes but note that the constituent parts of that pension may be payable from different ages.

When the Government introduced new public service pension schemes in 2015, there were transitional arrangements which treated existing scheme members differently based on their age. Older members of the PCSPS remained in that scheme, rather than moving to **alpha**. In 2018, the Court of Appeal found that the transitional arrangements in the public service pension schemes unlawfully discriminated against younger members (the "McCloud judgment").

As a result, steps are being taken to remedy those 2015 reforms, making the pension scheme provisions fair to all members. The public service pensions remedy[12] is made up of two parts. The first part closed the PCSPS on 31 March 2022, with all active members becoming members of **alpha** from 1 April 2022. The second part removes the age discrimination for the remedy period, between 1 April 2015 and 31 March 2022, by moving the membership of eligible members during this period back into the PCSPS on 1 October 2023.

[12] www.gov.uk/government/collections/how-the-public-service-pension-remedy-affects-your-pension

The accrued pension benefits, Cash Equivalent Transfer Value and single total figure of remuneration reported for any individual affected by the Public Service Pensions Remedy have been calculated based on their inclusion in the PCSPS for the period between 1 April 2025 and 31 March 2022, following the McCloud judgment. The Public Services Pensions Remedy applied to individuals that were members, or eligible to be members, of a public service pension scheme on 31 March 2012 and were members of the public service pension scheme between 1 April 2025 and 31 March 2022. The basis for the calculation reflects the legal position that impacted members have been rolled back to PCSPS for the remedy period and this will apply unless the member actively exercises their entitlement on retirement to decide instead to received benefits calculated under the terms of the **alpha** scheme for the period from 1 April 2025 to 31 March 2022.

The **partnership** pension account is an occupational defined contribution pension arrangement which is part of the Legal & General Mastertrust. The employer makes a basic contribution of between 8% and 14.75% (depending on the age of the member). The employee does not have to contribute but, where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.5% of pensionable salary to cover the cost of centrally provided risk benefit cover (death in service and ill health retirement).

Further details about the Civil Service pension arrangements can be found at: http://www.civilservicepensionscheme.org.uk

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 figures include the value of any pension benefit in another scheme or arrangement which the member has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their own cost. CETVs are worked out in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

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.

Fair Pay Disclosures [Audited]

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

	2024-25	2023-24
Band of Highest Paid Director Total Remuneration	£160,000 - £165,000	£150,000-155,000
Percentage change in performance pay and bonuses for highest paid Director	0%	0%
Median total pay and benefits ratio	3.4	3.3
Median total pay and benefits	£48,407	£45,908
Percentage change in Director total pay and benefits	5.7%[13]	-13%
Ratio between highest paid director and 25th Percentile	4.1	4.1
25th Percentile total pay and benefits	£39,259	£37,238
Ratio between highest paid director and 75th Percentile	2.7	2.6
75th Percentile total pay and benefits	£61,201	£59,000

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 median remuneration of the workforce was £48,407 (2023-24: £45,908). The salary component of the median was £47,657 (2023-24: £45,908). The change in median pay multiple remains the same due to an increase in median remuneration of the workforce resulting from an average 5.5% pay rise received in year and reduction in staff numbers. The lower quartile remuneration (representing the 25th percentile of the linear distribution) was £39,259 (the salary component of this was £39,259) (2023-24: £37,238) and the upper

[13] The percentage change in directors total pay and benefits is based on the full year equivalent in 2023-24

quartile remuneration (representing the 75th percentile of the linear distribution) was £61,201 (the salary component of this was £61,201) (2023-24: £59,000).

In 2024-25, no (2023-24, nil) employee received remuneration in excess of the highest-paid director. Remuneration ranged from £17,353 to £165,000 (2023-24: £22,940 to £155,000) as set out in page 63.

For employees of the entity taken as a whole, the average percentage changes from the previous financial year of salary and allowances was -2.14% (2023-24: -5%) and the percentage change in performance pay and bonuses payable was -43% (2023-24: -10%).

Compensation for loss of office [Audited]

No compensation for loss of office was paid by the department during the financial year (2023-24: Nil).

Ministers [Audited]

Two ministers left under severance terms and received compensation payments totalling £24,166 (2023-24: Nil). Further details can be found on page 59.

Staff Report

Departmental Group Staff costs (Audited)					2024-25	2023-24
					£000	£000
	Total	Permanently employed and inward seconded staff	Others	Ministers	Special Advisors	Total
Wages and salaries	27,220	17,709	9,285	226	-	19,217
Social security costs	2,441	2,117	313	11	-	2,119
Other pension costs	5,412	4,923	489	-	-	4,536
Sub Total	**35,073**	**24,749**	**10,087**	**237**	**-**	**25,872**
Less recoveries in respect of outward secondments	(464)	(464)	-	-	-	(420)
Total net costs	**34,609**	**24,285**	**10,087**	**237**	**-**	**25,452**

Special Advisers are temporary civil servants. In order to improve efficiency, the administration of staff costs for all Special Advisers across government was moved to the Cabinet Office in July 2019, with corresponding budget cover transfers. Therefore, special adviser costs are now reported in the Cabinet Office Annual Report and Accounts. Special Advisers remain employed by the respective departments of their appointing Minister.

Pensions [Audited]

From 1 April 2015 a new pension scheme for civil servants was introduced – the Civil Servants and Others Pension Scheme or alpha, which provides benefits on a career average basis with a normal pension age equal to the member's state pension age (or 65 if higher). From that date all newly appointed civil servants, and the majority of those already in service, joined alpha. Prior to that date, civil servants participated in the Principal Civil Service Pension Scheme (PCSPS). The PCSPS has four sections: three providing benefits on a final salary basis (classic, premium and classic plus) with a normal pension age of 60; and one providing benefits on a whole career basis (nuvos) with a normal pension age of 65.

These are unfunded multi-employer defined benefit schemes in which the Northern Ireland Office is unable to identify its share of the underlying assets and liabilities.

Full actuarial valuations of both the PCSPS and PCSPS (NI) were carried out as at 31 March 2020. Details of the PCSPS and CSOPS can be found in the resource accounts of the Cabinet Office: Civil Superannuation (www.civilservice.gov.uk/pensions). Details of the PCSPS (NI) are available in the PCSPS (NI) resource accounts.

The Independent Commission for Reconciliation and Information Recovery participates in the Northern Ireland Local Government Officers' Superannuation Committee (NILGOSC) pension scheme. The pension scheme is known as the Local Government Pension Scheme Northern Ireland and is a funded multi-employer defined benefit scheme. The benefits paid under the Scheme are based on length of membership and final salary. For membership accrued before 1 April 2009, benefits will accrue at a rate of 1/80th of the employee's final year pensionable pay and an automatic tax-free lump sum of three times their pension. For all membership accrued from 1 April 2009, benefits accrue at a rate of 1/60th of final pensionable pay for each year of service with no automatic lump sum (members can choose to give up some of their 49 pension to provide a lump sum). Additional Voluntary Contributions (AVC) can be made through the NILGOSC in-house AVC provider, Prudential.

The latest full actuarial valuation was 31 March 2022. The outcome of this valuation was used as the basis for the valuation at 31 March 2025 and to set the level of contributions for employers from 1 April 2022 to 31 March 2025.

Further details about the NILGOSC pension scheme can be found in note 18 and at www.nilgosc.org.uk.

For 2024-25, total employers' contributions of £5,313,483 (2023-24: £4,415,856) were payable at rates in the range 26.6% to 30.3% of pensionable pay for CSOPs, 28.7% to 34.2% per cent of pensionable pay for CSOPS (NI), based on salary bands, and 14.7% of pensionable pay for NILGOSC. The schemes' actuaries review employer contributions every four years following a full scheme valuation. The contribution rates are set to meet the costs

of the benefits accruing during 2024-25 to be paid when the member retires and not the benefits paid during this period to existing pensioners.

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. Employers' contributions of £12,592 (2023-24: £29,305) were paid to one or more of a panel of three appointed stakeholder pension providers. Employer contributions are age related and ranged from 8% to 14.75% pensionable earnings. Employers also match employee contributions up to 3% of pensionable earnings.

In addition, employer contributions of £384 (2023-24: £594), 0.5% of pensionable earnings, were payable to CSOPS and to the CSOPS (NI) 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 date were £1,565. Contributions prepaid at that date were £nil.

No person (2023-24: Nil) retired early on ill-health grounds. The total additional accrued pension liabilities in the year amounted to £nil (2023-24: £nil).

Staff Numbers [Audited]

The average number of full-time equivalent persons employed during the year was as follows:

	Total	Permanent Staff	Inward Secondments	Others	Ministers	2024-25 Number Special Advisors	2023-24 Number Total
NIO Core Department	**162**	154	3	-	3	2	163
NIO sponsored NDPBs	**220**	146	8	66	-	-	90
Other NIO sponsored ALBs*	**109**	37	72	-	-	-	116
Total	**491**	**337**	**83**	**66**	**3**	**2**	369

* These figures include staff employed in the Crown Solicitor's Office, by the Chief Electoral Officer for Northern Ireland and other sponsored bodies.

Staff Turnover (Unaudited)

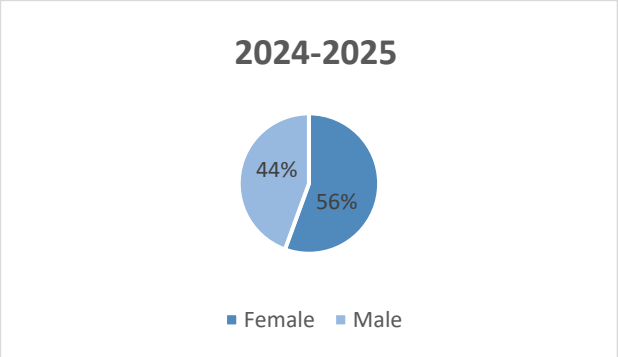
Staff turnover during 2024-25 was 4.5% (2023-24, 9.2%) (based on an average employee figure of 154 staff with 7 NIO staff having left the civil service during the year).

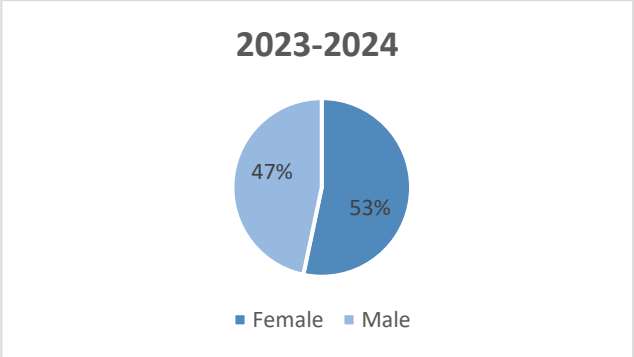
Staff Composition

Senior Civil Service by Grade

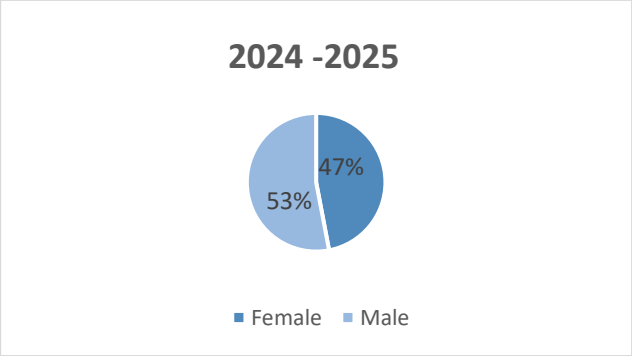
	2024-25	2023-24
Permanent Secretary	1	1
Director General	-	1
Director	4	4
Deputy Director	10	12
Total	**15**	**18**

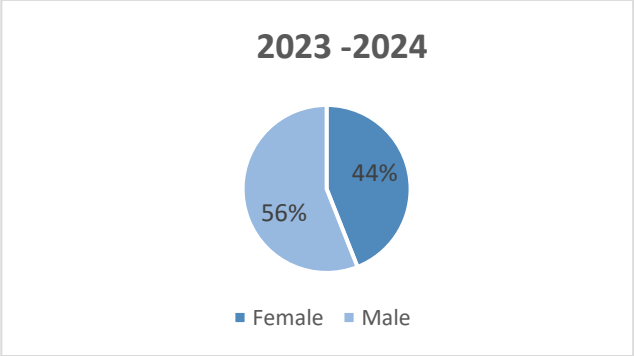
Staff Composition (Gender Analysis)





Senior Civil Service Staff Composition (Gender Analysis)





Sickness Absence

Throughout 2024-25, the department has continued to take a robust approach to managing attendance. There are a range of policies and procedures to support line managers to address this key area of their responsibilities. These policies are aimed at ensuring staff are afforded every opportunity of returning to the workplace as soon as possible. Data from the latest 12 month rolling period ending March 2025 shows that the Northern Ireland Office had an average working days lost figure of 2.6 (March 2024: 3.1).

Employment of People with Disabilities and Other Employee Matters

Employment training and advancement of disabled persons and other employee matters are reported on in the Directors' Report.

Trade Union (Facility Time Publication Requirements) Regulations 2017 (Statutory Instruments 328)

No official in the department spent time on trade union activities (unaudited). The Ministry of Justice as the HR and payroll provider provide trade union representation for staff.

Consultancy Expenditure

The department incurred £510k of consultancy expenditure in 2024-25 primarily relating to the support the implementation of ongoing programmes and communication support (2023-24:£12.2k).

Off-Payroll Arrangements

Highly paid off-pay worker engagements as at 31 March 2025, earning £245 per day or greater. The individuals were not Board members or Senior Officials with significant financial responsibility.

Number (No.) of existing engagements as of March 2025	**Core Department**	**ALBs**	**Departmental Group**
Of which No. that existed:			
less than 1 year	1	4	5
for between 1 to 2 years	4	-	4
for between 2 to 3 years	-	-	-
for between 3 to 4 years	-	-	-
for 4 or more years	-	-	-

All highly paid off-payroll workers engaged at any point during the year ended 31 March 2025, earning £245 per day or greater.

	Core Department	ALBs	Departmental Group
No. of temporary off-payroll workers engaged during the year ended 31 March 2025	5	4	9
Of which:			
Not subject to off-payroll legislation	-	-	-
Subject to off-payroll legislation and determined as in-scope of IR35	-	-	-
Subject to off-payroll legislation and determined as out-of-scope of IR35x	5	4	9
No. of engagements reassessed for compliance or assurance purposes during the year	-	-	-
Of which: No. of engagements that saw a change to IR35 status following review	-	-	-

Number (No.) of existing engagements as of March 2025	Core Department	ALBs	Departmental Group
No. of off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, during the financial year.	-	-	-
Total no. of individuals on payroll and off-payroll that have been deemed "board members and/or senior officials with significant financial responsibility", during the financial year. This figure should include both on payroll and off- payroll engagements.	4	13	17

Reporting of Civil Service and other compensation schemes – exit packages [Audited]

There were no civil service compensation schemes exit packages during the current or prior year.

Parliamentary Accountability and Audit Report

Statement of Outturn against Parliamentary Supply

In addition to the primary statements prepared under IFRS, the Government Financial Reporting Manual (FReM) requires the Northern Ireland Office to prepare a Statement of Outturn against Parliamentary Supply (SOPS) and supporting notes.

The SOPS and related notes are subject to audit, as detailed in the Certificate and Report of the Comptroller and Auditor General to the House of Commons. The SOPS 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 Parliament gives statutory authority for entities to utilise.

The Estimate details supply and is voted on by Parliament at the start of the financial year. Should an entity exceed the limits set by their Supply Estimate, called control limits, their accounts will receive a qualified opinion. The format of the SOPS mirrors the Supply Estimates, published on gov.uk, to enable comparability between what Parliament approves and the final outturn. The SOPS contain a summary table, detailing performance against the control limits that Parliament have voted on, cash spent (budgets are compiled on an accruals basis and so outturn won't exactly tie to cash spent) and administration.

The supporting notes detail the following: Outturn by Estimate line, providing a more detailed breakdown (note 1); a reconciliation of outturn to net operating expenditure in the SOCNE, to tie the SOPS to the financial statements (note 2); a reconciliation of outturn to net cash requirement (note 3).

