



Northern Ireland
Assembly

Audit Committee

Report on the Estimates of the Northern Ireland Audit Office and the Northern Ireland Public Services Ombudsman 2021-22

Together with related correspondence considered by the Committee.

Ordered by the Audit Committee to be printed on 11 May 2021

Report: NIA 95/17-22 Audit Committee

Committee Powers and Membership

1. The Audit Committee is a Standing Committee of the Northern Ireland Assembly established in accordance with Section 66 of the Northern Ireland Act 1998 and Assembly Standing Order No. 58. The Committee has 5 members including a Chairperson and Deputy Chairperson and a quorum of 2.
2. The Committee:
 - Exercises the functions mentioned in Section 66(1) of the Northern Ireland Act 1998. The Committee therefore agrees, in place of the Department of Finance (DoF), the estimates of the Northern Ireland Audit Office (NIAO) and lays them before the Assembly;
 - Is responsible for tabling a motion for a resolution of the Assembly relating to the salary payable under Article 4(1) of the Audit (Northern Ireland) Order 1987 to the holder of the office of the Comptroller and Auditor General (C&AG);
 - Exercises the functions mentioned in sub-paragraphs 18(2) and (4) of Schedule 1 to the Public Services Ombudsman Act (Northern Ireland) 2016 in respect of the Northern Ireland Public Services Ombudsman (NIPSO); and
 - May exercise the power in Section 44(1) of the Northern Ireland Act 1998.
3. The Chairperson of the Audit Committee also has a lead role in the recruitment of the C&AG.
4. In 2016, the Northern Ireland Assembly Commission (NIAC) and the DoF sought to reflect the constitutional independence of the Assembly from the Executive. This led to the development of a draft methodology/protocol for setting the Commission's budget. The methodology sets out an approach that is akin to the approach adopted for the NIAO and NIPSO, whereby the Audit Committee provides scrutiny and challenge to the Commission's expenditure plans and reports accordingly, in recognition of the independence of the Commission. The Committee fulfils this role in place of the DoF.
5. The membership of the Committee is as follows:

Mr Daniel McCrossan (Chairperson)

Ms Joanne Bunting (Deputy Chairperson)¹

Mr Jim Allister²

Mr Alan Chambers

Ms Emma Rogan³

¹ Mr Andrew Muir left the Committee on 16 April 2020. Ms Joanne Bunting replaced Mr Muir as Deputy Chairperson

² Mr Jim Allister was appointed a member of the Committee from 16 June 2020

³ From 5 October 2020 Emma Rogan replaced Emma Sheerin as a member of the Committee

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Introduction

1. Article 6(2) of the Audit (Northern Ireland) Order 1987 provides for the C&AG to prepare for each financial year an estimate of the use of resources by the NIAO.
2. Section 66 of the Northern Ireland Act 1998, and Standing Order 58(1), provide for the Assembly's Audit Committee (in place of the DoF) to lay that estimate before the Assembly. The Committee may agree modifications to the estimate with the C&AG before laying the estimate in the Assembly. In carrying out this function the Committee has regard to the advice of the Assembly's Public Accounts Committee (PAC) and the DoF.
3. Paragraph 18 of Schedule 1 to the Public Services Ombudsman Act (Northern Ireland) 2016 provides for the Ombudsman to prepare for each financial year, other than the first, an estimate of the use of resources by the office of the Ombudsman. That estimate must be submitted to the Assembly's Audit Committee (in place of the DoF). The Committee in considering that estimate must have regard to the advice of the DoF. The estimate is, subject to any modification agreed between the Audit Committee and the Ombudsman, laid before the Assembly by the Committee.
4. This report sets out, at Appendix 1 and 2, the agreed estimates for both the NIAO and NIPSO for 2021-22.
5. The Audit Committee does not have a statutory function to lay the NIAC estimate in the Assembly. However, the Committee noted that the NIAC estimate, which is included in the advice received from the DoF on 4 May 2021 (Appendix 3), is consistent with the NIAC draft budget previously agreed by the Committee. It is intended that the Committee's functions in respect of agreeing the NIAC budgets and estimates will be codified in statute or in Assembly Standing Orders before the end of the current mandate.

Background to the current estimates

6. The Committee began its scrutiny of the draft Budgets 2021-22 for the NIAO and NIPSO at its meeting on 7 October 2020. The Committee fulfils this role in place of the DoF in recognition of the independence of the non-Ministerial bodies.
7. The Committee received written submissions and took oral evidence from both the NIAO and NIPSO on their respective draft corporate/strategic plans and their preparation for draft Budget plans 2021-22.
8. On 14 December 2020, the Committee agreed its position on the draft Budget 2021-22 position for the NIAO, NIPSO and NIAC. The position document, which was laid in the Assembly Business Office, circulated to all Assembly Members and sent to the DoF, confirmed that the Committee had agreed that the Executive's budget should make provision for the figures as set out in its

position document. A copy of the position document can be found at: www.niassembly.gov.uk/assembly-business/committees/2017-2022/audit-committee/reports/audit-committee-position-to-the-finance-minister-on-the-draft-budgets-for-the-northern-ireland-audit-office-northern-ireland-public-services-ombudsman-ad-northern-ireland-assembly-commission-2021-22/.

9. Arising from its scrutiny of the NIAO's draft budget plan for 2021-22, and having regard to the advice of the DoF and PAC, the Audit Committee agreed that the Executive's draft Budget 2021-22 should make provision for the NIAO having a Resource budget of £8,750K and a Capital budget of £4,450K in 2021-22. The Resource DEL broken down as follows: £8,575K of non-ring-fenced DEL and £175K of ring-fenced DEL.
10. Arising from its scrutiny of the NIPSO's budget plan for 2021-22, and having regard to the advice of the DoF, the Audit Committee agreed that the Executive's draft Budget 2021-22 should make provision for the NIPSO having a Resource budget of £3,753K and a Capital budget of £70K in 2021-22. The Resource DEL broken down as follows: £3,633K of non-ring-fenced DEL and £120K of ring-fenced DEL.
11. On 14 December 2020, and after the Audit Committee had agreed its position on the draft budgets, the Minister of Finance wrote to the Audit Committee in relation to pay pressures and the announcement made by the Chancellor, as part of the 2020 Spending Review, regarding the public sector pay freeze. In light of the correspondence received, the Audit Committee reconsidered its position on the 2021-22 budget plans for the NIAO and NIPSO.
12. At its meeting on 10 February 2021, the Audit Committee agreed that its position on the draft budget plans for the NIAO, as outlined in its position paper dated 14 December 2020, should remain unchanged. However, in relation to the NIPSO, the Committee agreed that its non-ring-fenced DEL should be reduced from £3.633K to £3.588K to reflect a zero percent pay lift for staff in 2021-22. A copy of the correspondence can be found at Appendix 3.
13. The figures agreed by the Audit Committee for the NIAO and NIPSO were subsequently included in the Executive's final Budget 2021-22 which was announced by the Minister of Finance on 27 April 2021. This can be found at: <https://www.finance-ni.gov.uk/publications/northern-ireland-budget-2021-2022>

NIAO Estimate 2021-22

14. The C&AG has prepared an estimate of the use of resources by the NIAO for 2021-22 and this was submitted to the Committee on 19 April 2021. The estimate includes a request for resources by the NIAO for 'audit and assurance services; promoting economy, efficiency and effectiveness in the use of public funds and resources; conducting exercises to assist in fraud prevention and detection; severance payments; expenditure on activities that are required as a result of the United Kingdom's exit from the European Union; Governmental response to the coronavirus Covid-19 pandemic; administration and related services and associated non-cash items'.

