

Department of Finance

**Annual Report and Accounts 2023-24
For the year ended 31 March 2024**

Laid before the Northern Ireland Assembly under section 10(4) of the
Government Resources and Accounts Act (Northern Ireland) 2001
by the Department of Finance
on 5 July 2024

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PERFORMANCE REPORT

PERFORMANCE REPORT

Performance Overview

This section outlines the Department's performance during the financial year and highlights the key issues and risks. It also includes the role and purpose of the Department of Finance (DoF).

Our role and purpose

The Department provides the Northern Ireland Civil Service (NICS) and other public bodies with money, professional services and business support systems, in order to help them deliver excellent, value for money public services.

We do this by:

- Managing public money – effectively allocating resources to where they are most needed to support the delivery of public services;
- Supporting our people – recruiting, developing and supporting the best people for the NICS and providing opportunities for individuals to reach their full potential;
- Transforming and Innovating – improving effectiveness across the public sector by transforming the way we work;
- Providing evidence and insights – support evidence-based policy and inform public debate through high quality, trusted, meaningful data, evidence and research; and
- Delivering public services – collect rates revenue to provide funding towards public services such as health, education and infrastructure, as well as council services.

The Department is one of nine Northern Ireland departments constituted under the Departments Act (Northern Ireland) 2016 and the Departments (Transfer of Functions) Order (Northern Ireland) 2016.

Organisational Structure

The Departmental group comprises the core Department (consisting of eight Directorates, four Divisions) and one Executive Agency (NI Statistics & Research Agency).

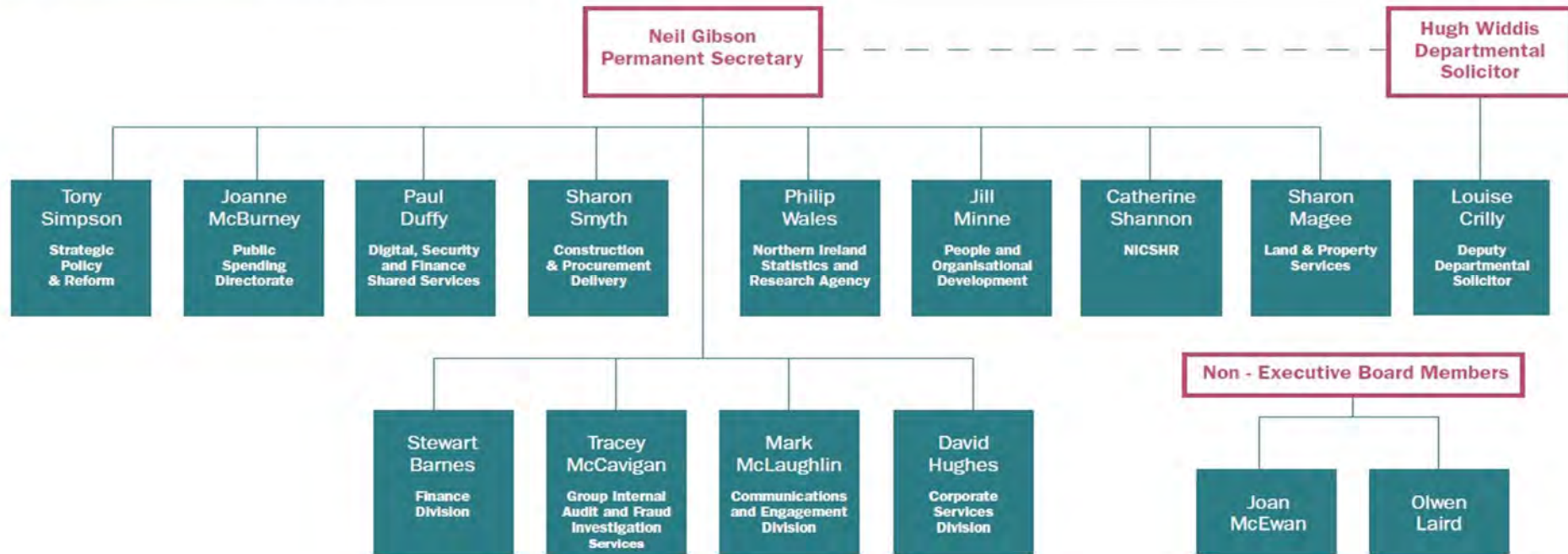
The Department also has joint responsibility for one North/South body, Special European Union Programmes Body (SEUPB). The Department implemented the Review of Financial Process (RoFP) in 2022-23. The aim of RoFP was to align the boundaries of budgets, estimates and accounts as far as is practicable, including consolidation of Non-Departmental Public Bodies (NDPBs) and other central government bodies in estimates and accounts. SEUPB is included within the Departmental boundary and was designated in Estimates and Accounts (Designation of Bodies) Order for consolidation into the Department's annual Estimates and Accounts. The 2023 accounts for SEUPB have been consolidated into the Departmental resource accounts.