The SOPS 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 financial review section of the Performance Report. Further information on the Public Spending Framework and the reasons why budgeting rules are different to IFRS can also be found in chapter 1 of the Consolidated Budgeting Guidance, available on gov.uk.

The SOPS provides a detailed view of financial performance, in a form that is voted on and recognised by Parliament. The Financial Summary, provides a summarised discussion of outturn against estimate and functions as an introduction to the SOPS disclosures.

Summary of Resource and Capital Outturn 2024-25

Summary table, 2024-25, all Figures presented in £'000's

Type of Spend		Outturn			Estimate			Outturn vs Estimate, saving/ (excess)		Prior Year Outturn
		Voted	Non-Voted	Total	Voted	Non-Voted	Total	Voted	Total	2023-24
Departmental Expenditure Limit										
Resource	1.1	48,380	6,810	55,190	51,294	6,935	58,229	2,914	3,039	38,192
Capital	1.2	12,362	-	12,362	12,611	-	12,611	249	249	2,625
Total		**60,742**	**6,810**	**67,552**	**63,905**	**6,935**	**70,840**	3,163	3,288	**40,817**
Annually Managed Expenditure										
Resource	1.1	3,640	-	3,640	7,201	-	7,201	3,561	3,561	(3,264)
Capital	1.2	918	-	918	1,595	-	1,595	677	677	-
Total		**4,558**	**-**	**4,558**	**8,796**	**-**	**8,796**	4,238	4,238	**(3,264)**
Total Budget										
Resource	1.1	52,020	6,810	58,830	58,495	6,935	65,430	6,475	6,600	34,928
Capital	1.2	13,280	-	13,280	14,206	-	14,206	926	926	2,625
Total Budget Expenditure		**65,300**	**6,810**	**72,110**	**72,701**	**6,935**	**79,636**	7,401	7,526	**37,553**
Non-Budget Expenditure Resource	1.1	23,411,000	-	23,411,000	25,380,596	-	25,380,596	1,969,596	1,969,596	20,913,841
Total Budget and Non Budget		**23,476,300**	**6,810**	**23,483,110**	**25,453,297**	**6,935**	**25,460,232**	**1,976,997**	**1,977,122**	**20,951,394**

Figures in the areas outlined in thick line cover the voted control limits voted by Parliament. Refer to the Supply Estimates guidance manual, available on gov.uk, for detail on the control limits voted by Parliament.

Net Cash Requirement 2024-25

	SoPS Note	Outturn	Estimate	Outturn vs Estimate: saving/(excess)	Prior Year Outturn total, 2023-24
Net Cash Requirement	3	23,564,872	25,551,004	1,986,132	21,239,686

Administration Costs 2024-25

	SoPS Note	Outturn	Estimate	Outturn vs Estimate: saving/(excess)	Prior Year Outturn total, 2023-24
Administration costs	1.1	22,036	23,007	971	21,990

Although not a separate voted limit, any breach of the administration budget will also result in an excess vote. Explanations for variations between estimate and outturn are set out in the financial review section of the Performance Report.

Notes to the Statement of Outturn against Parliamentary Supply 2024-25

SOPS 1 Outturn detail by Estimate line

SOPS 1.1 Analysis of resource outturn (£000's)

Type of Spend (Resource)	Resource Outturn							Estimate				
	Administration			Programme								
	Gross	Income	Net	Gross	Income	Net	Total	Total	Virements	Total Including Virements	Outturn vs Estimate, saving/ (excess)	Prior Year Outturn Total, 2023-24
Spending in Departmental Expenditure Limits (DEL)												
Voted Expenditure:												
A - Northern Ireland Office	27,542	(5,506)	22,036	12,016	(373)	11,643	33,679	36,766	(1,026)	35,740	2,061	32,200
B - NIHRC	-	-	-	2,800	-	2,800	2,800	1,832	968	2,800	-	2,703
C – PCNI	-	-	-	829	-	829	829	771	58	829	-	740
D – IRC	-	-	-	341	-	341	341	418	-	418	77	335
E - ICRIR	-	-	-	10,749	(18)	10,731	10,731	11,507	-	11,507	776	2,214
Total voted DEL	27,542	(5,506)	22,036	26,735	(391)	26,344	48,380	51,294	-	51,294	2,914	38,192
Non-voted Expenditure:												
F - Funding of elections	-	-	-	6,810	-	6,810	6,810	6,935	-	6,935	125	-
Total non-voted DEL	-	-	-	6,810	-	6,810	6,810	6,935	-	6,935	125	-
Total Spending DEL	**27,542**	**(5,506)**	**22,036**	**33,545**	**(391)**	**33,154**	**55,190**	58,229	-	58,229	**3,039**	**38,192**
Annually Managed Expenditure (AME)												
Voted												
G - Northern Ireland Office	-	-	-	(604)	-	(604)	(604)	1,001	-	1,001	1,605	(3,264)
H - ICRIR				4,244	-	4,244	4,244	6,200	-	6,200	1,956	-
Total voted AME				3,640	-	3,640	3,640	7,201	-	7,201	3,561	(3,264)
Non-budget												
I- Grant Payable to the Northern Ireland Consolidated Fund				23,411,000	-	23,411,000	23,411,000	25,380,596	-	25,380,596	1,969,596	20,899,000
Prior Period Adjustments	-	-	-	-	-	-	-	-	-	-	-	14,457
Total non-budget	-	-	-	23,411,000	-	23,411,000	23,411,000	25,380,596	-	25,380,596	1,969,596	20,913,457
Total Resource	**27,542**	**(5,506)**	**22,036**	**23,448,185**	**(391)**	**23,447,794**	**23,469,830**	**25,446,026**	**-**	**25,446,026**	**1,976,196**	**20,948,385**

SOPS 1.2 Analysis of net capital outturn by Estimate line (£000's)

	Outturn			Estimate				
	Gross	Income	Net	Net	Virements	Net total compared to Estimate, adjusted for virements	Outturn vs Estimate saving/ (excess)	Prior Year Outturn Total, 2023-24
Spending in Departmental Expenditure Limits (DEL)								
Voted Expenditure:								
A - Northern Ireland Office	218	-	218	1,016	(638)	378	160	1,165
B – NIHRC	13	-	13	-	13	13	-	29
C – PCNI	-	-	-	-	-	-	-	92
D – IRC	-	-	-	-	-	-	-	-
E – ICRIR	12,131	-	12,131	11,595	625	12,220	89	1,339
Total Voted DEL	**12,362**	**-**	**12,362**	**12,611**	**-**	**12,611**	**249**	**2,625**
Non-voted Expenditure:								
F - Funding of elections	-	-	-	-	-	-	-	-
Total non-voted DEL	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Annually Managed Expenditure (AME)								
Voted								
G – Northern Ireland Office	-	-	-	170	-	170	170	-
H – ICRIR	918	-	918	1,425	-	1,425	507	-
Total voted AME	918	-	918	1,595	-	1,595	677	**-**
Prior Period Adjustment	-	-	-					384
Total non-budget	-	-	-	-	-	-	-	**384**
Total spending in DEL	**13,280**	**-**	**13,280**	**14,206**	**-**	**14,206**	**926**	**3,009**

The total Estimate columns include virements. Virements are the reallocation of provision in the Estimates that do not require parliamentary authority (because Parliament does not vote to that level of detail and delegates to HM Treasury). Further information on virements is provided in the Supply Estimates Manual, available on gov.uk. 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 tie the estimate back to the Estimates laid before Parliament.

SOPS 2 Reconciliation of outturn to net operating expenditure

	Note	2024-25 £'000 Outturn	2023-24 £'000 Outturn
Total resource outturn in Statement of Outturn Parliamentary Supply			
Budget	1.1	58,830	34,928
Non-budget	1.1	23,411,000	20,913,457
		23,469,830	20,948,385
Income payable to the Consolidated Fund		(212)	-
Prior Period Adjustment	1.1	-	(14,457)
Net expenditure in Consolidated Statement of Comprehensive Net Expenditure		**23,469,618**	**20,933,928**

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

SOPS 3 Reconciliation of Net Resource Outturn to Net Cash Requirement

As noted in the introduction to the SOPS above, outturn and the Estimates are compiled against the budgeting framework, not on a cash basis. Therefore, this reconciliation bridges the resource and capital outturn to the net cash requirement.

	Note	Estimate £000	Outturn £000	2024-25 Net total outturn Compared with Estimate: saving/(excess) £000
Resource Outturn	SOPS 1.1	25,446,026	23,469,830	1,976,196
Capital Outturn	SOPS 1.2	14,206	13,280	926
Adjustments for ALBs:				
Remove voted resource and capital		(33,748)	(32,007)	(1,741)
Add Cash grant-in-aid		32,577	18,218	14,359
Accruals to cash adjustments:				
Adjustment to remove non-cash items:				
Depreciation/Amortisation	4	(4,400)	(2,727)	(1,673)
New Provisions and adjustments to previous provisions	15	(1,171)	(286)	(885)
Other non-cash items			(1,258)	1,258
Adjustments to reflect movements in working balances:				
Increase/(decrease) in receivables	13		2,718	(2,718)
(Increase)/decrease in payables			102,448	(102,448)
Lease payments	9		810	(810)
Use of provisions	15	104,449	766	103,683
		25,557,939	**23,571,792**	**1,986,147**
Removal of non-voted budget items:				
Consolidated Fund		(6,935)	(6,810)	(125)
Consolidated Fund Standing Services			(110)	110
Net cash requirement		**25,551,004**	**23,564,872**	**1,986,132**

SOPS 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).

	Reference	2024-25 Outturn total £000		2023-24 Outturn total £000 (Restated)	
		Accruals	Cash	Accruals	Cash
Income outside the ambit of the Estimate		212	*212*	-	-
[Excess] cash surrenderable to the Consolidated Fund		-	-	-	-
Total amount payable to the Consolidated Fund		**212**	***212***	**-**	**-**

SOPS 4.2 Consolidated Fund Income

Consolidated Fund income shown in note 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. The amounts collected as agent for the Consolidated Fund (which are otherwise excluded from the group financial statements) were:

	2024-25 Outturn total £000	2023-24 Outturn total £000 (Restated)
Taxes and licence fees	-	-
Fines and penalties	-	-
Other income	129	111
Less:		
Costs of collection – where deductible	-	-
Uncollectible costs	-	-
Amounts Payable to the Consolidated Fund	129	111
Balance held at the start of the year	151	40
Payments into the Consolidated Fund	(152)	-
Balance held on trust at the end of the year	128	151

Parliamentary Accountability Disclosures [Audited]

Losses and Special Payments

The department incurred a loss, that in aggregate was in excess of £300,000, which requires separate disclosure during the year to 31 March 2025 (2023-24: nil). The department recognised an impairment loss of £1.046m. The loss relates to the implementation of a management system, which was deemed as holding no value in use in its current state, as prescribed under IAS 36 "Impairment of Assets". Permission from HMT Treasury, in line with Managing Public Money guidance, was sought and granted 7th May 2025 to complete the impairment.

All other expenditure has been incurred in line with underlying Parliamentary authority.

Government functional standards [Unaudited]

The department follows the government functions standards and further details are provided within pages 25 to 26.

Fees and Charges

An analysis of income from services provided to external and public sector customers is as follows:

	2024-25 £000			2023-24 £000		
	Income	Full Cost	Surplus/ (deficit)	Income	Full Cost	Surplus/ (deficit)
Crown Solicitor's Office	5,437	(5,521)	(84)	5,688	(5,636)	52
Total	**5,437**	**(5,521)**	**(84)**	**5,688**	**(5,636)**	**52**

In accordance with Managing Public Money, the department is required to disclose results for the areas of its activities where fees and charges are made. The foregoing analysis is not intended to meet the requirements of IFRS 8 Segmental Reporting. The Northern Ireland Office has complied with the cost allocation and charging requirements set out in HM Treasury and Office of Public Sector information guidance.

The Crown Solicitor's Office (CSO) generates income for legal work undertaken for all clients. The financial objective is to recover all costs associated with delivering these services. A schedule of fees is determined at the beginning of each financial year based on estimated costs and forecast activity levels.

Remote Contingent Liabilities

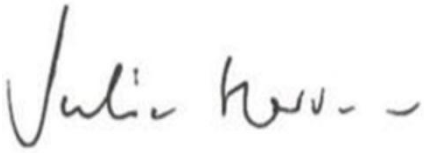
In addition to contingent liabilities disclosed in the financial statements, the department also reports liabilities for which the likelihood of a transfer of economic benefit in settlement is remote but are still in scope of IAS 37. There were no remote contingent liabilities in 2024-25 (2023-24: nil).

Notation of Gifts

There were no gifts made over the limits prescribed in Managing Public Money or Managing Public Money Northern Ireland in 2024-25 (2023-24: nil).

Public Sector Bodies outside the Departmental Boundary

There were no public sector bodies outside the boundary of the department where the NIO had lead policy responsibility in the year 2024-25 (2023-24: nil).



Dr Julie Harrison
Accounting Officer
26 November 2025

The Certificate of the Comptroller and Auditor General to the House of Commons

Opinion on financial statements

I certify that I have audited the financial statements of the Northern Ireland Office and of its Departmental Group for the year ended 31 March 2025 under the Government Resources and Accounts Act 2000. The Department comprises the core Department. The Departmental Group consists of the Department and the bodies designated for inclusion under the Government Resources and Accounts Act 2000 (Estimates and Accounts) Order 2024.

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

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

The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law and UK adopted international accounting standards.

In my opinion, the financial statements:

- give a true and fair view of the state of the Department and the Departmental Group's affairs as at 31 March 2025 and its net expenditure for the year then ended; and
- have been properly prepared in accordance with the Government Resources and Accounts Act 2000 and HM Treasury directions issued thereunder.

Opinion on regularity

In my opinion, in all material respects:

- the Statement of Outturn against Parliamentary Supply properly presents the outturn against voted Parliamentary control totals for the year ended 31 March 2025 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 Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs UK), applicable law and Practice Note 10 Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom (2022). My responsibilities under those standards are

further described in the Auditor's responsibilities for the audit of the financial statements section of my certificate.

Those standards require me and my staff to comply with the Financial Reporting Council's Revised Ethical Standard 2019. I am independent of the Department and its Group in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the Department 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 Department or its Group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

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

Other information

The other information comprises information included in the Annual Report, but does not include the financial statements and my auditor's certificate thereon. 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 HM Treasury directions issued under the Government Resources and Accounts Act 2000.

In my opinion, based on the work undertaken in the course of the audit:

- the parts of the Accountability Report subject to audit have been properly prepared in accordance with HM Treasury directions issued under the Government Resources and Accounts Act 2000;
- the information given in the Performance and Accountability Reports for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements.

Matters on which I report by exception

In the light of the knowledge and understanding of the Department and its Group and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance and Accountability Reports.

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 by the Department and its Group or returns adequate for my audit have not been received from branches not visited by my staff; or
- I have not received all of the information and explanations I require for my audit; or
- the financial statements and the parts of the Accountability Report subject to audit are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by HM Treasury's Government Financial Reporting Manual have not been made or parts of the Remuneration and Staff Report to be audited is not in agreement with the accounting records and returns; or
- the Governance Statement does not reflect compliance with HM Treasury'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;
- providing the C&AG with access to all information of which management is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- providing the C&AG with additional information and explanations needed for his audit;
- providing the C&AG with unrestricted access to persons within the Department and its Group from whom the auditor determines it necessary to obtain audit evidence;
- ensuring such internal controls are in place as deemed necessary to enable the preparation of financial statements to be free from material misstatement, whether due to fraud or error;
- preparing financial statements which give a true and fair view, in accordance with HM Treasury directions issued under the Government Resources and Accounts Act 2000;
- preparing the annual report, which includes the Remuneration and Staff Report, in accordance with HM Treasury directions issued under the Government Resources and Accounts Act 2000; and
- assessing the Department 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 Department 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 2000.

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.

Extent to which the audit was considered capable of detecting non-compliance with laws and regulations, including fraud

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulations, including fraud. The extent to which my procedures are capable of detecting non-compliance with laws and regulations, including fraud is detailed below.

Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud, I:

- considered the nature of the sector, control environment and operational performance including the design of the Department and its Group's accounting policies, key performance indicators and performance incentives.
- inquired of management, the Department's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the Department and its Group's policies and procedures on:
    - identifying, evaluating and complying with laws and regulations;
    - detecting and responding to the risks of fraud; and
    - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the Department and its Group's controls relating to the Department's compliance with the Government Resources and Accounts Act 2000, Managing Public Money, the Northern Ireland (Loans) Act 1975 and Supply and Appropriation (Mains Estimates) Act 2024;
- inquired of management, the Department's head of internal audit and those charged with governance whether:
    - they were aware of any instances of non-compliance with laws and regulations;
    - they had knowledge of any actual, suspected, or alleged fraud,
    - discussed with the engagement team and the relevant internal specialists, including pensions regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within the Department and its Group for fraud and identified the greatest potential for fraud in the following areas: revenue recognition, posting of unusual journals, complex transactions and bias in management estimates. In common with all audits under ISAs (UK), I am required to perform specific procedures to respond to the risk of management override.

I obtained an understanding of the Department and Group's framework of authority and other legal and regulatory frameworks in which the Department and Group operate. I focused on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of the Department and its Group. The key laws and regulations I considered in this context included Government Resources and Accounts Act 2000, Managing Public Money, Supply and Appropriation (Main Estimates) Act 2024, Northern Ireland (Loans) Act 1975, employment law, pensions legislation and tax legislation.

Audit response to identified risk

To respond to the identified risks resulting from the above procedures:

- I reviewed the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;
- I enquired of management, the Audit and Risk Committee and in-house legal counsel concerning actual and potential litigation and claims;
- I reviewed minutes of meetings of those charged with governance and the Board; and internal audit reports; and
- I addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements on estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business; and
- I addressed the risk of fraud on revenue recognition through agreeing specific revenue transactions to supporting invoices and the receipt of payment in bank statements as well as performing sample testing on work in progress at year end to verify the accrued income balance. I also tested certain revenue journals.

I communicated relevant identified laws and regulations and potential risks of fraud to all engagement team members including internal specialists and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of my certificate.

Other auditor's responsibilities

I am required to obtain appropriate evidence sufficient to give reasonable assurance that the Statement of Outturn against Parliamentary Supply properly presents the outturn against voted Parliamentary control totals and that those totals have not been exceeded. The voted Parliamentary control totals are Departmental Expenditure Limits (Resource and Capital), Annually Managed Expenditure (Resource and Capital), Non-Budget (Resource) and Net Cash Requirement.

I am required to obtain sufficient appropriate audit evidence to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control I identify during my audit.

Report

I have no observations to make on these financial statements.

Gareth Davies **Date 27 November 2025**
Comptroller and Auditor General

National Audit Office
157-197 Buckingham Palace Road
Victoria
London
SW1W 9SP

Financial Statements

Consolidated Statement of Comprehensive Net Expenditure for the Year Ended 31 March 2025

This account summarises the expenditure and income generated and consumed on an accruals basis. It also includes other comprehensive income and expenditure, which include changes to the values of non-current assets and other financial instruments that cannot yet be recognised as income or expenditure.

		2024-25 £000	2024-25 £000	2023-24 £000	2023-24 £000
	Note	Core Department	Departmental Group	Core Department	Departmental Group
Income	5	(71,389)	(71,406)	(136,101)	(136,101)
Total operating income		**(71,389)**	**(71,406)**	**(136,101)**	**(136,101)**
Staff costs	3	22,704	34,609	21,357	25,452
Other expenditure	4	23,499,307	23,506,310	21,042,646	21,044,535
Grant in aid to NDPBs		18,218	-	5,565	-
Total operating expenditure		**23,540,229**	**23,540,919**	**21,069,568**	**21,069,987**
Net operating expenditure for the year ended 31 March 2025		**23,468,840**	**23,469,513**	**20,933,467**	**20,933,886**
Finance expense		50	105	34	42
Net expenditure for the year ended 31 March 2025		**23,468,890**	**23,469,618**	**20,933,501**	**20,933,928**
Other comprehensive net expenditure					
Items that will not be reclassified to net operating expenditure:					
Actuarial gain on pension scheme liabilities		-	(235)	-	-
Return on revaluation of pension scheme assets		-	1	-	-
Restriction of pension scheme surplus		-	234	-	-
Revaluation of property, plant and equipment	6	(1,965)	(1,970)	(2,206)	(2,221)
Comprehensive net expenditure for the year ended 31 March 2025		**23,466,925**	**23,467,648**	**20,931,295**	**20,931,707**

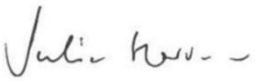
The above income and expenditure is derived from continuing operations.
The notes on pages 97-141 form part of these accounts.

Consolidated Statement of Financial Position as at 31 March 2025

This statement presents the financial position of the departmental group. It comprises three main components: assets owned or controlled; liabilities owed to other bodies; and equity, the remaining value of the entity.

		31 March 2025		31 March 2024	
		£000	£000	£000	£000
	Note	Core Department	Departmental Group	Core Department	Departmental Group
Non-current assets					
Property, plant and equipment	6	85,997	90,935	86,920	87,693
Right of use assets	7	1,158	10,407	1,781	3,296
Intangible assets	8	121	121	168	168
Financial assets	11	1,619,542	1,619,542	1,526,552	1,526,552
Total non-current assets		**1,706,818**	**1,721,005**	**1,615,421**	**1,617,709**
Current assets					
Trade and other receivables	13	7,588	5,637	4,870	5,231
Financial assets	11	124,457	124,457	122,524	122,524
Cash and cash equivalents	12	180,970	181,897	196,633	197,641
Total current assets		**313,015**	**311,991**	**324,027**	**325,396**
Total assets		**2,019,833**	**2,032,996**	**1,939,448**	**1,943,105**
Current Liabilities					
Trade and other payables	14	395,081	398,981	428,052	429,952
Lease liabilities	9/14	850	4,967	820	975
Provisions	15	1,556	1,556	1,254	1,254
Total current liabilities		**397,487**	**405,504**	**430,126**	**432,181**
Non-current assets plus/less net current assets/liabilities		**1,622,346**	**1,627,492**	**1,509,322**	**1,510,924**
Non-current liabilities					
Other payables	14	1,702,319	1,702,319	1,692,712	1,692,712
Lease liabilities	9/14	287	4,973	1,004	2,350
Retirement Benefit Obligation	18	-	-	-	-
Provisions	15	4,574	5,567	5,356	5,431
Total non-current liabilities		**1,707,180**	**1,712,859**	**1,699,072**	**1,700,493**
Net liabilities		**(84,834)**	**(85,367)**	**(189,750)**	**(189,569)**
Taxpayers' deficit/equity					
General fund		(132,987)	(133,610)	(237,000)	(236,904)
Revaluation reserve		48,153	48,243	47,250	47,335
Total deficit		**(84,834)**	**(85,367)**	**(189,750)**	**(189,569)**

Dr Julie Harrison
Accounting Officer
26 November 2025



The notes on pages 97-141 form part of these accounts.

Consolidated Statement of Cash Flows for the Year Ended 31 March 2025

The Statement of Cash Flows shows the changes in cash and cash equivalents of the departmental group 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 departments' future public service delivery.

	Note	2024-25 £000 Core Department	2024-25 £000 Departmental Group	2023-24 £000 Core Department	2023-24 £000 Departmental Group
Cash flows from operating activities					
Net expenditure		(23,468,890)	(23,469,618)	(20,933,501)	(20,933,928)
Adjustment for non-cash transactions	4/15	4,259	5,427	5,805	6,017
(Increase) in trade and other receivables	13	(2,718)	(406)	(1,478)	(1,767)
(Decrease) in trade payables	14	(116,931)	(107,743)	(454,729)	(452,671)
Less: *movements in payables relating to items not passing through the Statement of Comprehensive Net Expenditure*	14	14,599	7,521	148,632	147,662
Use of provisions	15	(766)	(766)	(768)	(768)
Net cash (outflow) from operating activities		**(23,570,447)**	**(23,565,585)**	**(21,236,039)**	**(21,235,455)**
Cash flows from investing activities					
Purchase of property, plant and equipment	6	(105)	(4,932)	(1,760)	(1,800)
Purchase of intangible assets	8	(27)	(27)	(103)	(103)
Loans to other bodies	11	(220,000)	(220,000)	(150,000)	(150,000)
Repayment from other bodies – capital	11	125,077	125,077	129,441	129,441
Repayment from other bodies – interest	5	55,157	55,157	51,120	51,120
Net cash (outflow)/inflow from investing activities		**(39,898)**	**(44,725)**	**28,698**	**28,658**
Cash flows from financing activities					
From the Consolidated Fund (Supply) – current year		23,549,048	23,549,048	21,241,938	21,241,938
From the Consolidated Fund (non-supply)		6,810	6,810	-	-
Loans received from the National Loans Fund	11	220,000	220,000	150,000	150,000
Repayments of loans from the National Loans Fund – Capital	11	(125,077)	(125,077)	(129,441)	(129,441)
Repayments of loans from the National Loans Fund – Interest	4	(55,157)	(55,157)	(51,120)	(51,120)
Payment of lease liabilities	9	(810)	(993)	(1,667)	(1,785)
Finance charge	9	50	105	34	42
Finance income on pension asset	18	-	18	-	-
Finance expense on pension obligation	18	-	(6)	-	-
Net cash inflow from financing activities		**23,594,864**	**23,594,748**	**21,209,744**	**21,209,634**
Net (decrease)/increase in cash and cash equivalents in the period before adjustment for receipts and payments to the Consolidated Fund		**(15,481)**	**(15,562)**	**2,403**	**2,837**
Payments of amounts due to the Consolidated Fund		(182)	(182)	-	-
Net (decrease)/increase in cash and cash equivalents in the period after adjustment for receipts and payments to the Consolidated Fund		**(15,663)**	**(15,744)**	**2,403**	**2,837**
Cash and cash equivalents at the beginning of the period	12	196,633	197,641	194,230	194,804
Cash and cash equivalents at the end of the period	12	180,970	181,897	196,633	197,641

The notes on pages 97-141 form part of these accounts.

Statement of Changes in Taxpayers Equity for the Year Ended 31 March 2025 (Core Department)

This statement shows the movement in the year on the different reserves held by the department 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.

	Note	General Fund £000	Revaluation Reserve £000	Taxpayers' Equity £000
Balance at 31 March 2023		**(544,400)**	**46,074**	**(498,326)**
Net Parliamentary Funding - drawn down		21,241,938	-	21,241,938
Net Parliamentary Funding – deemed		194,230	-	194,230
Consolidated Fund Standing Services	4	120	-	120
Unspent Supply payable to the Consolidated Fund	14	(196,482)	-	(196,482)
Excess receipts due to the Consolidated Fund	14	(151)	-	(151)
		21,239,655	**-**	**21,239,655**
Changes in taxpayers' equity for 2023-24				
Transfers between reserves		1,030	(1,030)	-
Net gain on revaluation of property, plant and equipment		-	2,206	2,206
Non-cash charges - auditor's remuneration		216	-	216
Net expenditure for the year		(20,933,501)	-	(20,933,501)
Total recognised income and expense for 2023-24		**(20,932,255)**	**1,176**	**(20,931,079)**
Balance at 31 March 2024		**(237,000)**	**47,250**	**(189,750)**
Net Parliamentary Funding - drawn down		23,549,048	-	23,549,048
Net Parliamentary Funding – deemed		196,482	-	196,482
Consolidated Fund Standing Services	4	110	-	110
Consolidated Fund	4	6,810	-	6,810
Unspent Supply payable to the Consolidated Fund	14	(180,659)	-	(180,659)
Movement in excess receipts due to the Consolidated Fund		(160)	-	(160)
		23,571,631	**-**	**23,571,631**
Changes in taxpayers equity for 2024-25				
Transfers between reserves		1,062	(1,062)	-
Net gain on revaluation of property, plant and equipment	6	-	1,965	1,965
Non-cash charges - auditor's remuneration	4	210	-	210
Net expenditure for the year		(23,468,890)	-	(23,468,890)
Total recognised income and expense for 2024-25		**(23,467,618)**	**903**	**(23,466,715)**
Balance at 31 March 2025		**(132,987)**	**48,153**	**(84,834)**

The General Fund serves as the chief operating fund and is used to account for all financial resources except those required to be accounted for in the Revaluation Reserve. The Revaluation Reserve records the unrealised gain or loss on revaluation of assets.

The notes on pages 97-141 form part of these accounts.

Statement of Changes in Taxpayers Equity for the Year Ended 31 March 2025 (Departmental Group)

This statement shows the movement in the year on the different reserves held by the departmental group 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.

	Note	General Fund £000	Revaluation Reserve £000	Taxpayers' Equity £000
Balance at 31 March 2023		**(543,868)**	**46,143**	**(497,725)**
Net Parliamentary Funding - drawn down		21,241,938	-	21,241,938
Net Parliamentary Funding – deemed		194,230	-	194,230
Consolidated Fund Standing Services	4	120	-	120
Unspent Supply payable to the Consolidated Fund	14	(196,482)	-	(196,482)
Excess receipts to the Consolidated Fund	14	(151)	-	(151)
		21,239,655	**-**	**21,239,655**
Changes in taxpayers' equity for 2023-24				
Transfers between reserves		1,030	(1,030)	-
Net gain on revaluation of property, plant and equipment		-	2,221	2,221
Net gain on revaluation of intangible assets		(9)	1	(8)
Non-cash charges - auditor's remuneration		216	-	216
Net expenditure for the year		(20,933,928)	-	(20,933,928)
Total recognised income and expense for 2023-24		**(20,932,691)**	**1,192**	**(20,931,499)**
Balance at 31 March 2024		**(236,904)**	**47,335**	**(189,569)**
Net Parliamentary Funding - drawn down		23,549,048	-	23,549,048
Net Parliamentary Funding – deemed		196,482	-	196,482
Consolidated Fund Standing Services	4	110	-	110
Consolidated Fund	4	6,810	-	6,810
Unspent Supply payable to the Consolidated Fund	14	(180,659)	-	(180,659)
Movement in excess receipts to the Consolidated Fund		(160)	-	(160)
		23,571,631	**-**	**23,571,631**
Changes in taxpayers equity for 2024-25				
Transfers between reserves		1,071	(1,062)	9
Net gain on revaluation of property, plant and equipment	6	-	1,970	1,970
Non-cash charges - auditor's remuneration	4	210	-	210
Actuarial gain on pension scheme		(235)	-	(235)
Return on Revaluation of pension scheme assets		1	-	1
Restriction of pension surplus		234	-	234
Net expenditure for the year			-	(23,469,618)
		(23,469,618)		
Total recognised income and expense for 2024-25		**(23,468,337)**	**908**	**(23,467,429)**
Balance at 31 March 2025		**(133,610)**	**48,243**	**(85,367)**

The notes on pages 97-141 form part of these accounts.

Notes to the Departmental Accounts

Statement of Accounting Policies

1. Basis of preparation

The financial statements have been prepared in accordance with the 2024-25 *Government Financial Reporting Manual* (FReM) issued by HM Treasury. 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 Northern Ireland Office 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.

The financial statements have been prepared pursuant to Section 6(4) of the Government Resources and Accounts Act 2000.

The financial statements are stated in sterling, which is the department's functional and presentational currency. Unless otherwise noted, the amounts shown in these financial statements are in thousands of pounds sterling (£000).

The financial statements for 2024-25 have been prepared on a going concern basis. Following the 2025 (Phase 1) Spending Review settlement covering the 2025-26 financial year, announced at the Autumn Budget in October 2024, the department has received a further three year financial settlement as part of Phase 2 of the Spending Review. The settlement, announced in June 2025, outlines the departmental budgets for the financial years 2026-27 to 2028-29. The department has a statutory basis for its function and related funding and there is no reason this would not continue.

Based on the above assessment the accounting officer has concluded that it is appropriate to prepare the financial statements on a going concern basis and does not consider there are any material uncertainties around the core department or the departmental group's going concern status for a period of at least twelve months from when the financial statements are authorised for issue.

1.1 Accounting convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment and intangible assets.

1.2 Basis of consolidation

The accounts comprise a consolidation of the core department and its four designated NDPBs; the Parades Commission, the Northern Ireland Human Rights Commission, the

Independent Reporting Commission and the Independent Commission for Reconciliation & Information Recovery, on a line by line basis. Counterparty transactions have been eliminated on consolidation in accordance with relevant accounting standards.