15. The estimate is attached at Appendix 1 and is consistent with the figures set out in the Executive's Budget document. This is confirmed in the advice from the DoF which was received on 4 May 2021, and the accompanying reconciliation information provided by way of explanation (Appendix 3).
16. As per agreed protocols, the Audit Committee also gives due regard to advice from the PAC on the NIAO estimate. In correspondence dated 30 April 2021, the PAC advised the Audit Committee that it was content with the NIAO estimate and noted that it reflected the NIAO budget position on which it had already made comment (Appendix 3).

NIPSO Estimate 2021-22

17. The Ombudsman has prepared an estimate of the use of resources by the NIPSO for 2021-22. The estimate provides for expenditure by the NIPSO on 'investigating complaints of injustice suffered through maladministration by government departments, statutory agencies, public bodies, local government and health and social care bodies, general and independent health care providers, colleges, universities and boards of governors of grant aided schools; undertaking own initiative investigations of systemic maladministration; fulfilling a statutory complaint standards function in respect of Northern Ireland public authorities, investigating and adjudicating on complaints on local government ethical standards against councillors and return of unspent funding; severance payments; expenditure in response to the coronavirus COVID-19 pandemic; expenditure on activities that are required as a result of the United Kingdom's exit from the European Union; administration; backdated holiday compensation payments; related services; associated non-cash items'.
18. The estimate, which was provided by the NIPSO on 21 April 2021, is attached at Appendix 2 and is consistent with the figures set out in the Executive's Budget document. This is confirmed in the advice from the DoF which was received on 4 May 2021, and the accompanying reconciliation information provided by way of explanation (Appendix 3).

Committee consideration

19. The Audit Committee has therefore considered the draft estimates 2021-22 from the NIAO and NIPSO alongside advice from the DoF, and in the case of the NIAO, advice from the PAC also. The Committee noted that the figures in the estimates reflect the position agreed by the Audit Committee at its meeting on 10 February 2021 (paragraph 12 refers).
20. While the figures contained within the estimates were agreed by the Committee at the budget planning stage, in pursuance of its statutory functions, the Committee is still required to complete the process of agreeing and laying the estimates.
21. At its meeting on 5 May 2021, the Audit Committee heard oral evidence from both the NIAO and NIPSO on the estimates for 2021-22. Following the evidence

sessions, the Committee agreed the estimates. The Committee subsequently agreed this report for publication and laying in the Assembly under the provisions of temporary Standing Order 115(9), whereby it is possible for a Standing Committee to make a decision without holding a Committee meeting.

Conclusion

22. The publication of this report therefore gives effect to the Committee's function of laying the estimates of the NIAO and NIPSO before the Assembly. The Audit Committee will forward the estimates to the DoF for inclusion within the Main Estimates 2021-22.



Northern Ireland
Assembly

Appendix 1

Northern Ireland Audit Office Estimate 2021-22

NORTHERN IRELAND AUDIT OFFICE

Introduction

1. The Northern Ireland Audit Office provides independent assurance on the proper accounting for public expenditure, revenue, assets and liabilities, including compliance with laws and regulations; promotes economy, efficiency and effectiveness in the use of public resources and undertakes exercises to assist in the prevention and detection of fraud.

RfR **Providing audit and other assurance services and promoting economy, efficiency and effectiveness in the use of public funds and resources.**

Net Resource Requirement	8,590,000
Net Cash Requirement	12,865,000

Amounts required in the year ending 31 March 2022 for use by the Northern Ireland Audit Office on:

RfR **Providing audit and other assurance services and promoting economy, efficiency and effectiveness in the use of public funds and resources:**
A:

audit and assurance services; promoting economy, efficiency and effectiveness in the use of public funds and resources; conducting exercises to assist in fraud prevention and detection; severance payments; expenditure on activities that are required as a result of the United Kingdom's exit from the European Union; Governmental response to the coronavirus Covid-19 pandemic; administration and related services and associated non-cash items.

The **Comptroller and Auditor General for Northern Ireland** will account for this Estimate.

	Net Total	Allocated in Vote on Account	£ Balance to Complete
RfR			
A:			
Net Resource Requirement	8,590,000	3,411,000	5,179,000
Net Cash Requirement	12,865,000	3,542,000	9,323,000

Part II: Subhead Detail and Resource to Cash Reconciliation

£'000

	2021-22							Capital		2020-21	2019-20
	Resources								Provision	Outturn	
	1	2	3	4	5	6	7	8	9	10	
	Admin	Other Current	Grants	Gross Total	Accruing Resources	Net Total	Capital	Non-operating Accruing Resources	Net Total Resources	Net Total Resources	
RfR A:	Providing audit and other assurance services and promoting economy, efficiency and effectiveness in the use of public funds and resources.										
	11,130	-	-	11,130	2,540	8,590	4,450	-	7,580	6,663	
Departmental Expenditure in DEL:											
A-1:	Audit and Assurance Services										
	11,130	-	-	11,130	2,540	8,590	4,450	-	7,580	6,663	
Total:	11,130	-	-	11,130	2,540	8,590	4,450	-	7,580	6,663	

Part II: Subhead Detail and Resource to Cash Reconciliation

£'000

Resource to Cash Reconciliation	2021-22 Provision	2020-21 Provision	2019-20 Outturn
Net Resource Requirement	8,590	7,580	6,663
Capital Items			
Capital	4,450	330	168
Net Capital	4,450	330	168
Accruals to Cash Adjustments			
Depreciation, impairments and revaluations	-175	-140	-124
Movement in working capital	-	100	353
Total Accruals to Cash Adjustments	-175	-40	229
Net Cash Requirement	12,865	7,870	7,060

Part III: Extra Receipts Payable to the Consolidated Fund
£'000

In addition to accruing resources, the following income and receipts relate to **the Northern Ireland Audit Office** and are payable to the Consolidated Fund (*cash receipts being shown in italics*):

	2021-22		2020-21		2019-20	
	Provision		Provision		Outturn	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income and receipts not classified as accruing resources	-	-	-	-	1	<i>1</i>
Operating income and receipts - excess accruing resources	-	-	-	-	-	<i>60</i>
Total:	-	-	-	-	1	<i>61</i>

Statement of Comprehensive Net Expenditure

£'000

	2021-22 Provision	2020-21 Provision	2019-20 Outturn
Net Administration Costs			
Request for Resources A	8,590	7,580	6,663
Consolidated Fund Extra Receipts in the SoCNE	-	-	-1
Consolidated Fund Standing Services	160	160	160
Total Net Administration Costs	8,750	7,740	6,822
Net Operating Cost	8,750	7,740	6,822
Net Resource Requirement	8,590	7,580	6,663
Resource Budget	8,750	7,490	6,584

Reconciliation of Resource Expenditure between Estimates, Accounts and Budgets
£'000

	2021-22 Provision	2020-21 Provision	2019-20 Outturn
Net Resource Requirement (Estimates)	8,590	7,580	6,663
<i>Adjustments to include:</i>			
Consolidated Fund Extra Receipts (CFERs) in the SoCNE	-	-	-1
Consolidated Fund Standing Services	160	160	160
Net Operating Cost (Accounts)	8,750	7,740	6,822
<i>Adjustments to remove:</i>			
Research and Development (R&D) expenditure	-	-250	-238
Resource Budget	8,750	7,490	6,584
<i>Of which:</i>			
Departmental Expenditure Limit (DEL)	8,750	7,490	6,584
Annually Managed Expenditure (AME)	-	-	-

Reconciliation of Capital Expenditure between Estimates and Budgets **£'000**

	2021-22 Provision	2020-21 Provision	2019-20 Outturn
Net Capital (Estimates)	4,450	330	168
<i>Adjustments to include:</i>			
Research and Development (R&D) expenditure	-	250	238
Capital Budget	4,450	580	406
<i>Of which:</i>			
Departmental Expenditure Limit (DEL)	4,450	580	406
Annually Managed Expenditure (AME)	-	-	-

Analysis of Accruing Resources

£'000

	2021-22 Provision		2020-21 Provision		2019-20 Outturn	
	Operating Accruing Resources	Non-operating Accruing Resources	Operating Accruing Resources	Non-operating Accruing Resources	Operating Accruing Resources	Non-operating Accruing Resources
RfR A:						
Audit and Assurance Services	2,540	-	2,655	-	2,567	-
Rental Income	-	-	10	-	90	-
Total for RfR A:	2,540	-	2,665	-	2,657	-

* Amount that may be applied as operating accruing resources arising from the provision of audit and assurance services; data matching exercises; recoupment of salary and associated costs for seconded staff; recovery of administration costs; rental income; related income and sundry receipts.