Note 20 of the Accounts provides a full list of entities within the Departmental boundary. The Department's wide remit and its principal activities through these Directorates and Agency are set out in Appendix 1.

DoF Organisational Chart as at 31 March 2024



DoF Organisational Chart



*Hugh Widdis ceased to be Departmental Solicitor on 12 April 2024. Louise Crilly was temporarily promoted into this position from 24 April 2024.

Accounting Officer's Introduction

I present the Department of Finance (DoF) Annual Report and Resource Accounts for the 2023-24 year. The Budget for DoF was extremely challenging and many difficult decisions had to be taken to live within our envelope. I am grateful to everyone that made this possible.

The Department and wider public sector continue to face significant financial pressures which coupled with increased demand for public services creates the conditions for a challenging year ahead.

In February 2024 we had the return of an Executive and appointment of Dr Caoimhe Archibald as Finance Minister. This signalled the beginning of a new era for the Department, as the Minister and the Executive discuss and determine their priorities and support them as efficiently and effectively as possible.

The Department has achieved many things over the 2023-24 year which I am extremely proud of. This was only possible because of the energy and expertise of colleagues in the Department of Finance family. I am personally very pleased that resolving the pay issue within the funding envelope available was an early priority for the Finance Minister and the unions have accepted the 2023 Civil Service pay offer.

The financial outlook remains extremely difficult; therefore, we must find creative and innovative ways to do our work. The importance of sustainable budgeting and transformation cannot be underestimated. Whatever the pressures, it is important to recognise that people remain at the centre of what we do, which is why the civil service People Plan and five-year strategy are important building blocks.

I feel a real sense of pride that so much of the delivery which the public rely on is only possible because of staff input and the efforts of the Department of Finance directly or indirectly. Together we will continue our journey of professionalising services, work collaboratively within and outside of the NICS to maximise resources and support our people to deliver the best possible services.

I thank everyone within the Department for their continued support and professionalism. I am confident that together we can meet the stretching targets in the year ahead.

Non-Executive Board Members' Report

The Departmental Audit and Risk Committee (DARC) supports the Accounting Officer and the Board on issues of risk, control, and governance. In addition, DARC provides assurances and advice to the Accounting Officer on the adequacy of audit coverage both internal and external. DARC is chaired by one of the Non-Executive Board Members and operates under the best practice guidance contained within the Audit and Risk Assurance Committee Handbook (NI) issued under DAO (DoF) 03/18 in March 2018.

In September 2023 the three outgoing Non-Executive Board Members were replaced by two new members, Joan McEwan, who was appointed as chair, and Olwen Laird. Consideration is currently being given to increasing the Non-Executive Membership of the DARC to three in line with the Audit and Risk Assurance Committee Handbook (NI).

In total the Committee met on six occasions during 2023-24, with four full agenda meetings, one deep dive and one to discuss draft accounts.

The risk profile for the Department has been reviewed regularly by the Departmental Board (DB) and DARC. During the year new controls and management actions have been put in place to mitigate the risks and to minimise the impact should they materialise. This has resulted in the re-grading of risk status, and the inclusion and removal of risks at Departmental level as necessary. The DB has agreed a Risk Appetite Statement which articulates the amount of risk the Department is prepared to accept, tolerate, or be exposed to in pursuit of its strategic objectives or from other inherent issues which although not directly linked to the strategic objectives, have an impact on the risk profile of the Department.