1.3 Property, plant and equipment

Property, plant and equipment comprise heritage assets, art and antiques, leasehold improvements, fixtures and fittings, vehicles, plant and machinery, computer equipment, office equipment, security equipment and assets under construction.

The department's heritage assets comprise Hillsborough Castle, its contents and its surrounding estate.

In addition, the department occupies a number of properties within the Northern Ireland Executive Estate and the Civil Estate in Great Britain for which rent is paid. Terms of occupancy of these buildings are outlined in agreements known as the Memoranda of Terms of Occupancy (MOTOs).

Consolidation of asset categories

The property, plant and equipment note requires the amalgamation of asset categories under the Plant and Machinery heading. The asset categories represented by this heading include:

- Plant and machinery
- Motor vehicles
- Furniture and fittings
- Office equipment
- Security equipment

1.3.1 Valuation of property, plant and equipment

Expenditure on property, plant and equipment of a single tangible asset over £5,000 is capitalised. Within the core department the grouping of a range of property, plant and equipment has also been undertaken in respect of some personal computers, printers, office furniture and equipment. The above thresholds are subject to grouping conventions, where appropriate.

Property, plant and equipment are stated at fair value, which is deemed to be the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

All non-heritage property, plant and equipment are restated to fair value each year by reference to indices compiled by the Office for National Statistics (ONS).

Assets under construction are shown at cost, and relate to assets which are incomplete but for which the department has incurred a liability.

In compliance with IAS 16, subsequent expenditure on an asset which does not meet the criteria of enhancement or improvement is expensed through the Consolidated Statement of Comprehensive Net Expenditure.

Upward revaluations are credited to the revaluation reserve and permanent reductions in the value of property, plant and equipment are charged to the Consolidated Statement of Comprehensive Net Expenditure. Any subsequent revaluation of assets is credited to the Consolidated Statement of Comprehensive Net Expenditure to the extent that it reverses previous revaluation decreases recognised as an expense in the Consolidated Statement of Comprehensive Net Expenditure.

1.4 Heritage assets

In accordance with the Financial Reporting Manual (FReM) as issued by HM Treasury, heritage assets are capitalised and recognised in the Statement of Financial Position at the cost or value of the acquisition, where such a cost or valuation is reasonably obtainable. Hillsborough Castle is depreciated as set out in Note 1.6 and subject to quinquennial professional valuations with indices supplied by Land and Property Services used in the intervening years.

Hillsborough Castle is a facility used as a Royal residence and is considered as a specialised operational asset. The most recent professional full valuation of Hillsborough Castle has been carried out by Land and Property Services (LPS) – Department of Finance NI as at 31 March 2022, in line with standards published by the Royal Institute of Chartered Surveyors (RICS). The most recent valuation was carried out as at 31 March 2025 using indices supplied by Land and Property Services. The basis of valuation is current value in existing use. Current Value has regard to the service potential that an asset provides in support of the entity's service delivery. The measurement approach used to arrive at the Current Value of 'in use' assets for specialised operational assets is Depreciated Replacement Cost as defined in RICS Guidance Note: Depreciated Replacement Cost Method of Valuation for Financial Reporting (effective January 2019).

Arts and antiques are not depreciated and are subject to quinquennial professional valuations. The last professional valuation was carried out as at 31 March 2022 by Ross' Auctioneers and Valuers.

When heritage assets are revalued, the carrying amount is adjusted to the revalued amount and the accumulated depreciation is eliminated against the gross carrying amount of the asset.

1.5 Intangible assets

Expenditure on computer software licences lasting more than one year and costing more than £5,000 is capitalised and classified as intangible assets. Software licences are amortised over the shorter of the term of the licence and the useful economic life.

1.6 Depreciation/Amortisation

Property, plant and equipment and intangible assets, with the exception of land, are depreciated/amortised at rates calculated to write them down to estimated residual value on a straight-line basis over their estimated useful lives. Assets in the course of construction are depreciated from the point at which the asset is brought into use.
Estimated useful lives, which are reviewed regularly, are:

Asset category	Useful Life
Heritage assets	50 years
Art and Antiques	No Depreciation
Leasehold improvements	10 years (or the life of the lease, whichever is least)
Plant and machinery	3 - 25 years
Information Technology	2 - 16 years
Assets under construction	No depreciation
Intangible assets (software licences)	2 - 10 years

1.7 Realised Element of Depreciation from Revaluation Reserve

Depreciation and amortisation are charged to expenditure on the re-valued amount of property, plant and equipment and intangibles. An element of depreciation or amortisation therefore arises due to the increase in valuation and is in excess of the depreciation or amortisation that would be charged on the historical cost of assets.

On disposal of a previously revalued asset, the amount relating to this excess is a realised gain on disposal and is transferred from the Revaluation Reserve to the General Fund.

1.8 Impairment

Impairments are recognised in accordance with IAS 36 Impairment of Assets as adapted by the FReM.

An impairment reflects a diminution in the value of an asset as a result of a clear consumption of economic benefits or service potential. At each reporting date, the department assesses all assets for indications of impairment. If any such indications exist, the assets in question are tested for impairment by comparing the carrying value of those assets with their recoverable amounts.

If the recoverable amount of an asset is less than its carrying value, the carrying value of the asset is reduced to its recoverable amount. The recoverable amount of an asset is the higher of its ‘fair value less costs to sell’ and ‘value in use’ (as defined above).

When an asset’s carrying value decreases as a result of a permanent diminution in the value of the asset due to a clear consumption of economic benefit or service potential, the decrease is charged directly to net operating costs in the CSoCNE. If the asset has previously been

revalued, any remaining revaluation reserve balance (up to the level of the impairment loss) is released to the General Fund.

At each reporting date we review impairment losses recognised in previous years. Any reversal of an impairment loss is recognised in the CSoCNE to the extent that the original charge, adjusted for subsequent depreciation, was previously recognised, with any remaining amount recognised in the revaluation reserve.

1.9 Employee Benefits

From 1 April 2015 a new pension scheme for civil servants was introduced – the Civil Servants and Others Pension Scheme or alpha, which provides benefits on a career average basis with a normal pension age equal to the member's state pension age (or 65 if higher). From that date all newly appointed civil servants, and the majority of those already in service, joined alpha. Prior to that date, civil servants participated in the Principal Civil Service Pension Scheme (PCSPS). The PCSPS has four sections: three providing benefits on a final salary basis (classic, premium and classic plus) with a normal pension age of 60; and one providing benefits on a whole career basis (nuvos) with a normal pension age of 65. These 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 schemes of the amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the pension schemes.
Further details regarding the above schemes are contained in the Remuneration Report.

From 1 April 2024, The Independent Commission for Reconciliation and Information Recovery employees became members of the Local Government Pension Scheme (Northern Ireland) (NILGOSC), a funded defined benefit pension scheme providing pension benefits for employees of Northern Ireland local authorities and other admitted bodies. All employees were admitted to the NILGOSC scheme upon commencement of employment. Employees who joined prior to 1 April 2024 were admitted to the NILGOSC scheme on 1 April 2024 and their entitlement backdated to joining date.

In accordance with IAS19 (Employee Benefits) scheme managers/trustees are required to undertake a sensitivity analysis for each significant actuarial assumption as at the end of the reporting period, showing how the defined benefit obligation would have been affected by changes in the relevant actuarial assumptions that were reasonably possible at that date. This analysis, including details of the methods and assumptions used in preparing the sensitivity analysis, are set out in note 18.

The pension costs are assessed in accordance with the advice of independent qualified actuaries using the market-led approach. The latest actuarial valuation of the scheme was at 31 March 2022. Pension scheme assets are measured using market value. Pension scheme liabilities are measured using the projected unit method and discounted at the current rate of return on a high-quality corporate bond of equivalent term to the 77 liability. Pension scheme assets are only recognised on the Statement of Financial Position if there are expected future

economic benefits to the Commission. The increase in the present value of the liabilities of the Commission's defined benefit pension scheme arising from employee service in the period is charged to the Statement of Comprehensive Net Expenditure so as to recognise the cost of pensions over the employees' working lives. Actuarial gains and losses are recognised in Other Comprehensive Net Expenditure. In accordance with IAS19 when an entity has a surplus in a defined benefit plan, it shall measure the net defined benefit asset at the lower of:
(a) the surplus in the defined benefit plan and
(b) the asset ceiling, determined using the discount rate.

The asset ceiling is the "present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan". Staff who are on loan to the Commission from other entities will continue in the pension schemes of their parent entity, the cost of which is recharged to the Commission as part of staff costs.

1.10 Early departure costs

The department is required to meet the additional cost of benefits beyond the normal PCSPS, PCSPS (NI), Civil Service and Other Pension Scheme (CSOPS) UK and CSOPS (NI) benefits in respect of employees who retire early, from the date of their retirement until they reach normal pensionable age. The department provides in full for this cost when the early retirement programme has been announced and this is binding on the department.

1.11 Financing and Operating income

Financing

The department is primarily resourced by funds approved by Parliament through the annual Supply process. Resources are drawn down each month to meet expenditure requirements.

Operating Income

Operating income is income which relates directly to the operating activities of the department. It principally comprises monies received in respect of EU grants and National Loans Fund interest.

Operating income also includes charges provided on a full-cost basis to external customers, as well as public repayment work, i.e. professional services provided by the CSO.

Revenue is recognised when performance obligations, as set out in client's contracts are met.

Revenue includes recoverable expenses but excludes value added tax.

Revenue is recognised at an amount that depicts the transaction price of the transfer of professional services to a customer. The majority of the revenue is derived from contracts where consideration is based on time and materials. For these contracts performance obligations are satisfied over time and revenue is recognised as services are provided as the pre-agreed rate, provided there is an enforceable right to payment for performance completed

to date.

Invoices are issued in accordance with the terms of the engagement, usually monthly.

Operating income includes not only accruing resources but also income to the Consolidated Fund which in accordance with the FReM is treated as operating income. Operating income is stated net of VAT.

Operating income is split under the following headings depending on its classification:

- Administration income
- Programme income

It excludes funding from Parliamentary Vote, loans from the National Loans Fund and advances from the Contingencies Fund.

1.12 Administration and Programme expenditure

The classification of expenditure as administration or as programme follows the definitions set out in HM Treasury's *Consolidated Budgeting Guidance*. Broadly, administrative expenditure reflects the costs of running the department while programme costs relate directly to service delivery activities.

1.13 Grants payable and paid

The Core department recognises the grants due to its executive Non-Departmental Public Bodies, (the Northern Ireland Human Rights Commission, the Independent Reporting Commission, the Parades Commission and the Independent Commission for Reconciliation & Information Recovery), in the period in which they are paid.

The Core department processes receipts and payments on behalf of the Parades Commission and the Independent Reporting Commission. Grant-in-aid paid during the year is calculated by recording the details of payments processed and cash that has been paid out. NIHRC and ICRIR receive a cash grant-in-aid as NIO do not make payments on their behalf.

The department also makes a small number of grants to a variety of public sector, private sector and voluntary bodies and these are recognised in the period in which there is reasonable assurance that they will be paid and that the conditions attaching them will be complied with.

1.14 Leases

Government bodies typically lease properties used for administrative purposes for reasons of efficiency and flexibility. For other types of asset, the departmental group determines whether to lease or purchase based on value for money considerations, such as whether the underlying asset is required for its entire life or for a more limited period.

Although agreements between UK government bodies are not legally enforceable, any intra-UK government lease agreements are treated as if they constituted a legally enforceable contract, and therefore a lease liability and a corresponding right-of-use asset are recognised.

Leases are recognised in line with IFRS 16. The standard requires recognition of assets and liabilities for all leases in the Statement of Financial Position (SoFP), with exemption given to low value and short-term leases, i.e those with lease terms of less than 12 months. The standard results in the recognition of a right-of-use asset, representing a right to use the underlying leased asset and a lease liability, representing an obligation to make lease payments. The standard was adopted from 1 April 2022.

Measurement of right-of-use asset

The right-of-use asset and lease liability is recognised at the commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for initial direct costs, prepayments or incentives, and costs related to restoration at the end of the lease.

The right-of-use assets are subsequently measured at either fair value or current value in existing use in line with property, plant and equipment assets. The cost measurement model in IFRS16 is used as an appropriate proxy for current value in existing use or fair value for the majority of leases (consistent with the principles for subsequent measurement of property, plant and equipment) except for those which meet one of the following criteria:

- A longer-term lease that has no provisions to update lease payments for market conditions or if there is a significant period of time between those updates; and;
- The fair value or current value in existing use of the underlying asset is likely to fluctuate significantly due to changes in market prices.
- The right-of-use assets are depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of the right-of-use assets are determined on the same basis of those of property, plant and equipment. IAS 36 “Impairment of Assets” is used to determine whether the right-of-use asset is impaired and to account for any impairment loss identified.

Measurement of lease liability

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date and dilapidation costs, discounted using the interest rate implicit in the lease, or if that cannot be readily determined, the rate provided by HMT.

The lease payment is measured at amortised cost using the effective interest method. It is re-measured when there is a change in future lease payments arising from a change in the index or rate, if there is a change in estimate of the amount expected to be payable under residual value guarantee, or if the there is a change in the assessment of whether an option to purchase, extend or terminate is exercised.

Lease payments included in the measurement of the lease liability comprises of the following:

- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the index rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee;
- The exercise price under a purchase option when it is reasonably certain to be exercised, lease payments in an optional renewal period if it is reasonably certain an extension option will be exercised, and penalties for early termination of a lease unless it is reasonably certain that the lease will not be terminated early.

Dilapidation costs, are an estimate of the expenditure required to return vacated leased buildings to the original condition at the date of commencement of the lease. The dilapidation estimate is calculated through one of two options:

- Fit-out works are materially complete at year end. In this instance a third-party expert is engage to conduct a survey and produce a report estimating the future dilapidation costs.
- Fit-out works that are ongoing at year end. In this instance a dilapidation estimate is obtained from the property landlord and pro-rated against the square meterage of the leased space, or cost estimate per square foot will be taken from the most recent dilapidation valuation report and applied to the square meterage in the building that has fit-out works to completed, to estimate the future expenditure to return that space to its original condition.

When the lease liability is re-measured, a corresponding adjustment is made to the right-of-use asset or recorded in the SoCNE if the carrying amount of the right-of-use asset is zero.

1.15 Provisions

The department provides for legal or constructive obligations which are of uncertain timing or amount at the reporting date on the basis of the best estimate of the expenditure required to settle the obligation. For any provisions extending beyond one year a nominal discount rate of 4.03% as quoted in *PES (2024) 9 Discount Rates for General Provisions, Post Employment Benefits, Financial Instruments and Leases (under IFRS 16): Announcement of Rates* has been used.

1.16 Contingent liabilities

Contingent liabilities are disclosed in the notes to the financial statements in accordance with IAS 37 *Provisions, Contingent Liabilities and Contingent Assets.* 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 Parliament separately noted.

Remote contingent liabilities outside the scope of IAS 37 but requiring Parliamentary reporting in accordance with the requirements of *Managing Public* Money are disclosed in the Parliamentary Accountability and Audit section of the Accountability Report.

1.17 Value Added Tax

Most of the activities of the department are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of non-current assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

1.18 Notional charges

Notional charges, in respect of services received from other government bodies, are included to reflect the full economic cost of services.

1.19 Staff Costs

Under IAS19 *Employee Benefits*, all staff costs must be recorded as an expense as soon as the organisation is obligated to pay them. This includes the costs of any untaken leave as at the year end. The cost of untaken leave has been determined using data from staff leave records.

1.20 Financial Instruments

IFRS 9 requires an entity to recognise a financial asset or a financial liability in its Statement of Financial Position when it becomes party to the contractual provisions of the instrument.
Financial assets and financial liabilities which arise from the purchase and sale of non-financial items such as goods or services, which are entered into in accordance with the Northern Ireland Office's normal purchase, sale or usage requirement, are recognised when, and to the extent to which, performance occurs. All other financial assets and liabilities are recognised when the Northern Ireland Office becomes party to the contractual provisions to receive or make cash payments. Financial liabilities are derecognised when the contract that gives rise to it is settled, sold, cancelled or expires.