Analysis of Consolidated Fund Extra Receipts (CFERs)

£'000

In addition to accruing resources, the following income and receipts relate to the Northern Ireland Audit Office and are payable to the Consolidated Fund (*cash receipts being shown in italics*):

	2021-22 Provision		2020-21 Provision		2019-20 Outturn	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating Income and Receipts						
Income not classified as accruing resources	-	-	-	-	1	<i>1</i>
Excess accruing resources	-	-	-	-	-	<i>60</i>
Total:	<hr/> - <hr/>	<hr/> - <hr/>	<hr/> - <hr/>	<hr/> - <hr/>	<hr/> 1 <hr/>	<hr/> <i>61</i> <hr/>

Explanation of Accounting Officer Responsibilities

The Department of Finance has appointed the **Comptroller and Auditor General for Northern Ireland, Mr Kieran Donnelly**, as Accounting Officer for the **Northern Ireland Audit Office** with responsibility for preparing this Estimate.

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and for safeguarding the **Office's** assets, are set out in *Managing Public Money Northern Ireland*.

Note(s) to the Estimate:

£'000

1. The provision sought for 2021-22 is 13.3% higher than the final net provision for 2020-21.



Northern Ireland
Assembly

Appendix 2

Northern Ireland Public Services Ombudsman
Estimate 2021-22

Part I

£

RfR Investigating complaints of maladministration and investigating and adjudicating on local government ethical standards.

A:

Net Resource Requirement 3,553,000

Net Cash Requirement 3,503,000

Amounts required in the year ending 31 March 2022 for use by the Northern Ireland Public Services Ombudsman on:

RfR Investigating complaints of maladministration and investigating and adjudicating on local government ethical standards:

A:

for expenditure by the Northern Ireland Public Services Ombudsman on investigating complaints of injustice suffered through maladministration by government departments, statutory agencies, public bodies, local government and health and social care bodies, general and independent health care providers, colleges, universities and boards of governors of grant aided schools; undertaking own initiative investigations of systemic maladministration; fulfilling a statutory complaint standards function in respect of Northern Ireland public authorities, investigating and adjudicating on complaints on local government ethical standards against councillors and return of unspent funding; severance payments; expenditure in response to the coronavirus COVID-19 pandemic; expenditure on activities that are required as a result of the United Kingdom's exit from the European Union; administration; backdated holiday compensation payments; related services; associated non-cash items.

The Northern Ireland Public Services Ombudsman will account for this Estimate.

	Net Total	Allocated in Vote on Account	£ Balance to Complete
RfR	-	-	-
A:			
Net Resource Requirement	3,553,000	1,435,000	2,118,000
Net Cash Requirement	3,503,000	1,407,000	2,096,000

Part II: Subhead Detail and Resource to Cash Reconciliation**£'000**

2021-22										2020-21	2019-20
Resources							Capital		Provision	Outturn	
1	2	3	4	5	6	7	8	9	10		
Admin	Other Current	Grants	Gross Total	Accruing Resources	Net Total	Capital	Non-operating Accruing Resources	Net Total Resources	Net Total Resources		
RfR A:	Investigating complaints of maladministration and investigating and adjudicating on local government ethical standards.										
	-	3,679	-	3,679	126	3,553	70	-	3,189	2,604	
Departmental Expenditure in DEL:											
A-1:	Investigation and Adjudication										
	-	3,679	-	3,679	126	3,553	70	-	3,172	2,574	
Annually Managed Expenditure (AME):											
A-2:	Investigation and Adjudication										
	-	-	-	-	-	-	-	-	-	16	
Non-Budget:											
A-3:	Notional Charges										
	-	-	-	-	-	-	-	-	17	14	
Total:	-	3,679	-	3,679	126	3,553	70	-	3,189	2,604	

Part II: Subhead Detail and Resource to Cash Reconciliation**£'000**

Resource to Cash Reconciliation	2021-22 Provision	2020-21 Provision	2019-20 Outturn
Net Resource Requirement	3,553	3,189	2,604
Capital Items			
Capital	70	45	891
Net Capital	70	45	891
Accruals to Cash Adjustments			
Depreciation, impairments and revaluations	-120	-90	-44
Notional charges	-	-17	-14
Movement in working capital	-	-	-72
New provisions and adjustments to previous provisions	-	-	-16
Total Accruals to Cash Adjustments	-120	-107	-146
Net Cash Requirement	3,503	3,127	3,349

Part III: Extra Receipts Payable to the Consolidated Fund**£'000**

In addition to accruing resources, the following income and receipts relate to the Northern Ireland Public Services Ombudsman and are payable to the Consolidated Fund (*cash receipts being shown in italics*):

	2021-22 Provision		2020-21 Provision		2019-20 Outturn	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income and receipts not classified as accruing resources	-	-	78	<i>78</i>	2	<i>4</i>
Total:	-	-	78	<i>78</i>	2	<i>4</i>

Statement of Comprehensive Net Expenditure

£'000

	2021-22 Provision	2020-21 Provision	2019-20 Outturn
Net Programme Costs			
Request for Resources A	3,553	3,189	2,604
Consolidated Fund Extra Receipts in the SoCNE	-	-78	-2
Consolidated Fund Standing Services	155	140	64
<i>Other adjustments (detail as required)</i>			
Landlord Contribution	-	-	250
Lease expenditure credit	-	-	-4
Total Net Programme Costs	3,708	3,251	2,912
Net Operating Cost	3,708	3,251	2,912
Net Resource Requirement	3,553	3,189	2,604
Resource Budget	3,708	3,234	2,904

Reconciliation of Resource Expenditure between Estimates, Accounts and Budgets
£'000

	2021-22 Provision	2020-21 Provision	2019-20 Outturn
Net Resource Requirement (Estimates)	3,553	3,189	2,604
<i>Adjustments to include:</i>			
Consolidated Fund Extra Receipts (CFERs) in the SoCNE	-	-78	-2
Consolidated Fund Standing Services	155	140	64
Landlord Contribution	-	-	250
Lease expenditure credit	-	-	-4
Net Operating Cost (Accounts)	3,708	3,251	2,912
<i>Adjustments to remove:</i>			
Voted resource expenditure outside the budget	-	-17	-14
Capital grants and community asset transfers	-	-	250
Lease expenditure credit	-	-	4
Consolidated Fund Extra Receipts in the SoCNE	-	-	2
<i>Adjustments to include:</i>			
Capital grants and community asset transfers	-	-	-250
Resource Budget	3,708	3,234	2,904
<i>Of which:</i>			
Departmental Expenditure Limit (DEL)	3,708	3,234	2,888
Annually Managed Expenditure (AME)	-	-	16

Reconciliation of Capital Expenditure between Estimates and Budgets **£'000**

	2021-22 Provision	2020-21 Provision	2019-20 Outturn
Net Capital (Estimates)	70	45	891
<i>Adjustments to include:</i>			
Capital grants and community asset transfers	-	-	-250
Capital Budget	70	45	641
<i>Of which:</i>			
Departmental Expenditure Limit (DEL)	70	45	641
Annually Managed Expenditure (AME)	-	-	-

Analysis of Accruing Resources

£'000

	2021-22 Provision		2020-21 Provision		2019-20 Outturn	
	Operating Accruing Resources	Non- operating Accruing Resources	Operating Accruing Resources	Non- operating Accruing Resources	Operating Accruing Resources	Non- operating Accruing Resources
RfR A:						
Investigation and Adjudication	126	-	106	-	25	-
Total for RfR A:	126	-	106	-	25	-

* Amount that may be applied as operating accruing resources arising from recoupment of salary and associated costs for seconded staff.