For any financial instrument extending beyond one year a nominal discount rate of 2.15% as quoted in *PES (2024) 9 Discount Rates for General Provisions, Post Employment Benefits, Financial Instruments and Leases (under IFRS 16): Announcement of Rates* has been used.

Financial Assets

Loans and receivables

Loans and receivables comprise trade receivables, other receivables and loans that have fixed or determinable payments that are not quoted in an active market. Loans and receivables are initially recognised at fair value and are subsequently measured at amortised cost using the effective interest method net of impairment. Interest is recognised by applying the effective interest rate. The effective interest rate is a method of calculating the amortised cost of a financial asset and of allocating the interest revenue or expense over the relevant period using the estimated future cash flows.

IFRS 9 requires an entity to produce an expected loss impairment model for financial instruments held. Under the FReM, balances with core central government departments, the Government's Exchequer Funds (including the National Loans Funds) are excluded from recognising impairments.

The department's main financial instrument is loans from the National Loans Fund. There is no loss allowance for these loans as NLF loans can only be made where there is a reasonable expectation that they will be serviced and repaid on the due dates as the NLF is not legally allowed to make a loss.

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and current balances with banks which are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value and have an original maturity of three months or less.

Financial Liabilities

Trade and other payables

Financial liabilities within trade and other payables are recognised at fair value, which is usually the original invoiced amount.

Loans and other borrowings

Loans and other borrowings are initially recognised at fair value plus directly attributable transaction costs

1.21 Critical accounting estimates and key judgements

The preparation of financial statements in conformity with IFRS requires the use of accounting estimates and assumptions. It also requires management to exercise its judgement in the process of applying the department's accounting policies. We continually evaluate our estimates, assumptions and judgements based on available information and experience. As the use of estimates is inherent in financial reporting, actual results could differ from these estimates. The estimates and assumptions which have the most significant risk of causing a material adjustment to the carrying amounts are discussed below.

(i) – Provisions

Provisions have been made for obligations which will be payable at a future date. These provisions are estimates and the actual costs and timing of future cash flows are dependent on future events. Any difference between expectations and the actual future liability will be accounted for in the period when such determination is made.

Dilapidations provisions are recognised reflecting the best estimate made by a third party supplier of the obligatory costs due to the lessor upon exiting the premises currently occupied under leasehold agreement by the department. During the financial year 2024-25 a dilapidation provision was not available from the landlord for one leased property of the Independent Commission for Reconciliation and Information Recovery. A dilapidation report for one of their other properties was used to estimate the cost per square metre. A sensitivity analysis showing the impact on the provision estimate of a +/- £150 per square metre movement in cost is included in note 15.

The NIO has recognised a remediation provision, the details of which are not given to avoid prejudicing the department in disclosing sensitive information.

This remediation provision reflects the best estimate made by management of the future costs, as required by IAS 37.

Litigation provisions are recognised reflecting the best estimate made by management and Counsel's legal advice of the future costs required to settle the obligation, as required by IAS 37.

(ii) – Foreign Exchange (FX)

In line with HMT Foreign Exchange guidance, the department uses spot transactions for FX matters. The department adheres to the requirement to use the Bank of England (BoE) for any transactions that are greater than £2m equivalent, which is the most cost-effective and gives access to competitive margins and prices for government bodies. As set out in the Guidance for the Management of Foreign Exchange Exposure (Guidance for the Management of Foreign Exchange Exposure - GOV.UK (www.gov.uk)), the department will review this approach on an annual basis to evaluate if it remains the most appropriate strategy for managing FX risk.

(iii) – Work in Progress

The Crown Solicitor's Office accrues for the income relating to the cost of solicitor activity in relation to cases that have not completed at the reporting date. This is an estimate of the fees earned as a result of work undertaken up to the reporting date using an estimate of cost based on a combination of actual bills issued, solicitor time recording, average billing and an assessment of the progress on the case to date. Account has been taken of the estimated recoverability of the receivable in the calculation. Any differences between the amount charged to the client upon the completion of the case and the value recognised as work in progress will be accounted for in the accounting period when the client invoice is raised.

(iv) - Post retirement benefits

The Independent Commission for Reconciliation and Information Recovery accounts for pensions and other post-retirement benefits in line with IAS19. In determining the pension cost and the defined benefit obligation of the pension scheme, a number of assumptions are used by the Actuary. These include the discount rate, salary growth, price inflation, the expected return on the schemes investments and mortality rates. Further details are contained in the staff report and note 18.

1.22 Third Party Assets

The Crown Solicitor's Office holds various funds on behalf of its clients. These relate to ongoing legal processes. These balances are not recognised in the Statement of Financial Position but are disclosed in Note 20 to these Accounts.

1.23 Change of accounting estimate

In the financial year 2024-25 the department applied a voluntary change in accounting estimate regarding the capitalisation threshold for expenditure on property, plant and equipment and intangibles increasing from £1,000 to £5,000. The change has been applied from the 2024-25 financial year onwards and is reflective of management's assessment of what is considered as an asset in the context of the financial statements. The change is not expected to give rise to a material difference in future periods.

1.24 Accounting standards, interpretations and amendments to published standards adopted in the year ended 31 March 2025

The department has reviewed the standards, interpretations and amendments to published standards that became effective during 2024-25 and which are relevant to its operations. The department has determined that there are no new standards relevant to its operations.

1.25 Accounting standards, interpretations and amendments to published standards not yet effective

The following standards or interpretations have been issued by the International Accounting Standards Board but have not yet been adopted:

Social benefits: The 2025-26 FReM will include new guidance on accounting for social benefits. Social benefits may be defined as current transfers received by households intended to provide for the needs that arise from certain events or circumstances, for example, sickness, unemployment, retirement, housing, education, or family circumstances.

No material impact is expected on the financial statements as a result of the revised guidance.

IFRS 17: Insurance Contracts replaces IFRS 4: Insurance Contracts and is to be included in the FReM for mandatory implementation from 2025-26. It establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of this Standard. The department does not issue insurance policies or insurance

contracts that meet the definition under IFRS17. No material impact is expected on the financial statements as a result of this standard.

Non-investment asset valuations: In December 2023 HM Treasury released an exposure draft on potential changes to make to valuing and accounting for non investment assets (e.g. PPE, Intangible assets). The following changes to the valuation and accounting of non-investment assets is to be included in the 2025-26 FReM for mandatory implementation:

References of assets being held for their 'service potential' and the terms 'specialised/non-specialised' assets are being removed from the FReM. Non-investment assets are instead described as assets held for their 'operational capacity'. This change has no impact on the valuation basis of non-investment assets, which remains Existing Use Value (EUV).

An adaptation to IAS 16 will be introduced to withdraw the requirement to revalue an asset where its fair value materially differs from its carrying value. Assets are now valued using the one of the following processes:

- A quinquennial revaluation supplemented by annual indexation.
- A rolling programme of valuations over a 5-year cycle, with annual indexation applied to assets during the 4 intervening years.
- For non-property assets only, appropriate indices.
- In rare circumstances where an index is not available, a quinquennial revaluation supplemented by a desktop revaluation in year 3.

The option to measure intangible assets using the revaluation model is withdrawn. The carrying values of intangible assets at 31 March 2025 will be considered the historical cost at 1 April 2025.

The department will assess the impact on the 2025-26 financial statements, but no material impact is expected as a result of this standard.

IFRS 19 – Subsidiaries without *Public Accountability*: Disclosures were issued in May 2024 and applies to an annual reporting period beginning on or after 1 January 2027 (but earlier application is permitted) which permits eligible subsidiaries to use IFRS Accounting Standards with reduced disclosures. The department will follow any future requirements of the Government Financial Reporting Manual in respect of this new standard.

IFRS 18 – Presentation and Disclosure in Financial Statements was issued in April 2024 and applies to an annual reporting period beginning on or after 1 January 2027 (but earlier application is permitted) in the private sector. The Public Sector implementation date is not yet confirmed. The department will follow any future requirements of the Government Financial Reporting Manual in respect of this new standard.

2. Statement of Operating Costs by Operating Segment

The department organises itself by group and reports income and expenditure by group to the Board each month. The current groups are:

- Security and Reconciliation (SAR)
- Strategy and External Affairs (SEA)
- Public Services & Economic Growth (PSEG)
- Corporate Operations Group (COG)
- Centrally Managed (CM)

Information on amounts paid to the Northern Ireland Consolidated Fund (NICF) is included as a separate operating segment below.

Information on income and expenditure for all ring-fenced funds and bodies (BDS) within the NIO departmental boundary are included as a separate operating segment below.

The Board received management information containing a summary of spend on a quarterly basis throughout the year. Information on a similar basis is reproduced in the table below.

The department does not consider that assets and liabilities can be meaningfully allocated to segments and manages and reports on assets and liabilities in total. Therefore, no breakdown of assets and liabilities is given.

								2024-25
	£000 NICF	£000 BDS	£000 SAR	£000 SEA	£000 PSEG	£000 COG	£000 CM	£000 Total
Gross expenditure	23,411,000	30,179	1,654	331	49	3,759	18,111	**23,465,083**
Receipts	-	(5,798)	-	-	-	-	-	**(5,798)**
Total net operating expenditure	**23,411,000**	**24,381**	**1,654**	**331**	**49**	**3,759**	**18,111**	**23,459,285**

								2023-24
	£000 NICF	£000 BDS	£000 SAR	£000 SEA	£000 PSEG	£000 COG	£000 CM	£000 Total
Gross expenditure	20,899,000	21,557	1,152	395	172	2,981	17,869	**20,943,094**
Receipts	-	(5,931)	-	-	-	-	(3)	**(5,934)**
Total net operating expenditure	**20,899,000**	**15,626**	**1,152**	**395**	**172**	**2,981**	**17,866**	**20,937,192**

Note 2.1 Reconciliation between Operating Segments and Consolidated Statement of Comprehensive Net Expenditure

	2024-25 £000 Total	2023-24 £000 Total
Total net expenditure by operating segment	**20,459,285**	**20,937,192**
Reconciling items:		
AME and non-voted expenditure not included in analysis	10,333	(3,264)
Total net expenditure per statement of comprehensive net expenditure	23,469,618	20,933,928

3. Staff costs

More detail on staff numbers can be found in the Remuneration and Staff Report.

Core staff costs					2024-25	2023-24
					£000	£000
	Total	Permanently employed and inward seconded staff	Others	Ministers	Special Advisors*	Total
Wages and salaries	17,616	12,456	4,934	226	-	16,072
Social security costs	1,562	1,516	35	11	-	1,789
Other pension costs	3,990	3,990	-	-	-	3,916
Sub Total	**23,168**	**17,962**	**4,969**	**237**	**-**	**21,777**
Less recoveries in respect of outward secondments	(464)	(464)	-	-	-	(420)
Total net costs	**22,704**	**17,498**	**4,969**	**237**	**-**	**21,357**

Departmental Group Staff costs					2024-25	2023-24
					£000	£000
	Total	Permanently employed and inward seconded staff	Others	Ministers	Special Advisors*	Total
Wages and salaries	27,220	17,709	9,285	226	-	19,217
Social security costs	2,441	2,117	313	11	-	2,119
Other pension costs	5,412	4,923	489	-	-	4,536
Sub Total	**35,073**	**24,749**	**10,087**	**237**	**-**	**25,872**
Less recoveries in respect of outward secondments	(464)	(464)	-	-	-	(420)
Total net costs	**34,609**	**24,285**	**10,087**	**237**	**-**	**25,452**

*Special Advisers are temporary civil servants. In order to improve efficiency, the administration of staff costs for all Special Advisers across government was moved to the Cabinet Office in July 2019, with corresponding budget cover transfers. Therefore, special adviser costs are now reported in the Cabinet Office Annual Report and Accounts. Special Advisers remain employed by the respective departments of their appointing Minister.

4. Other Expenditure

		2024-25 £000		2023-24 £000	
	Note	Core Department	Departmental Group	Core Department	Departmental Group
Other Expenditure					
Communications, office supplies and services		1,878	2,400	1,501	1,586
Events and conferences		19	22	88	93
Legal costs		6,226	6,737	3,199	3,396
Maintenance and utilities		2,437	3,294	2,733	2,916
Professional fees		1,963	3,845	2,029	2,607
Audit Fees - ALBs		-	235	-	128
Other contracted out services		369	393	207	208
Subscriptions to professional bodies		166	208	250	253
Training costs		124	306	78	99
Travel, subsistence and hospitality		936	1,449	1,206	1,318
All other expenditure*		4,341	5,292	976	1,333
Non-cash items					
Depreciation	6/7	2,655	3,823	3,923	4,135
Amortisation	8	72	72	3	3
Loss on disposal		4	4	-	-
Exchange rate and other discounting		(124)	(124)	(4,041)	(4,041)
Revaluation	8	-	-	(1)	(1)
Movement in Provisions in year	15	286	286	775	775
Auditor's remuneration and expenses		210	210	216	216
Impairment**		1,046	1,046	-	-
Rentals under Leases:					
Hire of plant and machinery		-	1	4	10
Expense on short-term and low-value leases		402	514	34	35
		23,010	30,013	13,180	15,069
Northern Ireland Consolidated Fund:					
Grant		23,411,000	23,411,000	20,899,000	20,899,000
National Loans Fund interest		55,157	55,157	51,120	51,120
EU grants		10,140	10,140	79,346	79,346
		23,476,297	23,476,297	21,029,466	21,029,466
Total Expenditure		**23,499,307**	**23,506,310**	**21,042,646**	**21,044,535**
Consolidated Fund:					
Election Funding		6,920	6,920	120	120
Consolidated Fund		(6,810)	(6,810)	-	-
Consolidated Fund Standing Services		(110)	(110)	(120)	(120)
		-	-	-	-

* 2024-25 Other expenditure included significant expenditure for 2024 General Election for printing and stationery c£313k and postage c£3m.

**further information can be found within Parliamentary Accountability Disclosures on page 81.

During the year the department did not purchase any non-audit services from its auditor, the National Audit Office (2023-24: nil).

By statute the remuneration and associated employers' earnings-related National Insurance Contributions of the Chief Electoral Officer (CEO) are met directly from the Consolidated Fund Standing Services, rather than Parliamentary Supply. These costs are included under Consolidated Fund Standing Services. As the cash for the CEO's salary does not pass through the department's accounts, the expenditure is accounted for as a non-cash item.

Pension benefits for the CEO are on a broadly by-analogy to the Civil Service and Others Pension Scheme (CSOPS) basis. This provides for benefits on a final salary basis accruing at 1/80th of pensionable salary for each year of service and an automatic lump sum of three times the pension. The actual payments come from the Consolidated Fund under section 14 (8) of the Electoral Law Act (NI) 1962.

The Chief Electoral Officer is both the electoral registration officer for all 18 constituencies in Northern Ireland and returning officer for all elections and referenda in Northern Ireland. The cost of running Parliamentary Elections is funded by the UK Consolidated Fund, as was European elections. Further details of spend can be found in note 22.

5. Income

Operating income not within the budget (i.e. surrenderable to the Consolidated Fund) is analysed for resource budget purposes between that which is included in public expenditure and that which is not. In 2024-25, all operating income was within the budget (2023-24: all operating income was within the budget).

Note: Programme income relates to the following transactions with the Northern Ireland Consolidated Fund:

- Interest receivable on loans made by the Northern Ireland Office to the Northern Ireland Consolidated Fund. The Northern Ireland Office uses this interest to pay interest due to the NLF in respect of the loans made to the Northern Ireland Office, equal to the amount of loan made from the Northern Ireland Office to the Northern Ireland Consolidated Fund.
- Income from the EU, which is received by the Northern Ireland Office to be paid over directly to the Northern Ireland Consolidated Fund. Both amounts are offset by an equal and opposite expense as shown in note 4.

	2024-25 £000	2024-25 £000	2023-24 £000	2023-24 £000
	Core Department	Departmental Group	Core Department	Departmental Group
Administration income:				
Professional Fees	5,437	5,437	5,688	5,688
Other administrative income	69	69	3	3
	5,506	**5,506**	**5,691**	**5,691**
Programme income:				
Other	586	603	243	243
National Loans Fund interest	55,157	55,157	51,120	51,120
Income from EU for NI programmes*	10,140	10,140	79,047	79,047
	65,883	**65,900**	**130,410**	**130,410**
Total	**71,389**	**71,406**	**136,101**	**136,101**

*2023-24 includes a timing difference between the pre year end receipt and post year end payment of c.300k.

6. Property, plant and equipment – Departmental Group

	Heritage Assets £000	Antiques £000	Leasehold Improvements £000	Plant & Machinery £000	Information Technology £000	Total £000
Cost or valuation						
At 1 April 2024	**87,363**	**1,767**	**2,912**	**508**	**3,049**	**95,599**
Additions	-	-	4,754	-	84	**4,838**
Disposals	-	-	(3)	(58)	(284)	**(345)**
Impairment	-	-	-	-	(1,046)	**(1,046)**
Revaluations	2,089	-	11	6	22	**2,128**
At 31 March 2025	**89,452**	**1,767**	**7,674**	**456**	**1,825**	**101,174**
Depreciation						
At 1 April 2024	**3,620**	**-**	**1,667**	**444**	**2,175**	**7,906**
Charged in year	1,810	-	946	34	360	**3,150**
Disposals	-	-	(2)	(57)	(282)	**(341)**
Impairment	-	-	-	-	(634)	**(634)**
Revaluation	139	-	2	4	13	**158**
At 31 March 2025	**5,569**	**-**	**2,613**	**425**	**1,632**	**10,239**
Carrying Amount						
At 31 March 2025	**83,883**	**1,767**	**5,061**	**31**	**193**	**90,935**
Carrying Amount						
At 31 March 2024	**83,743**	**1,767**	**1,245**	**64**	**874**	**87,693**
Of the total:						
Department	**83,883**	**1,767**	**153**	**19**	**175**	**85,997**
Other designated bodies	**-**	**-**	**4,908**	**12**	**18**	**4,938**
Carrying amount at 31 March 2025	**83,883**	**1,767**	**5,061**	**31**	**193**	**90,035**

Note 6 (cont.)

	Heritage Assets £000	Antiques £000	Leasehold Improvements £000	Plant & Machinery £000	Information Technology £000	Total £000
Cost or valuation						
At 1 April 2023	**85,065**	**1,767**	**2,530**	**707**	**3,421**	**93,490**
Additions	-	-	354	1	192	**547**
Net Revaluations to SoCNE	-	-	(2)	-	5	**3**
Disposals	-	-	(2)	(205)	(560)	**(767)**
Revaluations	2,298	-	32	5	(9)	**2,326**
At 31 March 2024	**87,363**	**1,767**	**2,912**	**508**	**3,049**	**95,599**
Depreciation						
At 1 April 2023	1,759	**-**	**1,367**	**439**	**2,209**	**5,774**
Charged in year	1,759	-	299	207	526	**2,791**
Net Revaluation to SoCNE	-	-	-	-	3	**3**
Disposals	-	-	(2)	(205)	(560)	**(767)**
Revaluation	102	-	3	3	(3)	**105**
At 31 March 2024	**3,620**	**-**	**1,667**	**444**	**2,175**	**7,906**
Carrying Amount						
At 31 March 2024	**83,743**	**1,767**	**1,245**	**64**	**874**	**87,693**
Carrying Amount						
At 31 March 2023	**83,306**	**1,767**	**1,163**	**268**	**1,212**	**87,716**
Of the total:						
Department	**83,743**	**1,767**	**527**	**34**	**849**	**86,920**
Other designated bodies	**-**	**-**	**718**	**30**	**25**	**773**
Carrying amount at 31 March 2024	**83,743**	**1,767**	**1,245**	**64**	**874**	**87,693**

All of the assets above are fully owned, there are no finance arrangements in place. Heritage assets and antiques comprise Hillsborough Castle, its contents and its surrounding estate. Hillsborough Castle is a facility used as a Royal residence and is considered as a specialised operational asset. It has historical importance as the principal seat in Ireland of the Marquesses of Downshire for well over 200 years. The present building dates from the 1770s with 19th and 20th century additions. It passed into public ownership in the 1920s and was used, until direct rule, as the residence of the Governors of Northern Ireland. Currently, the Castle is the venue for official functions including supporting many Royal and other distinguished visitors. In 2014, the department entered into new arrangements with Historic Royal Palaces (HRP) to ensure that the Castle was opened up to the public and run on as efficient a basis as possible. For the period of the 25 year licence granted to HRP (from 20th March 2017), capital expenditure on the Castle is incurred by and treated as an asset of HRP not NIO, however, the underlying asset rests with NIO.

The most recent professional full valuation of Hillsborough Castle has been carried out by Land and Property Services (LPS) – Department of Finance NI as at 31 March 2022, in line with standards published by the Royal Institute of Chartered Surveyors (RICS) and the

antiques were valued by John Ross and Company as at 31 March 2022 for the purposes of these accounts. Valuations are carried out every five years. The most recent valuation of Hillsborough Castle was carried out as at 31 March 2025 using indices supplied by Land and Property Services.

7. Right of Use Leased Assets

Following the adoption of IFRS16 in the 2022-23 financial accounts, leases are recognised on the statement of financial position as right of use assets. Note 1.14 provides further information.

Right of Use Leased Assets – Core

2024-25	Leasehold Improvements £000	Plant & Machinery £000	Information Technology £000	Total £000
Right of use assets				
Cost or valuation				
At 1 April 2024	2,343	49	-	2,392
Additions*	55	28	-	83
Variation on re-measurement	(11)	-	-	(11)
Disposals	-	-	-	-
At 31 March 2025	2,387	77	-	2,464
Depreciation				
At 1 April 2024	605	6	-	611
Charged in year	691	4	-	695
Disposals	-	-	-	-
At 31 March 2025	1,296	10	-	1,306
Carrying amount at 31 March 2025	1,091	67	-	1,158
Carrying amount at 31 March 2024	1,738	43	-	1,781

*Additions relate to the two leases for vehicles and one new building lease entered into during the financial year.
** Included within note 4 other expenditure, expenses relating to short-term and low-value leases totalled £402k in year

Right of Use Leased Assets – Departmental Group

2024-25	Leasehold Improvements £000	Plant & Machinery £000	Information Technology £000	Total £000
Right of use assets				
Cost or valuation				
At 1 April 2024	4,015	52	8	4,075
Additions*	8,397	32	-	8,429
Variation on re-measurement	(11)	-	-	(11)
Disposals	-	(3)	-	(3)
At 31 March 2025	12,401	81	8	12,490
Depreciation				
At 1 April 2024	762	9	8	779
Charged in year	1,301	6	-	1,307
Disposals	-	(3)	-	(3)
At 31 March 2025	2,063	12	8	2,083
Carrying amount at 31 March 2025	10,338	69	-	10,407
Carrying amount at 31 March 2024	3,253	43	-	3,296

*Additions relate to the two leases for vehicles and three new building leases entered into during the financial year.
** Included within note 4 other expenditure, expenses relating to short-term and low-value leases totalling £514k in year

8. Intangible assets – Departmental Group

The department's intangible assets comprise purchased software licences with a finite life.

	Software Licences 2024-25 £000	Software Licences 2023-24 £000
Cost or valuation		
Opening balance	325	314
Additions	25	19
Disposals	(32)	(7)
Revaluation	-	(1)
Closing balance	**318**	**325**
Amortisation		
Opening balance	157	161
Charged in year	72	3
Disposals	(32)	(7)
Revaluation	-	-
Closing balance	**197**	**157**
Carrying Amount at 31 March 2025 and 2024	**121**	**168**
Carrying Amount at 31 March 2024 and 2023	**168**	**153**
Of the total:		
Department	121	168
Other designated bodies	-	-
	121	**168**

Intangible assets are adjusted to their current value each year by reference to appropriate indices compiled by the Office for National Statistics.

9. Leases

Following the adoption of IFRS16 in the 2022-23 financial accounts, the department's leases are now recognised on the Statement of Financial Position, with the exception of leases which are less than 12 months or are considered low value (less than £1,000).

On initial application, the lease liability is measured at the present value of the remaining lease payments using the incremental borrowing rate at the date of initial application. The incremental borrowing rate is either:

- The interest rate implicit in the lease; or
- HM Treasury discount rate where interest rates implicit in the lease cannot be readily determined.

Lease Liabilities - Core

2024-25		Leasehold Improvements	Plant & machinery	Total
Lease Liabilities	**Note**	**£000**	**£000**	**£000**
At 1 April 2024		(1,807)	(18)	(1,825)
Additions*		(55)	(28)	(83)
Variation on re-measurement		11	-	11
Interest on lease liabilities		(49)	(1)	(50)
Cash Payment		785	25	810
At 31 March 2025		(1,115)	(22)	(1,137)

Total future lease payments under leases are given in the table below for each of the following periods:

No later than one year	(838)	(12)	(850)
Later than one year and not later than five years	(277)	(10)	(287)
Balance at 31 March 2025	(1,115)	(22)	(1,137)

*Additions relate to the two leases for vehicles and one new building lease entered into during the financial year.
** Included within note 4 other expenditure, expenses relating to short-term and low-value leases totalled £402k in year

Lease Liabilities – Departmental Group

2024-25		Leasehold Improvements	Plant & machinery	Total
Lease Liabilities	**Note**	**£000**	**£000**	**£000**
At 1 April 2024		(3,307)	(18)	(3,325)
Additions*		(7,476)	(33)	(7,509)
Variation on re-measurement		6	-	6
Interest on lease liabilities		(104)	(1)	(105)
Cash Payment		967	26	993
At 31 March 2025		(9,914)	(26)	(9,940)

Total future lease payments under leases are given in the table below for each of the following periods:

No later than one year	(4,955)	(12)	(4,967)
Later than one year and not later than five years	(2,217)	(14)	(2,231)
Later than five years	(2,742)	-	(2,742)
Balance at 31 March 2025	(9,914)	(26)	(9,940)

* Additions relate to the two leases for vehicles and three new building leases entered into during the financial year.
** Included within note 4 other expenditure, expenses relating to short-term and low-value leases totalling £514k in year

10. 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.

11. Investments and loans in other public sector bodies

Department of Finance & Personnel On-lent National Loans Fund Loans

	2024-25 £000	2023-24 £000
Balance at 1 April	1,649,076	1,628,517
Additions	220,000	150,000
Repayments	(125,077)	(129,441)
Balance at 31 March	**1,743,999**	**1,649,076**

The balances represent the principal element of National Loans Fund advances on lent by the Secretary of State for Northern Ireland to the Northern Ireland Executive. Interest has as overall nil net impact on the Statement of Financial Position.

The balances above can be further analysed as:

	2024-25 £000	2023-24 £000
Current assets	124,457	122,524
Non-current assets	1,619,542	1,526,552
Balance at 31 March	**1,743,999**	**1,649,076**

12. Cash and cash equivalents

	2024-25 £000	2024-25 £000	2023-24 £000	2023-24 £000
	Core Department	Departmental Group	Core Department	Departmental Group
Balance at 1 April	196,633	197,641	194,230	194,804
Net change in cash balance	(15,663)	(15,744)	2,403	2,837
Balance at 31 March	**180,970**	**181,897**	**196,633**	**197,641**
The following balances at 31 March are held at:				
Government Banking Service	180,000	180,000	196,000	196,000
Commercial banks and cash in hand	970	1,897	633	1,641
Balance at 31 March	**180,970**	**181,897**	**196,633**	**197,641**

13. Trade receivables, financial and other assets

	2024-25 £000 Core Department	2024-25 £000 Departmental Group	2023-24 £000 Core Department	2023-24 £000 Departmental Group
Amounts falling due within one year:				
VAT receivables	154	817	-	66
Trade receivables	3,300	3,300	3,613	3,613
Other receivables	3,297	96	75	112
Prepayments and accrued income*	837	1,424	1,182	1,440
Total	**7,588**	**5,637**	**4,870**	**5,231**

*£0.3 million of this balance represents work in progress not yet billed (2023-24, £0.6m).

14. Trade payables and other current liabilities

	2024-25 £000 Core Department	2024-25 £000 Departmental Group	2023-24 £000 Core Department	2023-24 £000 Departmental Group
Amounts falling due within one year:				
VAT payables	-	-	15	15
Taxation and social security	952	989	667	708
Trade and other payables	22	70	223	256
Accruals and deferred income	88,680	91,916	107,990	109,457
Property, plant and equipment accruals	-	579	-	359
Current element of lease liabilities	850	4,967	820	975
Current element of repayment of National Loans Fund	124,457	124,457	122,524	122,524
Amounts issued from the Consolidated Fund but not spent at year end	180,659	180,659	196,482	196,482
Consolidated Fund extra receipts due to be paid to the Consolidated Fund	311	311	151	151
	395,931	**403,948**	**428,872**	**430,927**
Amounts falling due after more than one year:				
Leases	287	4,973	1,004	2,350
Accruals and deferred income	82,777	82,777	166,160	166,160
Repayment of National Loans Fund	1,619,542	1,619,542	1,526,552	1,526,552
Total	**2,098,537**	**2,111,240**	**2,122,588**	**2,125,989**

15. Provisions for liabilities and charges

	Remediation Work		Litigation Claims		Leasehold Dilapidation		Total	
	Core	Dept. Group	Core	Dept. Group	Core	Dept. Group	Core	Dept. Group
Balance at 1 April 2024	5,382	5,382	787	787	441	516	6,610	6,685
Provided in the year	526	526	450	450	-	918	976	1,894
Provisions not required written back	(400)	(400)	(290)	(290)	-	-	(690)	(690)
Provisions utilised in the year	(467)	(467)	(299)	(299)	-	-	(766)	(766)
Balance at 31 March 2025	**5,041**	**5,041**	**648**	**648**	**441**	**1,434**	**6,130**	**7,123**

Analysis of expected timing of discounted flows:

	2024-25 £000 Core Department	2024-25 £000 Departmental Group	2023-24 £000 Core Department	2023-24 £000 Departmental Group
Not later than one year	1,556	1,556	1,254	1,254
Later than one year and not later than five years	2,612	2,612	3,380	3,380
Later than five years	1,962	2,955	1,976	2,051
Balance at 31 March 2025	**6,130**	**7,123**	**6,610**	**6,685**

	Remediation Work	Litigation Claims	Leasehold Dilapidations	Total 2024-25 £000
Not Later than one year	786	648	122	1,556
Later than one year and not later than five years	2,293	-	319	2,612
Later than five years	1,962	-	993	2,955
Balance at 31 March 2025	**5,041**	**648**	**1,434**	**7,123**

All provisions represent the best estimate of the expenditure required to settle the obligation at the date of approval of the financial statements.

16.1 Provision for Litigation Claims: £648k (2023-24: £787k)

The opening provision includes a provision for £100k relating to a civil damages claim which is subject to closed material proceedings and the details of which are not given to avoid prejudicing the outcome of ongoing proceedings. The provision for legal costs reflects the mid-point in the range of estimated costs, as required by IAS 37. There were no required changes to the provision in the 2024-25 financial year.

In addition, £260k of the opening provision relates to a provision that was created in the 2022-23 financial year and reduced in the 2023-24 financial year for defamation claim damages, the details of which are not given to avoid prejudicing the outcome of ongoing proceedings. The provision has been removed in the 2024-25 financial year following Counsel's legal advice.

Moreover, £30k opening provision relates to two separate judicial review challenges of procedural fairness of decision. The challenges are subject to closed material proceedings. Following Counsel's legal advice the provision has been removed in the 2024-25 financial year.

Furthermore, £214k opening provision relates to a cohort of claims for delay damages the details of which are not given to avoid prejudicing the outcome of ongoing proceedings. These were settled during the 2024-25 financial year and the provision utilised.

The remaining opening provisions of £183k relates to various ongoing legal challenges. The provisions for legal costs and damages reflects the department's best estimate following Counsel's legal advice or the mid-point in the range of estimated costs, as required by IAS 37. During the 2024-25 financial year three legal challenges were settled and the provisions of £85k was utilised.

A new provision has been created for £432k relating to a judicial review, the details of which are not given to avoid prejudicing the outcome of ongoing proceedings. The provision of legal fees reflects the department's best estimate following Counsel's legal advice.

The remaining new provisions totalling £18k relate to ongoing legal challenges. The provisions for legal costs and settlement reflects the department's best estimate following Counsel's advice, as required by IAS 37.