Analysis of Notional Charges in Non-Budget

£'000

2021-22								2020-21	2019-20
Resources						Capital		Provision	Outturn
1	2	3	4	5	6	7	8	9	10
Admin	Other Current	Grants	Gross Total	Accruing Resources	Net Total	Capital	Non-operating Accruing Resources	Net Total Resources	Net Total Resources
RfR A:									
Investigation and Adjudication									
-	-	-	-	-	-	-	-	17	14
Total RfR A:						-	-	17	14

Total Notional Charges:	-	-	-	-	-	-	-	17	14
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Detail

	2021-22	2020-21	2019-20
	Provision	Provision	Outturn
RfR A:			
Audit	-	15	12
Other	-	2	2
Total RfR A:	-	17	14
Total Notional Charges:	-	17	14

Analysis of Consolidated Fund Extra Receipts (CFERs)

£'000

In addition to accruing resources, the following income and receipts relate to Northern Ireland Public Services Ombudsman and are payable to the Consolidated Fund (*cash receipts being shown in italics*):

	2021-22 Provision		2020-21 Provision		2019-20 Outturn	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating Income and Receipts						
Excess Accruing Resources	-	-	78	<i>78</i>	2	<i>4</i>
Total:	-	-	78	<i>78</i>	2	<i>4</i>

Explanation of Accounting Officer Responsibilities

The Department of Finance has appointed the Ombudsman, Ms Margaret Kelly, as Accounting Officer for the Office of the Northern Ireland Public Services Ombudsman with responsibility for preparing this Estimate.

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and for safeguarding the Northern Ireland Public Services Ombudsman's assets, are set out in Managing Public Money Northern Ireland.

Note to the Estimate:

1. The provision sought for 2021-22 is 11.3% higher than the final net provision for 2020-21.



Northern Ireland
Assembly

Appendix 3

Related correspondence considered by the
Committee

Supply
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Belfast BT3 9ED

Tel No:02890 816843
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Marie Austin
Clerk to the Audit Committee
Northern Ireland Assembly
Parliament Buildings
Stormont
Belfast BT4 3SW

May 2021

Dear Marie

**BUDGET (NO. 2) BILL AND 2021-2022 MAIN ESTIMATES FOR NIAO,
NIAC AND NIPSO**

The Main Estimates for the NI Departments will be laid in the Assembly prior to the introduction of the associated Budget (No. 2) Bill in June 2021, by which the Assembly would approve the issue of cash and the use of resources by all of the departments and other bodies listed in the Bill, including the NIAO, NIAC and NIPSO.

DoF is now in the process of preparing the Main Estimates and corresponding Budget (No. 2) Bill. For those departments and other bodies whose Budget is set by the Executive, the Main Estimates are being written to reflect the Executive's most up to date expenditure plans following the outcome of the Final Budget announcements and additional in-year allocations.

Similarly the Audit Committee approved the budget plans for NIAO, NIAC and NIPSO on 14 December 2020 with a revision for NIPSO on the 10 February 2021. The position which DoF will include in the Main Estimates 2021-2022 document will be as per the Budget approved by the Committee.

The cash, resources and accruing resources for which the Assembly's approval will be sought in the corresponding Budget (No. 2) Bill will also be written to this position.

I have set out a reconciliation between the Resource and Capital Budget amounts approved by the Committee and the Net Resource Requirement and other figures which will appear in the Estimates and Budget (No. 2) Bill. I would like to emphasise that DoF is not attempting to change the Budget approved by the Committee in any way, it is just that the format of the Estimates document means that the figures must be presented in a consistent

manner which also corresponds to the Schedules in the corresponding Budget Bill.

NIAO

The Capital Budget agreed by the Committee in its letter to the Finance Minister of 14 December 2020 to £4,450,000 (page 5 of the letter) and this figure can be seen as the total at the bottom of column 7 in the Part II Subhead detail page of the proposed Main Estimate. Capital is not voted in the Budget Bill

The Resource Budget approved by the Committee is £8,750,000 of which £175,000 is ring-fenced Resource DEL (i.e. depreciation and impairments) (page 7 of the report). This can be seen at the bottom of the Reconciliation of Resource between Estimates, Accounts and Budgets in the proposed Main Estimate.

The Assembly votes the Net Resource Requirement, rather than the Resource DEL Budget. The reconciliation between the two is set out in the Reconciliation of Resource between Estimates, Accounts and Budgets in the proposed Main Estimate. The corresponding figure in the Budget (No. 2) Bill will be the balance to complete £5,179,000 shown in Part I of the Main Estimate, which excludes the vote on account previously authorised in the Budget Act (NI) 2021.

I have highlighted these in the excel template attached to this letter.

NIPSO

The Capital Budget agreed by the Committee is £70,000 (page 5 of the report) and this figure can be seen as the total at the bottom of column 7 in the Part II Subhead detail page of the proposed Main Estimate. Capital is not voted in the Budget Bill.

The original non ring-fenced Resource DEL Budget approved by the Committee of £3,633,000 (page 5 of the report) was subsequently reduced to £3,588,000 as advised in the Committee's letter to the Finance Minister on 12 February 2021 to reflect a zero percent pay lift in 2021-22. When the £120,000 ring-fenced Resource DEL (i.e. depreciation and impairments) is added this give a total revised Resource DEL figure of £3,708,000. This can be seen at the bottom of the Reconciliation of Resource between Estimates, Accounts and Budgets in the proposed Main Estimate.

The Assembly votes the Net Resource Requirement, rather than the Resource DEL Budget. The reconciliation between the two is set out in the Reconciliation of Resource between Estimates, Accounts and Budgets in the proposed Main Estimate. The corresponding figure in the Budget (No. 2) Bill will be the balance to complete £2,118,000 shown in Part I of the Main Estimate, which excludes the vote on account previously authorised in the Budget Act (NI) 2021.

I have highlighted these in the excel template attached to this letter.

NIAC

The Capital Budget agreed by the Committee is £1,684,000 (page 3 of the report) and this figure can be seen as the total at the bottom of column 7 in the Part II Subhead detail page of the proposed Main Estimate. Capital is not voted in the Budget Bill.

Non Ring-fenced Resource DEL Budget approved by the Committee is £45,833,000, with ring-fenced Resource DEL (i.e. depreciation and impairments) set at £3,500,000. This results in a total Resource Budget approved by the Committee of £49,333,000 (page 3 of the report). This is the Resource DEL budget and can be seen at second line from bottom of the Reconciliation of Resource between Estimates, Accounts and Budgets in the proposed Main Estimate.

The Assembly votes the Net Resource Requirement, rather than the Resource DEL Budget. The reconciliation between the two being set out in the Reconciliation of Resource between Estimates, Accounts and Budgets in the proposed Main Estimate. As with the other bodies, the corresponding figure in the Budget (No. 2) Bill will be the balance to complete £30,007,000 which excludes the vote on account previously authorised in the Budget Act (NI) 2021.

I have highlighted these in the excel template attached to this letter.

Conclusion

I trust that this letter will assist you in briefing the Committee regarding the Main Estimates document and corresponding Budget (No. 2) Bill which DoF is intending to bring to the Assembly in June. Any changes to the budget allocations for any of these bodies which take place during the 2021-22 financial year will be handled through the Spring Supplementary Estimates in February/March 2022. If you have any further questions on any of these points please feel free to contact me.

Yours sincerely,

ROISIN KELLY

cc Sue Gray
Joanne McBurney
Barry Armstrong
Shane McAteer
Andy Monaghan
DoF Private Office
Emer Rice
David Killops

NORTHERN IRELAND AUDIT OFFICE

Introduction

1. The Northern Ireland Audit Office provides independent assurance on the proper accounting for public expenditure, revenue, assets and liabilities, including compliance with laws and regulations; promotes economy, efficiency and effectiveness in the use of public resources and undertakes exercises to assist in the prevention and detection of fraud.

Part I

£

RfR A: Providing audit and other assurance services and promoting economy, efficiency and effectiveness in the use of public funds and resources.

Net Resource Requirement	8,590,000
Net Cash Requirement	12,865,000

Amounts required in the year ending 31 March 2022 for use by the Northern Ireland Audit Office on:

RfR A: Providing audit and other assurance services and promoting economy, efficiency and effectiveness in the use of public funds and resources:

audit and assurance services; promoting economy, efficiency and effectiveness in the use of public funds and resources; conducting exercises to assist in fraud prevention and detection; severance payments; expenditure on activities that are required as a result of the United Kingdom's exit from the European Union; Governmental response to the coronavirus Covid-19 pandemic; administration and related services; associated non-cash items.

The **Comptroller and Auditor General for Northern Ireland** will account for this Estimate.

	Net Total	Allocated in Vote on Account	£ Balance to Complete
RfR A:			
Net Resource Requirement	8,590,000	3,411,000	5,179,000
Net Cash Requirement	12,865,000	3,542,000	9,323,000

Part II: Subhead Detail and Resource to Cash Reconciliation

£'000

2021-22						Capital		2020-21	2019-20
Resources						Capital		Provision	Outturn
1	2	3	4	5	6	7	8	9	10
Admin	Other Current	Grants	Gross Total	Accruing Resources	Net Total	Capital	Non- operating Accruing Resources	Net Total Resources	Net Total Resources
RfR A: Providing audit and other assurance services and promoting economy, efficiency and effectiveness in the use of public funds and resources.									
11,130	-	-	11,130	2,540	8,590	4,450	-	7,580	6,663
Departmental Expenditure in DEL:									
A-1: Audit and Assurance Services									
11,130	-	-	11,130	2,540	8,590	4,450	-	7,580	6,663
Total:	11,130	-	11,130	2,540	8,590	4,450	-	7,580	6,663

Part II: Subhead Detail and Resource to Cash Reconciliation**£'000**

Resource to Cash Reconciliation	2021-22 Provision	2020-21 Provision	2019-20 Outturn
Net Resource Requirement	8,590	7,580	6,663
Capital Items			
Capital	4,450	330	168
Net Capital	4,450	330	168
Accruals to Cash Adjustments			
Depreciation, impairments and revaluations	-175	-140	-124
Movement in working capital	-	100	353
Total Accruals to Cash Adjustments	-175	-40	229
Net Cash Requirement	12,865	7,870	7,060

Part III: Extra Receipts Payable to the Consolidated Fund**£'000**

In addition to accruing resources, the following income and receipts relate to the Northern Ireland Audit Office and are payable to the Consolidated Fund (*cash receipts being shown in italics*):

	2021-22 Provision		2020-21 Provision		2019-20 Outturn	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income and receipts not classified as accruing resources	-	-	-	-	1	<i>1</i>
Operating income and receipts - excess accruing resources	-	-	-	-	-	<i>60</i>
Total:	-	-	-	-	1	<i>61</i>

Statement of Comprehensive Net Expenditure	£'000		
	2021-22 Provision	2020-21 Provision	2019-20 Outturn
Net Administration Costs			
Request for Resources A	8,590	7,580	6,663
Consolidated Fund Extra Receipts in the SoCNE	-	-	-1
Consolidated Fund Standing Services	160	160	160
Total Net Administration Costs	8,750	7,740	6,822
Net Operating Cost	8,750	7,740	6,822
Net Resource Requirement	8,590	7,580	6,663
Resource Budget	8,750	7,490	6,584

Reconciliation of Resource Expenditure between Estimates, Accounts and Budgets	£'000		
	2021-22 Provision	2020-21 Provision	2019-20 Outturn
Net Resource Requirement (Estimates)	8,590	7,580	6,663
<i>Adjustments to include:</i>			
Consolidated Fund Extra Receipts (CFERs) in the SoCNE	-	-	-1
Consolidated Fund Standing Services	160	160	160
Net Operating Cost (Accounts)	8,750	7,740	6,822
<i>Adjustments to remove:</i>			
Research and Development (R&D) expenditure	-	-250	-238
Resource Budget	8,750	7,490	6,584
<i>Of which:</i>			
Departmental Expenditure Limit (DEL)	8,750	7,490	6,584
Annually Managed Expenditure (AME)	-	-	-

Reconciliation of Capital Expenditure between Estimates and Budgets		£'000		
	2021-22 Provision	2020-21 Provision	2019-20 Outturn	
Net Capital (Estimates)	4,450	330	168	
<i>Adjustments to include:</i>				
Research and Development (R&D) expenditure	-	250	238	
Capital Budget	4,450	580	406	
<i>Of which:</i>				
Departmental Expenditure Limit (DEL)	4,450	580	406	
Annually Managed Expenditure (AME)	-	-	-	

Part III: Extra Receipts Payable to the Consolidated Fund**£'000**

In addition to accruing resources, the following income and receipts relate to the Northern Ireland Audit Office and are payable to the Consolidated Fund (*cash receipts being shown in italics*):

	2021-22 Provision		2020-21 Provision		2019-20 Outturn	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income and receipts not classified as accruing resources	-	-	-	-	1	<i>1</i>
Operating income and receipts - excess accruing resources	-	-	-	-	-	<i>60</i>
Total:	-	-	-	-	1	<i>61</i>

Statement of Comprehensive Net Expenditure		£'000	
	2021-22 Provision	2020-21 Provision	2019-20 Outturn
Net Administration Costs			
Request for Resources A	8,590	7,580	6,663
Consolidated Fund Extra Receipts in the SoCNE	-	-	-1
Consolidated Fund Standing Services	160	160	160
Total Net Administration Costs	8,750	7,740	6,822
Net Operating Cost	8,750	7,740	6,822
Net Resource Requirement	8,590	7,580	6,663
Resource Budget	8,750	7,490	6,584

Reconciliation of Resource Expenditure between Estimates, Accounts and Budgets	£'000		
	2021-22 Provision	2020-21 Provision	2019-20 Outturn
Net Resource Requirement (Estimates)	8,590	7,580	6,663
<i>Adjustments to include:</i>			
Consolidated Fund Extra Receipts (CFERs) in the SoCNE	-	-	-1
Consolidated Fund Standing Services	160	160	160
Net Operating Cost (Accounts)	8,750	7,740	6,822
<i>Adjustments to remove:</i>			
Research and Development (R&D) expenditure	-	-250	-238
Resource Budget	8,750	7,490	6,584
<i>Of which:</i>			
Departmental Expenditure Limit (DEL)	8,750	7,490	6,584
Annually Managed Expenditure (AME)	-	-	-

Reconciliation of Capital Expenditure between Estimates and Budgets	£'000		
	2021-22 Provision	2020-21 Provision	2019-20 Outturn
Net Capital (Estimates)	4,450	330	168
<i>Adjustments to include:</i>			
Research and Development (R&D) expenditure	-	250	238
Capital Budget	4,450	580	406
<i>Of which:</i>			
Departmental Expenditure Limit (DEL)	4,450	580	406
Annually Managed Expenditure (AME)	-	-	-

Analysis of Accruing Resources

£'000

	2021-22 Provision		2020-21 Provision		2019-20 Outturn	
	Operating Accruing Resources	Non- operating Accruing Resources	Operating Accruing Resources	Non- operating Accruing Resources	Operating Accruing Resources	Non- operating Accruing Resources
RfR A:						
Audit and Assurance Services	2,540	-	2,655	-	2,567	-
Rental Income	-	-	10	-	90	-
Total for RfR A:	* 2,540	-	2,665	-	2,657	-

* Amount that may be applied as operating accruing resources arising from the provision of audit and assurance services; data matching exercises; recoupment of salary and associated costs for seconded staff; recovery of administration costs; rental income; related income and sundry receipts.