16.2 Provision for Leasehold dilapidation: £1,434k (2023-24: £516k)

The opening provision reflects the estimated future costs to make good the premises occupied by the department upon exiting the relevant lease for four premises. The dilapidations reports were commissioned during the 2020-21 financial year and a provision recognised. Following a further dilapidations report received during the year 2022-23 a

reduction in the required provision was reflected in 2022-23 financial statements. A new provision has been created for £918k following the occupation of new premises in the financial year 2024-25 by the Independent Commission for Reconciliation and Information Recovery (ICRIR).

A dilapidation survey was conducted on the Belfast based premises in June 2025. The results of this survey were used to estimate the provision for dilapidation costs and in addition to calculate the provision for the London premises, based on the cost per square metre and applied to the works carried out. Once the London works are complete, a survey will be commissioned to estimate the dilapidation costs for this space on the completed works and the provision updated accordingly. The provision reflects the best estimate of costs required to the settle the obligation upon exiting the premises.

Sensitivity analysis

The dilapidations provision is sensitive to the cost per square metre assumptions used. The approximate impact of changing this key assumption for each of our locations is set out below. In each case, only the assumption mentioned is altered, all other assumptions remain the same.

Cost per square metre assumption (£/sqm)

Adjustment to £/sqm	**+£150/sqm**	**Base figure £000**	**-£150/sqm**
Belfast (£000)	501	419	338
	19.44%		(19.44%)
London (£000)	592	499	406
	18.57%		(18.57%)

16.3 Provision for remediation work: £5,041k (2023-24: £5,382k)

The NIO recognised a remediation provision in the 2021-22 financial year, the details of which are not given to avoid prejudicing the department in disclosing sensitive information.

During the financial year 2024-25 further work was undertaken and the estimate of remediation work required was revised to reflect a greater understanding of future costs and outcomes. The remediation provision of £5,041k (2023-24: £5,382k) reflects the best estimate made by management of the future costs. Management will continue to monitor progress of outcomes and variables identified as required by IAS 37.

17. Contingent liabilities disclosed under IAS 37

Listed below are the department's contingent liabilities that have not been recognised as provisions because their existence will only be confirmed by the occurrence of one or more uncertain future events, not wholly within the department's control.

(a) Internment and potential claims for compensation

As at 31 March 2025, there are Internment cases pending against the department or the Secretary of State which could result in damages against the department for false imprisonment of individuals who are claiming their detention was unlawful. It is not possible to effectively quantify the level of potential liability at this point within a reasonable range.

(b) Employment and personnel cases

There are a small number of cases pending against the department. It has not been possible to accurately estimate the value of these cases and there is continuing uncertainty over the expected date of settlement in respect of these cases at the reporting date.

(c) Others

There are a substantial number of other cases pending against the department or the Secretary of State for which it is not possible to quantify any potential liability at this point. The cases largely relate to legacy and security matters and it is not possible to effectively quantify the level of potential liability at this point.

18. Retirement Benefit Obligation

The Independent Commission for Reconciliation and Information Recovery (ICRIR) participates in the Northern Ireland Local Government Officers' Superannuation Committee (NILGOSC) pension scheme and makes contributions for employees each month. The pension scheme is known as the Local Government Pension Scheme Northern Ireland and is a funded multi-employer defined benefit scheme.

NILGOSC is the corporate body responsible for the administration of the scheme. The Scheme Actuary, AON, is responsible for carrying out full valuations every three years. The latest full actuarial valuation was 31 March 2022. The outcome of this valuation was used as the basis for the valuation at 31 March 2025 and to set the level of contributions for employers from 1 April 2022 to 31 March 2025.

The Commission accounts for pensions and other post-retirement benefits in line with IAS19. In determining the pension cost and the defined benefit obligation of the pension scheme, a number of assumptions are used by the Actuary. These include the discount rate, salary growth, price inflation, the expected return on the schemes investments and mortality rates.

	2024-25	2023-24
	£000	£000
Pension Asset/Liability	-	-

The disclosures below relate to the funded liabilities within the Northern Ireland Local Government Officers' Superannuation Pension Fund (the “Fund”) which is part of the Local Government Pension Scheme (Northern Ireland) (the "LGPS").

The LGPS is a funded defined benefit plan with benefits earned up to 31 March 2015 being linked to final salary. Benefits after 31 March 2015 are based on a Career Average Revalued Earnings scheme. Details of the benefits earned over the period covered by this disclosure are set out in 'The Local Government Pension Scheme Regulations (Northern Ireland) 2014' (as amended) and ‘The Local Government Pension Scheme (Amendment and Transitional Provisions) Regulations (Northern Ireland) 2014' (as amended).

Funding/Governance Arrangements

The funded nature of the LGPS requires the Commission and its employees to pay contributions into the Fund, calculated at a level intended to balance the pension liabilities with investment assets. For 2024-25 the contribution rates were 19% employers' and ranging between 5.5% and 10.5% employees'.

The last actuarial valuation was at 31 March 2022 and the contributions to be paid until 31 March 2025 resulting from that valuation are set out in the Fund’s Rates and Adjustment Certificate.

The Northern Ireland Local Government Officers' Superannuation Committee is responsible for the governance of the Fund.

Assets

The assets allocated to the Employer in the Fund are notional and are assumed to be invested in line with the investments of the Fund for the purposes of calculating the return over the accounting period. The Fund holds a significant proportion of its assets in liquid investments. As a consequence, there will be no significant restriction on realising assets if a large payment is required to be paid from the Fund in relation to an employer's liabilities. The assets are invested in a diversified spread of investments and the approximate split of assets for the Fund as a whole (based on data supplied by the Committee) is shown in the disclosures. The Committee may invest a small proportion of the Fund's investments in the assets of some of the employers participating in the Fund if it forms part of their balanced investment strategy.

Risks

Asset volatility

The liabilities used for accounting purposes are calculated using a discount rate set with reference to corporate bond yields at the accounting date. If assets underperform this yield this will create a deficit in the accounts. The Fund holds a significant proportion of growth assets which, while expected to outperform corporate bonds in the long term, creates volatility and risk in the short term in relation to the accounting figures.

Changes in bond yield

A decrease in corporate bond yields will increase the value placed on the liabilities for accounting purposes although this will be marginally offset by the increase in the assets as a result (to the extent the Fund invests in corporate bonds).

Inflation risk

The majority of the pension liabilities are linked to either pay or price inflation. Higher inflation expectations will lead to a higher liability value. The assets are not perfectly correlated with inflation meaning that an increase in inflation will increase the deficit.

Life expectancy

The majority of the Fund's obligations are to provide benefits for the life of the member following retirement, so increases in life expectancy will result in an increase in the liabilities.

Exiting employers

Employers which leave the Fund (or their guarantor) may have to make an exit payment to meet any shortfall in assets against their pension liabilities. If the Employer (or guarantor) is not able to meet this exit payment the liability may in certain circumstances fall on other employers in the Fund. Further, the assets at exit in respect of 'orphan liabilities' may, in retrospect, not be sufficient to meet the liabilities. This risk may fall on other employers. 'Orphan liabilities' are currently a small proportion of the overall liabilities in the Fund.

The principal assumptions used by the actuary in updating the latest valuation of the Fund for IAS19 purposes were:

a) Principal Financial Assumptions (% per annum)

	2024-25
	Years
Duration of liabilities (years)	21.1
	%PA
Discount rate	5.80
CPI Price Inflation (Pension Increase)	2.50
Salary Increases	**3.00**

b) Mortality Assumptions

The mortality assumptions are based on actual mortality experience of members within the Fund based on analysis carried out as part of the 2022 Actuarial Valuation and allow for expected future mortality improvements. Sample life expectancies at age 65 resulting from these mortality assumptions are shown below.

	2024-25
Males	
Pensioner Member aged 65 at accounting date	21.6
Active Member aged 45 at accounting date	22.2
Females	
Pensioner Member aged 65 at accounting date	24.5
Active Member aged 45 at accounting date	25.2

c) Asset Allocation

The approximate split of assets for the Fund as a whole is shown in the table below.

	Asset Split		
	At 31 March 2025 (%)		
	Quoted	**Unquoted**	**Total**
Equities	40.2	0.0	40.2
Property	0.0	10.0	10.0
Government	15.4	0.0	15.4
Corporate bonds	3.6	0.0	3.6
Multi Asset Credit	13.4	0.0	13.4
Cash	11.4	0.0	11.4
Other	0.1	5.9	6.0
Total	**84.1**	**15.9**	**100.0**

d) Reconciliation of Funded status to Statement of Financial Position (SoFP)

	31 March 2025
	£000
Fair Value of Assets	766
Present value of funded defined benefit obligation	(532)
Funded Status	**234**
Unrecognised Asset	(234)
Asset/(Liability) recognised	**-**

The table above shows the funded status as a £234k surplus. IFRIC 14 The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction provides guidance on the recognition of the surplus through both reduced contributions and through refunds from the plan. The actuary, AON, have completed the calculation of the potential surplus that could be recovered through reduced contributions in the future, determining an asset ceiling of £0. Additionally, refunds are only possible when an employer exits the fund and will depend on the exit terms in force at the date of exit. Given the uncertainty of when the Commission may exit the fund and the conditions and terms prevalent at that point being unknown, the likelihood and value of any refund is also unknown. The surplus has therefore not been recognised in the Statement of Financial Position at 31 March 2025.

The split of the liabilities at the last valuation date between the various categories of members was as follows:

Member Category	%
Active Members	100%
Deferred Pensioners	0%
Pensioners	0%

e) Breakdown of Amounts Recognised in Statement of Comprehensive Net Expenditure (SoCNE) and Other Comprehensive Expenditure (OCE)

	31 March 2025
	£000
Operating Cost	
Current Service Cost*	518
Past Service Cost (including curtailments)	-
Settlement Cost	-
Financing Cost	
Interest on net defined benefit liability/(asset)	(12)
Interest on unrecognised asset	-
Total Pension Expense Recognised in the SoCNE	**506**
Re-measurements in Other Comprehensive Expenditure	
Return on plan assets (in excess of) / Below that recognised in net interest	1
Actuarial (gains) / losses due to change in financial assumptions	(227)
Actuarial (gains) / losses due to change in demographic assumptions	(6)
Actuarial (gains) / losses due to liability experience	(2)
Adjustment loss / (gain) in respect of unrecognised asset	234
Total Amount Recognised in Other Comprehensive Expenditure	**-**
Total Amount Recognised	**506**

*The current service cost includes an allowance for the administration expenses of £0.017m.

f) Changes to Present Value of Defined Benefit Obligation during the Accounting Period

	31 March 2025
	£000
Opening defined benefit obligation	**-**
Current service cost	518
Interest expense on defined benefit obligation	6
Contributions by participants	261
Actuarial (gains) / losses due to changes in financial assumptions	(227)
Actuarial (gains) / losses due to changes in demographic assumptions	(6)
Actuarial (gains) / losses due to liability experience	(2)
Net benefits paid out	(18)
Past service costs (including curtailments)	-
Net increase in liabilities from disposals/acquisitions	-
Settlements	-
Closing defined benefit obligation	**532**

g) Changes to the Fair Value of Assets during the Accounting Period

	31 March 2025
	£000
Opening fair value of assets	**-**
Interest income on assets	18
Re-measurement gains / (losses) on assets	(1)
Contributions by the employer	506
Contributions by participants	261
Net benefits paid out	(18)
Net increase in liabilities from disposals/acquisitions	-
Settlements	-
Closing fair value of assets	**766**

h) Actual Return on Assets

	31 March 25
	£000
Interest income on assets	18
Re-measurement gain / (loss) on assets	(1)
Actual return on assets	**17**

i) Sensitivity Analysis

The results shown above are sensitive to the assumptions used. The approximate impact of changing the key assumptions on the present value of the funded defined benefit obligation as at 31 March 2025 and the projected services cost for the year ending 31 March 2026 are set out below. In each case, only the assumption mentioned is altered, all other assumptions remain the same and are summarised in the notes above. Sensitivity of unfunded benefits (where applicable) are not included on materiality grounds.

Discount rate assumption			
Adjustment to discount rate	**+0.1 p.a.**	**Base Figure**	**-0.1 p.a.**
Present value of total obligation (£000)	521	532	543
% change in present value of total obligation	(2.1%)		2.1%
Projected service cost (£000)	283	300	318
Approximate % change in projected service cost	(5.8%)		(6.0%)
Rates of General Increase in Salaries			
Adjustment to salary increase rate			
Present value of total obligation (£000)	532	532	532
% change in present value of total obligation	0.0%		0.0%
Projected service cost (£000)	300	300	300
Approximate % change in projected service cost	0.0%		0.0%

Rate of increase to pensions and rate of revaluation of pension accounts			
Adjustment to pension increase rate	**+0.1 p.a.**	**Base Figure**	**-0.1 p.a.**
Present value of total obligation (£000)	543	532	521
% change in present value of total obligation	2.1%		(2.1%)
Projected service cost (£000)	318	300	283
Approximate % change in projected service cost	6.0%		(5.8%)
Post retirement mortality assumption*			
Adjustment to mortality assumption	**-1 year**	**Base Figure**	**+1 year**
Present value of total obligation (£000)	544	532	520
% change in present value of total obligation	2.3%		(2.3%)
Projected service cost (£000)	312	300	287
Approximate % change in projected service cost	3.9%		(4.6%)

*A rating of +1 year means that members are assured to follow the monthly pattern of the base table for an individual that is 1 year.

j) Estimated Profit and Loss/Surplus or Deficit in Future Periods

The figures below are provided based on the assumption as at 31 March 2025 outlined above.

Funded LGPS Benefits - Expected Amounts Charged to SoCNE	**31 March 2026**
	£000
Current service cost*	300
Interest on the net defined benefit liability/(asset)	(15)
Total	**285**

* Projected service cost includes allowance for administration expenses of £0.018m and estimated payroll costs of £3.564m in the period ending 31 March 2025.

The pension cost shown in next year's accounts might be different to that shown above for the following reasons:

- Actual payroll may be different to that used in the calculations. The difference in payroll will particularly affect the current service cost;
- Past service costs may not be zero (this cost is that resulting from benefit augmentations or unreduced early retirement of individual members before age 60 or on the grounds of efficiency);
- Curtailment/settlement events may occur; and

- Actual cash-flows over the next year may differ from those assumed.

k) Funded Benefits

The following data has been used in evaluating the figures noted above:

Active Members as at 31 March 2024	Number	Total Pay £000
Total	1	**30**

Funded cash-flow data provided	Months Provided	Amount Provided £000	Amount Used £000
Employer – Normal Contributions	11	464	
Employer – Additional capital contributions			
Employer – Early retirement strain on fund payments	11		
Total contributions by the employer			**506**
Employee – Normal contributions	11	239	
Employee – Added years contributions	11		
Total Contributions by participants			**261**
Transfers in			
Other Income			
Transfers out			
Retirement lump sums			
Other outgo			
Death in service lump sums*			
Benefits paid (i.e.) pension paid			
Net benefits paid out **			**18**

* Calculated over the year to be £0.005m.
** Figure includes an allowance for expenses of £0.017m.

l) Fund Return

The fund Is not formally unitised for the purpose of allocating assets between employers on a monthly basis. Assets have therefore been calculated for this report using the roll-forward method as set out in the Covering Report for non-unitised funds.

The gross Fund return has been calculated using the method set out in the covering report.

An allowance has been made for investment management expenses by reducing the provided fund returns by 0.3% p.a. based on the fund's experience.

The overall fund return over the accounting period has been calculated as 4.4%. Known fund returns have been used for the period ending 31 March 2025.

19. Related-party transactions

The Northern Ireland Office funds the Northern Irish government and is the parent department of four constitutionally separate entities. During the year the NIO has had a number of material transactions with these entities and with other entities which, for financial reporting purposes, are regarded as related parties. These include the Northern Ireland Human Rights Commission, the Northern Ireland Parades Commission, the Independent Reporting Commission and the Independent Commission for Reconciliation and Information Recovery.

In addition, the Northern Ireland Office has had a number of material transactions with other government bodies, including the Department of Finance (NI), and HM Treasury with regard to National Loans Fund.

No Board members, key managerial staff or other related parties have undertaken any other material transactions with the NIO during the year. The remuneration report sets out compensation paid to management.