Analysis of Consolidated Fund Extra Receipts (CFERs)**£'000**

In addition to accruing resources, the following income and receipts relate to the Northern Ireland Audit Office and are payable to the Consolidated Fund (*cash receipts being shown in italics*):

	2021-22 Provision		2020-21 Provision		2019-20 Outturn	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating Income and Receipts						
Income not classified as accruing resources	-	-	-	-	1	<i>1</i>
Excess accruing resources	-	-	-	-	-	<i>60</i>
Total:	-	-	-	-	1	<i>61</i>

Explanation of Accounting Officer Responsibilities

The Department of Finance has appointed the Comptroller and Auditor General for Northern Ireland, Mr Kieran Donnelly, as Accounting Officer for the Northern Ireland Audit Office with responsibility for preparing this Estimate.

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and for safeguarding the Office's assets, are set out in Managing Public Money Northern Ireland.

Note(s) to the Estimate:

£'000

1. The provision sought for 2021-22 is 13.3% higher than the final net provision for 2020-21.

NORTHERN IRELAND PUBLIC SERVICES OMBUDSMAN

Introduction

1. The Office of the Northern Ireland Public Services Ombudsman investigates complaints from individuals who claim to have suffered injustice through maladministration by government departments, statutory agencies, public bodies, local government and health and social care bodies, general and independent health care providers, colleges, universities and boards of governors of grant-aided schools; undertakes own initiative investigations of systemic maladministration where there are grounds for so-doing; fulfils a statutory complaint standards function in respect of Northern Ireland public authorities and investigates and adjudicates on local government ethical standards complaints against councillors.

Part I	£
RfR A: Investigating complaints of maladministration and investigating and adjudicating on local government ethical standards.	
Net Resource Requirement	3,553,000
Net Cash Requirement	3,503,000

Amounts required in the year ending 31 March 2022 for use by the Northern Ireland Public Services Ombudsman on:

RfR A: Investigating complaints of maladministration and investigating and adjudicating on local government ethical standards:

for expenditure by the Northern Ireland Public Services Ombudsman on investigating complaints of injustice suffered through maladministration by government departments, statutory agencies, public bodies, local government and health and social care bodies, general and independent health care providers, colleges, universities and boards of governors of grant aided schools; undertaking own initiative investigations of systemic maladministration; fulfilling a statutory complaint standards function in respect of Northern Ireland public authorities, investigating and adjudicating on complaints on local government ethical standards against councillors and return of unspent funding; severance payments; expenditure in response to the coronavirus COVID-19 pandemic; expenditure on activities that are required as a result of the United Kingdom's exit from the European Union; administration; backdated holiday compensation payments; related services; associated non-cash items.

The Northern Ireland Public Services Ombudsman will account for this Estimate.

	Net Total	Allocated in Vote on Account	£ Balance to Complete
RfR A:			
Net Resource Requirement	3,553,000	1,435,000	2,118,000
Net Cash Requirement	3,503,000	1,407,000	2,096,000

Part II: Subhead Detail and Resource to Cash Reconciliation**£'000**

2021-22						2020-21		2019-20		
Resources						Capital		Provision	Outturn	
1	2	3	4	5	6	7	8	9	10	
Admin	Other Current	Grants	Gross Total	Accruing Resources	Net Total	Capital	Non-operating Accruing Resources	Net Total Resources	Net Total Resources	
RFR A: Investigating complaints of maladministration and investigating and adjudicating on local government ethical standards.										
-	3,679	-	3,679	126	3,553	70	-	3,189	2,604	
Departmental Expenditure in DEL:										
A-1:	Investigation and Adjudication	-	3,679	126	3,553	70	-	3,172	2,574	
Annually Managed Expenditure (AME):										
A-2:	Investigation and Adjudication	-	-	-	-	-	-	-	16	
Non-Budget:										
A-3:	Notional Charges	-	-	-	-	-	-	17	14	
Total:	-	3,679	-	3,679	126	3,553	70	-	3,189	2,604

Part II: Subhead Detail and Resource to Cash Reconciliation**£'000**

Resource to Cash Reconciliation			
	2021-22 Provision	2020-21 Provision	2019-20 Outturn
Net Resource Requirement	3,553	3,189	2,604
Capital Items			
Capital	70	45	891
Net Capital	70	45	891
Accruals to Cash Adjustments			
Depreciation, impairments and revaluations	-120	-90	-44
Notional charges	-	-17	-14
Movement in working capital	-	-	-72
New provisions and adjustments to previous provisions	-	-	-16
Total Accruals to Cash Adjustments	-120	-107	-146
Net Cash Requirement	3,503	3,127	3,349

Part III: Extra Receipts Payable to the Consolidated Fund**£'000**

In addition to accruing resources, the following income and receipts relate to the Northern Ireland Public Services Ombudsman and are payable to the Consolidated Fund (*cash receipts being shown in italics*):

	2021-22 Provision		2020-21 Provision		2019-20 Outturn	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income and receipts not classified as accruing resources	-	-	78	<i>78</i>	2	<i>4</i>
Total:	-	-	78	<i>78</i>	2	<i>4</i>

Statement of Comprehensive Net Expenditure		£'000	
	2021-22 Provision	2020-21 Provision	2019-20 Outturn
Net Programme Costs			
Request for Resources A	3,553	3,189	2,604
Consolidated Fund Extra Receipts in the SoCNE	-	-78	-2
Consolidated Fund Standing Services	155	140	64
<i>Other adjustments (detail as required)</i>			
Landlord Contribution	-	-	250
Lease expenditure credit	-	-	-4
Total Net Programme Costs	3,708	3,251	2,912
Net Operating Cost	3,708	3,251	2,912
Net Resource Requirement	3,553	3,189	2,604
Resource Budget	3,708	3,234	2,904

Reconciliation of Resource Expenditure between Estimates, Accounts and Budgets	£'000		
	2021-22 Provision	2020-21 Provision	2019-20 Outturn
Net Resource Requirement (Estimates)	3,553	3,189	2,604
<i>Adjustments to include:</i>			
Consolidated Fund Extra Receipts (CFERs) in the SoCNE	-	-78	-2
Consolidated Fund Standing Services	155	140	64
Landlord Contribution	-	-	250
Lease expenditure credit	-	-	-4
Net Operating Cost (Accounts)	3,708	3,251	2,912
<i>Adjustments to remove:</i>			
Voted resource expenditure outside the budget	-	-17	-14
Capital grants and community asset transfers	-	-	250
Lease expenditure credit	-	-	4
Consolidated Fund Extra Receipts in the SoCNE	-	-	2
<i>Adjustments to include:</i>			
Capital grants and community asset transfers	-	-	-250
Resource Budget	3,708	3,234	2,904
<i>Of which:</i>			
Departmental Expenditure Limit (DEL)	3,708	3,234	2,888
Annually Managed Expenditure (AME)	-	-	16

Reconciliation of Capital Expenditure between Estimates and Budgets			£'000
	2021-22 Provision	2020-21 Provision	2019-20 Outturn
Net Capital (Estimates)	70	45	891
<i>Adjustments to include:</i>			
Capital grants and community asset transfers	-	-	-250
Capital Budget	70	45	641
<i>Of which:</i>			
Departmental Expenditure Limit (DEL)	70	45	641
Annually Managed Expenditure (AME)	-	-	-

Analysis of Accruing Resources

£'000

	2021-22		2020-21		2019-20	
	Provision		Provision		Outturn	
	Operating Accruing Resources	Non- operating Accruing Resources	Operating Accruing Resources	Non- operating Accruing Resources	Operating Accruing Resources	Non- operating Accruing Resources
RfR A:						
Investigation and Adjudication	126	-	106	-	275	-
Total for RfR A:	* 126	-	106	-	275	-

* Amount that may be applied as operating accruing resources arising from recoupment of salary and associated costs for seconded staff.

Analysis of Notional Charges in Non-Budget

£'000

2021-22								2020-21	2019-20
Resources						Capital		Provision	Outturn
1	2	3	4	5	6	7	8	9	10
Admin	Other Current	Grants	Gross Total	Accruing Resources	Net Total	Capital	Non-operating Accruing Resources	Net Total Resources	Net Total Resources
RfR A:									
Investigation and Adjudication									
-	-	-	-	-	-	-	-	17	14
Total RfR A:						-	-	17	14

Total Notional Charges: - - - - - - - - 17 14

Detail

	2021-22	2020-21	2019-20
	Provision	Provision	Outturn
RfR A:			
Audit	-	15	12
Other	-	2	2
Total RfR A:			
	-	17	14

Total Notional Charges: - 17 14

Analysis of Consolidated Fund Extra Receipts (CFERs)**£'000**

In addition to accruing resources, the following income and receipts relate to Northern Ireland Public Services Ombudsman and are payable to the Consolidated Fund (*cash receipts being shown in italics*):

	2021-22 Provision		2020-21 Provision		2019-20 Outturn	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating Income and Receipts						
Excess Accruing Resources	-	-	78	<i>78</i>	2	<i>4</i>
Total:	-	-	78	<i>78</i>	2	<i>4</i>

Explanation of Accounting Officer Responsibilities

The Department of Finance has appointed the Ombudsman, Ms Margaret Kelly, as Accounting Officer for the Office of the Northern Ireland Public Services Ombudsman with responsibility for preparing this Estimate.

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and for safeguarding the Northern Ireland Public Services Ombudsman's assets, are set out in Managing Public Money Northern Ireland.

Note to the Estimate:

1. The provision sought for 2021-22 is 11.4% higher than the final net provision for 2020-21.

NORTHERN IRELAND ASSEMBLY COMMISSION

Introduction

1. The Northern Ireland Assembly Commission supports Members of the Assembly in discharging their duties in their constituencies, in the Assembly and elsewhere and enhances public awareness of and involvement in the working of the Northern Ireland Assembly.

Part I

£

RfR A: Supporting the work of the Northern Ireland Assembly.

Net Resource Requirement	51,533,000
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Net Cash Requirement	47,517,000
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Amounts required in the year ending 31 March 2022 for use by the Northern Ireland Assembly Commission on:

RfR A: Supporting the work of the Northern Ireland Assembly.

remunerating and supporting Members of the Assembly in discharging their duties in the Assembly, constituencies and elsewhere; enhancing public awareness and involvement in the working of the Assembly; hosting events; compensation and severance payments; expenditure on activities that are required as a result of the United Kingdom's exit from the European Union; administration; related services; response to the coronavirus COVID-19 pandemic; associated non-cash items.

The Northern Ireland Assembly Commission will account for this Estimate.

	Net Total	Allocated in Vote on Account	£ Balance to Complete
RfR A:			
Net Resource Requirement	51,533,000	21,526,000	30,007,000
Net Cash Requirement	47,517,000	19,107,000	28,410,000

Part II: Subhead Detail and Resource to Cash Reconciliation

£'000

2021-22										2020-21	2019-20
Resources						Capital		Provision	Outturn		
1	2	3	4	5	6	7	8	9	10		
Admin	Other Current	Grants	Gross Total	Accruing Resources	Net Total	Capital	Non-operating Accruing Resources	Net Total Resources	Net Total Resources		
RfR A: Supporting the work of the Northern Ireland Assembly.											
-	52,163	-	52,163	630	51,533	1,684	-	47,836	39,955		
Departmental Expenditure in DEL:											
A-1:	Administration and Support Services										
-	49,963	-	49,963	630	49,333	1,684	-	45,081	35,137		
Annually Managed Expenditure (AME):											
A-2:	Administration and Support Services										
-	2,200	-	2,200	-	2,200	-	-	2,700	4,774		
Non-Budget:											
A-3:	Notional Charges										
-	-	-	-	-	-	-	-	55	44		
Total:	-	52,163	-	52,163	630	51,533	1,684	-	47,836	39,955	

Part II: Subhead Detail and Resource to Cash Reconciliation**£'000**

Resource to Cash Reconciliation			
	2021-22 Provision	2020-21 Provision	2019-20 Outturn
Net Resource Requirement	51,533	47,836	39,955
Capital Items			
Capital	1,684	970	154
Net Capital	1,684	970	154
Accruals to Cash Adjustments			
Depreciation, impairments and revaluations	-3,500	-3,290	-3,126
New provisions and adjustments to previous provisions	-2,200	-2,700	-4,774
Notional charges	-	-55	-44
Movement in working capital	-	-300	-418
Total Accruals to Cash Adjustments	-5,700	-6,345	-8,362
Net Cash Requirement	47,517	42,461	31,747

Part III: Extra Receipts Payable to the Consolidated Fund**£'000**

In addition to accruing resources, the following income and receipts relate to Northern Ireland Assembly Commission and are payable to the Consolidated Fund
(cash receipts being shown in italics):

	2021-22 Provision		2020-21 Provision		2019-20 Outturn	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income and receipts - excess accruing resources	-	-	30	<i>30</i>	7	<i>17</i>
Total:	-	-	30	<i>30</i>	7	<i>17</i>

Statement of Comprehensive Net Expenditure		£'000	
	2021-22 Provision	2020-21 Provision	2019-20 Outturn
Net Programme Costs			
Request for Resources A	51,533	47,836	39,955
Consolidated Fund Extra Receipts in the SoCNE	-	-30	-7
Total Net Programme Costs	51,533	47,806	39,948
Net Operating Cost	51,533	47,806	39,948
Net Resource Requirement	51,533	47,836	39,955
Resource Budget	51,533	47,751	39,904

Reconciliation of Resource Expenditure between Estimates, Accounts and Budgets	£'000		
	2021-22 Provision	2020-21 Provision	2019-20 Outturn
Net Resource Requirement (Estimates)	51,533	47,836	39,955
<i>Adjustments to include:</i>			
Consolidated Fund Extra Receipts (CFERs) in the SoCNE	-	-30	-7
Net Operating Cost (Accounts)	51,533	47,806	39,948
<i>Adjustments to remove:</i>			
Voted resource expenditure outside the budget	-	-55	-44
Resource Budget	51,533	47,751	39,904
<i>Of which:</i>			
Departmental Expenditure Limit (DEL)	49,333	45,051	35,130
Annually Managed Expenditure (AME)	2,200	2,700	4,774

Reconciliation of Capital Expenditure between Estimates and Budgets			£'000
	2021-22 Provision	2020-21 Provision	2019-20 Outturn
Net Capital (Estimates)	1,684	970	154
Capital Budget	1,684	970	154
<i>Of which:</i>			
Departmental Expenditure Limit (DEL)	1,684	970	154
Annually Managed Expenditure (AME)	-	-	-

Analysis of Accruing Resources**£'000**

	2021-22 Provision		2020-21 Provision		2019-20 Outturn	
	Operating Accruing Resources	Non- operating Accruing Resources	Operating Accruing Resources	Non- operating Accruing Resources	Operating Accruing Resources	Non- operating Accruing Resources
RFR A:						
Administration and Support Services	630	-	149	-	165	-
Total for RFR A:	*	630	-	149	-	165

* Amount that may be applied as operating accruing resources arising from the recoupment of costs for hosted events; certain retail outlet sales; recoupment of salaries and associated costs for seconded staff and Executive Ministers; recovery of administration costs; related income and sundry receipts.