20. Third-party assets

Funds are required in advance from clients to enable settlement of awards for damages and contributions toward the cost of court proceedings. The Crown Solicitor's Office places these funds on deposit until the final costs of a case have been calculated and settled. These are not departmental assets, as the funds are held on behalf of third parties and as a consequence do not appear in these Accounts. As at 31 March 2025, these amounted in total to £1,213k (2023-24: £1,465k).

21. Entities within the Departmental boundary

The entities within the boundary during 2024-25 were as follows:

Executive
Parades Commission for Northern Ireland*
Northern Ireland Human Rights Commission*
Independent Reporting Commission*
Independent Commission for Reconciliation and Information Recovery*

Non-executive / Advisory
Boundary Commission for Northern Ireland
Chief Electoral Officer for Northern Ireland
Civil Service Commissioners for Northern Ireland

Crown Solicitor for Northern Ireland
Sentence Review Commissioners
Independent Commission for the Location of Victims' Remains
District Electoral Areas Commissioner (ad-hoc)
Independent Reviewer of Police and Military Powers under the Justice and Security Act 2007
Remission of Sentences Act Commissioners
Independent Chairman of the Northern Ireland Committee on Protection (non-statutory)
Veteran's Commissioner (non-statutory)
Independent Reviewer of National Security Arrangements in Northern Ireland (non-statutory)

*Separate Annual Accounts are produced by these entities and are available at:
http://www.nihrc.org
https://www.ircommission.org
https://www.icrir.independent-inquiry.uk
https;//www.paradescommission.org

22. Returning Officers' Expenses (RoE)

The Secretary of State for Northern Ireland has responsibility for electoral policy in Northern Ireland. As a result, the responsibility for setting the expenses of the Returning Officer for Northern Ireland rests with the Secretary of State for Northern Ireland. The electoral administration system in Northern Ireland is administered centrally by the Chief Electoral Officer for Northern Ireland who is an office holder independent of government. He is assisted by the staff of the Electoral Office for Northern Ireland (the "EONI"), the administrative structure created to support him in the discharge of his duties.

The Chief Electoral Officer is both the electoral registration officer for all 18 constituencies in Northern Ireland and returning officer for all elections and referenda in Northern Ireland. The cost of running Parliamentary Elections is funded by the UK Consolidated Fund, as was European elections. Funding for the Northern Ireland Assembly Elections is provided to the Northern Ireland Office by the Northern Ireland Executive through agreed funding mechanisms. The costs of local elections are funded by local authorities.

The Secretary of State for Northern Ireland is accountable to Parliament for all expenditure by the Chief Electoral Officer.

The 2024 General Election was held on the 4th July 2024. The costs paid during the year relate to elections held in the 2024-25 year as outlined below:

Statement of Comprehensive Net Expenditure	2024-25 £	2023-24 £
2022 Assembly Election		
Expenditure – conduct of the poll	-	7,191
2024 General Election		
Expenditure – conduct of the poll	6,810,000	-
Net Expenditure	6,810,000	7,191
Net expenditure for the year ended 31 March	**6,810,000**	**7,191**

Election Expenses

	2024 General Election £	Total 2024-25 £	Total 2023-24 £
Belfast East	362,653	362,653	396
Belfast North	370,366	370,366	370
Belfast South	370,331	370,331	350
Belfast West	377,535	377,535	325
East Antrim	366,565	366,565	367
East Londonderry	379,137	379,137	389
Fermanagh & South Tyrone	388,254	388,254	415
Foyle	367,388	367,388	400
Lagan Valley	409,451	409,451	397
Mid Ulster	370,425	370,425	389
Newry & Armagh	368,341	368,341	448
North Antrim	391,515	391,515	593
North Down	373,322	373,322	373
South Antrim	383,793	383,793	361
South Down	380,970	380,970	447
Strangford	372,209	372,209	354
Upper Bann	405,920	405,920	434
West Tyrone	371,825	371,825	383
Total	**6,810,000**	**6,810,000**	**7,191***

*2023/24 expenditure relates to reversal of VAT removed in error

23. Events after the reporting period date

In accordance with IAS 10, events after the reporting period are considered up to date at which the accounts are authorised for issue. This is interpreted as the date of the Certificate and Report of the Comptroller and Auditor General.

In September 2025, the Secretary of State for Northern Ireland, on behalf of the UK Government, and the Tánaiste (the Deputy Prime Minister for Ireland), announced proposed reforms to the Legacy Act under a joint framework. The framework included plans for a reformed Legacy Commission and changes to be made to its structure and governance. The Secretary of State subsequently introduced legislation ("The Northern Ireland Troubles Bill") to the House of Commons on the 14 October 2025. This legislation will give effect to the commitments made by the UK Government in the joint Framework.

24. Capital Commitments

The department had no capital commitments as at 31 March 2025 (2023-24: one of department's reporting entities committed to a lease agreement for a property that was occupied after the reporting date in the financial year 2023-24 with an estimated value of £2m).

ANNEX I: REGULATORY REPORTING 2024-25 (Unaudited)

Spending by Northern Ireland Office & Northern Ireland Executive 2020-21 to 2025-26

	2020-21 Outturn £'000	2021-22 Outturn £'000	2022-23 Outturn £'000	2023-24 Outturn £'000	2024-25 Plans £'000	2024-25 Outturn [5] £'000	2025-26 Plans £'000
Northern Ireland Office Expenditure							
Resource expenditure within Administration Costs	22,147	21,002	24,118	21,990	20,222	22,036	23,510
Other resource expenditure	6,568	14,105	16,571	16,202	35,542	33,154	44,339
Northern Ireland Office Resource [2]	**28,715**	**35,107**	**40,689**	**38,192**	**55,764**	**55,190**	**67,849**
Northern Ireland Office Capital	852	1,594	413	2,625	2,055	12,362	2,815
Northern Ireland Office Resource + Capital DEL [2] [3]	**29,567**	**36,701**	**41,102**	**40,817**	**57,819**	**67,552**	**70,664**
less depreciation & impairments	*-2,106*	*-2,193*	*-3,480*	*-3,926*	*-3,037*	*-4,941*	*-5,240*
Northern Ireland Office DEL [4]	**27,461**	**34,508**	**37,622**	**36,891**	**54,782**	**62,611**	**65,424**
Northern Ireland Executive Expenditure (The Northern Ireland Block) [5]							
Resource	15,525,442	14,438,455	14,321,579	15,506,839	16,540,983	16,194,639	17,289,079
Capital	1,716,054	1,820,544	1,896,296	2,108,785	2,050,045	2,002,403	2,223,125
Total Resource + Capital	**17,241,496**	**16,258,999**	**16,217,875**	**17,615,624**	**18,591,028**	**18,197,042**	**19,512,204**
less depreciation & impairments	*-640,941*	*-319,149*	*-596,666*	*-704,302*	*-883,934*	*-569,492*	*-883,934*
Northern Ireland Executive DEL [3]	**16,600,555**	**15,939,850**	**15,621,209**	**16,911,322**	**17,707,094**	**17,627,550**	**18,628,270**

(1) Totals may not sum due to roundings.
(2) Including depreciation & impairments.
(3) By convention Departmental Expenditure Limit budgets are expressed as resource and capital less depreciation & impairments. Therefore the resource and capital numbers in this table will not sum to the Departmental Expenditure Limit: the difference being depreciation & impairments.
(4) Resource + capital - depreciation & impairments (includes Student Loans impairments).
(5) Northern Ireland Office outturn data represent final outturn and will accord with the accounts published elsewhere in this document. The Northern Ireland Executive data shows provisional outturn as some Northern Ireland Executive departments have yet to finalise their accounts.

Cash grant paid to the Northern Ireland Consolidated Fund 2023-24: Provision and Final outturn

		Original Provision £ million	Final Provision £ million	Outturn £ million
Departmental Expenditure Limit (Resource DEL + Capital DEL) (2) (4)		16,969.7	18,133.2	17,615.6
Annually Managed Expenditure (inc Other AME)		14,603.9	14,796.5	12,228.8
Expenditure Financed by Regional Rates		649.6	664.6	662.0
Expenditure Financed by RRI Borrowing		200.0	150.0	150.0
Total Managed Expenditure (DEL, AME & Other AME)		**32,423.2**	**33,744.3**	**30,656.5**
Less Non Cash charges		-8,136.3	-8,321.6	-5,571.7
Less Non Voted (DEL,AME & Other AME)		-5,470.0	-5,438.2	-5,268.6
NDPB Resource Consumption Excl Non cash		-9,851.2	-10,089.4	-11,201.5
NDPB Cash Grant in Aid		11,000.0	11,926.7	11,135.8
Voted Other Expenditure outside DEL		2.1	743.7	649.7
Utilisation of Provisions		1,693.6	1,911.7	1,804.7
Movement in debtors/creditors		1,712.0	517.6	-289.4
Supply Expenditure		**23,373.4**	**24,994.8**	**21,915.5**
Interest Payable		51.3	54.2	54.3
District Council Rates		765.2	775.2	775.2
Repayment of Principal of RRI Loans (financed by Regional Rates income)		117.1	115.9	115.9
Other Services		10.6	10.8	10.9
Loans Issued		0.0	0.0	13.0
Sums Repaid		0.0	0.0	23.2
Temporary Investments		0.0	0.0	2,241.0
Advances from the Consolidated fund		0.0	0.0	27.2
Total Expenditure		**24,317.6**	**25,950.9**	**25,176.2**
Income				
RRI Borrowing from National Loans Fund		200.0	150.0	150.0
District Rates		765.2	775.2	517.4
Regional Rates		766.7	780.5	991.2
Interest Receivable in respect of loans made from NI Consolidated Fund		28.4	28.8	28.7
Loan Repayments Received				44.9
Internal Departmental Funds				8.6
Temporary Investments				2,241.0
Advances from NI Consolidated Fund				27.2
Excess of Capital Receipts over capital issues				0.3
Miscellaneous receipts		**200.6**	**262.0**	**267.9**
of which:				
	NICF Balance	*0.6*	*0.6*	*0.0*
	Continental Shelf	*1.5*	*1.6*	*1.6*
	Misc - NIHE, Land Annuities etc	*8.5*	*21.7*	*21.8*
	Excess Accruing Resources	*0.0*	*0.0*	*0.0*
	CFERS	*190.0*	*238.2*	*244.5*
	EU CFERS	*0.0*	*0.0*	*0.0*
Total Income		**1,960.9**	**1,996.5**	**4,277.2**
Cash Grant payable to Northern Ireland Consolidated Fund by Northern Ireland Office		**22,360.0**	**23,954.4**	**20,899.0**

(1) Totals may not sum due to roundings.
(2) Resource and capital DEL including depreciation.
(3) Northern Ireland Act 1998, Section 58.
(4) All components of this calculation refer to expenduture incurred by/income received by the Northern Ireland Executive.

Cash grant paid to the Northern Ireland Consolidated Fund 2024-25: Provision and Estimated outturn

		Original Provision £ million	Final Provision £ million	Estimated Outturn £ million
Departmental Expenditure Limit (Resource DEL + Capital DEL) (2) (4)		17,883.8	18,590.2	18,590.2
Annually Managed Expenditure (inc Other AME)		15,633.9	16,642.8	16,642.8
Expenditure Financed by Regional Rates		698.2	703.8	703.8
Expenditure Financed by RRI Borrowing		220.0	220.0	220.0
Total Managed Expenditure (DEL, AME & Other AME)		**34,435.9**	**36,156.8**	**36,156.8**
Less Non Cash charges		-8,120.8	-9,095.1	-9,095.1
Less Non Voted (DEL,AME & Other AME)		-5,854.0	-5,724.4	-5,724.4
NDPB Resource Consumption Excl Non cash		-10,835.5	-11,559.0	-11,559.0
NDPB Cash Grant in Aid		12,402.0	13,415.8	13,415.8
Voted Other Expenditure outside DEL		711.7	511.5	511.5
Utilisation of Provisions		1,773.6	2,005.4	2,005.4
Movement in debtors/creditors		497.3	807.0	807.0
Supply Expenditure		**25,010.1**	**26,518.0**	**26,518.0**
Interest Payable		55.2	58.3	58.3
District Council Rates		815.9	814.4	814.4
Repayment of Principal of RRI Loans (financed by Regional Rates income)		116.3	113.8	113.8
Other Services		11.2	11.5	11.5
Total Expenditure		**26,008.7**	**27,516.2**	**27,516.2**
Income				
RRI Borrowing		220.0	220.0	220.0
District Rates		815.9	814.4	814.4
Regional Rates		814.5	817.6	817.6
Interest Receivable in respect of loans made from NI Consolidated Fund		26.8	27.2	27.2
Miscellaneous receipts		**198.2**	**256.4**	**256.4**
of which:				
	NICF Balance	*0.2*	*0.2*	*0.2*
	Continental Shelf	*1.6*	*1.2*	*1.2*
	Misc - NIHE, Land Annuities e	*7.4*	*3.4*	*3.4*
	Excess Accruing Resources	*0.0*	*0.0*	*0.0*
	CFERS	*189.0*	*251.5*	*251.5*
	EU CFERS	*0.0*	*0.0*	*0.0*
Total Income		**2,075.4**	**2,135.5**	**2,135.5**
Underspend of cash grant				1,969.6
Cash Grant payable to Northern Ireland Consolidated Fund by Northern Ireland Office		**23,933.3**	**25,380.6**	**23,411.0**

(1) Totals may not sum due to roundings.
(2) Resource and capital DEL including depreciation.
(3) Northern Ireland Act 1998, Section 58.
(4) All components of this calculation refer to expenduture incurred or income received by the Northern Ireland Executive.
(5) A detailed breakdown of the 2024-25 outturn for Northern Ireland Executive Expenditure is not yet available.

Calculation of Grant Payable to Northern Ireland Consolidated Fund 2025-26: Provision

	£ million
Departmental Expenditure Limit (Resource DEL + Capital DEL)	19,512.2
Annually Managed Expenditure (inc Other AME)	16,076.4
Expenditure Financed by Regional Rates	732.3
Expenditure Financed by RRI Borrowing	225.7
Total Managed Expenditure (DEL, AME & Other AME)	**36,546.6**
Less Non Cash charges	-7,964.1
Less Non Voted (DEL,AME & Other AME)	-6,094.5
NDPB Resource Consumption Excl Non cash	-11,882.4
NDPB Cash Grant in Aid	13,545.2
Voted Other Expenditure outside DEL	545.2
Utilisation of Provisions	1,858.2
Movement in debtors/creditors	1,102.5
Total Supply Expenditure	**27,656.7**
Interest Payable	60.1
District Council Rates	860.5
Repayment of Principal of RRI Loans (financed by Regional Rates income)	122.3
Other Services (Statutory Salaries & Miscellaneous Receipts)	12.4
Total Expenditure	**28,711.9**
Less Income	
RRI Borrowing	225.7
District Rates	860.5
Regional Rates	854.6
Interest Receivable in respect of loans made from NI Consolidated Fund	25.6
Miscellaneous receipts	**160.5**
of which:	
NICF Balance	*0.5*
Continental Shelf	1.2
Misc - NIHE, Land Annuities etc	0.0
Excess Accruing Resources	157.0
CFERS	0.0
EU CFERS	1.8
Total Income	**2,126.8**
Cash Forecasting error	-0.3
Cash Grant payable to Northern Ireland Consolidated Fund by Northern Ireland Office	**26,584.8**

Notes
1. All items forming this calculation refer to expenduture incurred by/income received by the Northern Ireland Executive.
2. Totals may not sum due to roundings.

ANNEX II: ALB REPORTING 2024-25 (Unaudited)

	Total Operating Income £000	Total Operating Expenditure £000	Net Expenditure for the year (including financing) £000	Permanently Employed Staff		Other Staff	
				Number of Employees	Staff Costs £000	Number of Employees	Staff Costs £000
NIO Core incl. other NIO sponsored bodies	(71,389)	23,540,279	23,468,890	266	22,467	5	237
NIHRC	(107)	2,907	2,800	25	1,712	11	319
PCNI	-	829	829	6	559	6	12
IRC	-	341	341	2	193	4	78
ICRIR	(18)	14,993	14,975	121	4,323	45	4,709

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