Analysis of Notional Charges in Non-Budget

£'000

2021-22										2020-21	2019-20
Resources						Capital		Provision	Outturn		
1	2	3	4	5	6	7	8	9	10		
Admin	Other Current	Grants	Gross Total	Accruing Resources	Net Total	Capital	Non- operating Accruing Resources	Net Total Resources	Net Total Resources		
RfR A:											
Administration and Support Services											
-	-	-	-	-	-	-	-	55	44		
Total RfR A:										55	44

Total Notional Charges: - - - - - - - - 55 44

Detail

	2021-22	2020-21	2019-20
	Provision	Provision	Outturn
RfR A:			
Audit	-	55	44
Total RfR A:	-	55	44
Total Notional Charges:	-	55	44

Analysis of Consolidated Fund Extra Receipts (CFERs)**£'000**

In addition to accruing resources, the following income and receipts relate to Northern Ireland Assembly Commission and are payable to the Consolidated Fund (*cash receipts being shown in italics*):

	2021-22 Provision		2020-21 Provision		2019-20 Outturn	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating Income and Receipts						
Operating income and receipts - excess accruing resources	-	-	30	<i>30</i>	7	<i>17</i>
Total:	-	-	30	<i>30</i>	7	<i>17</i>

Explanation of Accounting Officer Responsibilities

The Department of Finance has appointed the Clerk/Chief Executive, Mrs Lesley Hogg, as Accounting Officer for the Northern Ireland Assembly Commission with responsibility for preparing this Estimate.

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and for safeguarding the Northern Ireland Assembly Commission's assets, are set out in Managing Public Money Northern Ireland.

Note to the Estimate:

1. The provision sought for 2021-22 is 7.7% higher than the final net provision for 2020-21



**Northern Ireland
Assembly**

PUBLIC ACCOUNTS COMMITTEE

Daniel McCrossan, MLA
Chair of the Audit Committee

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Committee.publicaccounts@niassembly.gov.uk

30 April 2021

Dear Daniel,

Northern Ireland Audit Office [NIAO] Main Estimates 2021-22

At its meeting on 29 April 2021, the Public Accounts Committee considered the NIAO Main Estimates 2021-22.

The Committee is content with the Main Estimates. Members noted that the estimates reflect the NIAO budget position which they have already made comment on.

Yours sincerely

**William Humphrey MLA MBE
Chairperson
Public Accounts Committee**

From the Minister of Finance

Daniel McCrossan MLA

*Chair of the Audit Committee
Northern Ireland Assembly
Parliament Buildings
Stormont
Belfast BT4 3SW*

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Tel: 028 9081 6216
Email: private.office@finance-ni.gov.uk

Our reference: *CORR-0413-2021*

Date: *23 February 2021*

Dear Daniel

**CORR-0413-2021: Draft Budgets 2021-22: Northern Ireland Audit Office,
Northern Ireland Public Services Ombudsman and Northern Ireland
Assembly Commission**

Thank you for your letter of 12 February 2021 regarding the Audit Committee's reconsideration of the draft budgets for the Northern Ireland Assembly Commission (NIAC), the Northern Ireland Public Service Ombudsman (NIPSO) and the Northern Ireland Audit Office (NIAO).

I note that the Committee agreed that its position on the draft budget plans for NIAO and NIAC, as outlined in correspondence dated 14 December 2020, remains unchanged.

However, in relation to the NIPSO, the Committee agreed that NIPSO's non-ringfenced DEL should be reduced from £3.633 million to £3.588 million to reflect a zero percent pay lift in 2021/2022.

I note that this revised position has been agreed by the Committee subject to the outcome of the consultation on the 2021-22 Draft Budget.

I will include this updated figure in the final Budget 2021-22.

Is mise le meas

A handwritten signature in black ink that reads "Conor Murphy". The signature is written in a cursive style with a small flourish at the end.

**CONOR MURPHY MLA
MINISTER OF FINANCE**



AUDIT COMMITTEE

Room 254
Parliament Buildings
Email: Committee.audit@niassembly.gov.uk

Conor Murphy MLA
Minister of Finance
Department of Finance

12 February 2021

Dear Conor

Draft Budgets 2021-22: Northern Ireland Audit Office, Northern Ireland Public Services Ombudsman and Northern Ireland Assembly Commission

At its meeting on 10 February 2021, the Audit Committee reconsidered its position on the 2021-2022 budget plans for the Northern Ireland Audit Office (NIAO), Northern Ireland Public Services Ombudsman (NIPSO) and Northern Ireland Assembly Commission (NIAC).

The Committee agreed that its position on the draft budget plans for NIAO and NIAC, as outlined in correspondence to you dated 14 December 2020, remains unchanged.

However, in relation to the NIPSO, the Committee agreed that NIPSO's non-ringfenced DEL should be reduced from £3.633 million to £3.588 million to reflect a zero percent pay lift in 2021/2022.

You should note that the Committee's revised position has been agreed subject to the outcome of the consultation on the 2021-2022 Draft Budget.

A copy of this correspondence has been sent to the NIAO, NIPSO, NIAC and the Committee for Finance for information.

Yours sincerely

Daniel McCrossan

Daniel McCrossan MLA
Chairperson, Audit Committee

From the Minister of Finance

*Daniel McCrossan
Chair of Audit Committee
Northern Ireland Assembly
Parliament Buildings
Stormont
Belfast BT4 3XX*

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303 Airport Road West
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Tel: 028 9081 6216
Email: private.office@finance-ni.gov.uk

Your reference:
Our reference: *CORR-2791-2020*

Date: *14th December 2020*

Dear Daniel,

BUDGET 2021-22 – INDEPENDENT BODIES PAY PRESSURES

Further to the Departments letter to the Clerk of the Committee of 03 December 2020 about the Budget Plans of the Northern Ireland Audit Office (NIAO), the Northern Ireland Public Services Ombudsman (NIPSO) and the Northern Ireland Assembly Commission (NIAC) I wanted to bring to the attention of the Audit Committee the announcement made by the Chancellor as part of the Spending Review regarding the public sector pay freeze.

The Chancellor announced that, with the exception of NHS workers and the lowest paid, pay rises in the rest of the public sector will be paused next year. This has a consequential impact on the funding provided to the Executive.

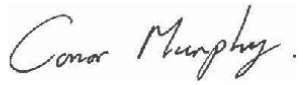
The Spending Review outcome for the Executive essentially represents a stand still position in cash terms. With the additional resource DEL Barnett additions being largely offset by the loss of the additional £350 million of NDNA funding we had received in 2020-21, which while provided for one year only was used to fund recurrent pressures in departments.

Therefore, there will only be very limited funding available for allocation to departmental pressures in 2020-21 and as such it is highly unlikely there will be funding available for a general uplifting of public sector pay.

I would therefore ask that the Audit Committee be apprised of this factor and are asked to take this into consideration when reviewing the budgets of the independent

bodies, in particular with respect to any pay uplifts that may be proposed within the budget plans for 2021-22.

Is mise le meas,

A handwritten signature in black ink that reads "Conor Murphy." The signature is written in a cursive style with a period at the end.

**CONOR MURPHY MLA
MINISTER OF FINANCE**