In addition to the risk register, the DARC considered papers in relation to a range of corporate governance and internal control issues, including, for example:

- Progress against internal audit plans and development of future plans;
- Progress against internal audit recommendations;
- Departmental Resource Accounts;
- Assurance Statements provided by all Business Area Directors;
- Reports to Those Charged with Governance provided by NI Audit Office;
- Direct Award Contracts (DACs) & External Consultancy;
- Accountability Grids in relation to Public Accounts Committee recommendations;
- Fraud; *and*
- Raising Concerns (whistleblowing).

At each meeting the DARC receives a summary position of the Recommendations Register which indicates the progress being made against each internal audit recommendation. This supports DARC in identifying those recommendations which are past due, or which require further discussion at DARC level. The DARC also receives a dashboard report providing a high-level view on progression of internal audit work against plan. Work is ongoing to further revise this dashboard to provide key information in a consistent format.

During the year the Chair of the DARC has initiated presenting a formal report from each DARC meeting to the DB where previously the minutes of the DARC meeting had been presented. The Chair also presents an annual report outlining the work undertaken by the Committee and providing assurance on the systems of internal control in operation across DoF.

All meetings of the DARC are attended by representatives from the Northern Ireland Audit Office (NIAO) and the Head of Internal Audit. The Chair of the Committee holds independent meetings separately with the NIAO and Head of Internal Audit to discuss any particular issues of concern.



Joan McEwan

Non-Executive Board Member and Chair of the Departmental Audit and Risk Committee

Performance

In reviewing the Department's performance, it should be recognised that during the 2023-24, the Department did not have a Minister in place until the Institutions were restored on 3 February 2024. Minister Dr Caoimhe Archibald took up her position on this date. The Minister of Finance did not issue any Ministerial Directions to the DoF Permanent Secretary during this period.

The 2023-24 DoF Business Plan was published in May 2023. The plan was the blueprint for the year and laid out the key activities to be undertaken to deliver against strategic priorities, including NICS Renewal, delivery of service transformation projects and implementation of the Estate Strategy.

Whilst work to develop a Programme for Government (PfG) had been underway, a final programme was not in place during the financial year 2023-24. Any approach to a future PfG will be a decision for the Executive.

The Department of Finance is responsible for a number of commitments within the New Decade, New Approach Agreement, progress on which is outlined on page 11.

The Department continued to deliver most of the business plan targets while maintaining service delivery. Progress was reported to the Board using an assessment rating of each target and narrative on the actions taken to deliver the expected outcomes. The assessment rating refers to status reporting which indicates how much progress has been made on meeting a specific target. These ratings were expanded during 2023-24 to allow business areas to provide a more detailed update on progress made.

Of the **25** targets, at year end **16** were achieved within the timeframe, **seven** will be achieved outside of timeframe, **one** will not be achieved, and **one** is unable to be achieved in the absence of an Executive. Further information is provided in the performance analysis on Page 9.

The key risks and issues to delivering the Department's objectives are monitored through the reporting cycle noted below. There were **ten** risks recorded in the last quarter of the 2023-24 year with **three** high (red) risks, namely:

- Disruption of systems and services as a result of a major incident such as cyber-attack, civil contingency e.g. further pandemic - there is a risk that significant disruption to services both internal and citizen-facing, provided by the NICS and a wide range of public bodies could occur, resulting in potential loss and data and reputational damage;
- Failure to deliver the Intergr8 Programme, resulting in failure to implement the new integrated Target Operating Model for Finance and Human Resources (HR) Services across the NICS;
- NOVA project will not deliver the required functionality - there is a risk that the NOVA project will not deliver its agreed objectives resulting in a negative impact on service delivery and failure to provide Value for Money (VFM) in replacing the current systems;

Key risk owners will continue to actively manage mitigations and future actions to monitor these risks.

Further detail on the performance of the Department is included in the performance analysis.

Departmental Reporting Cycle

The DoF Business Plan 2023-24 sets out the Department's objectives and targets and how the Department will work to deliver its objectives.

Progress against the Department's objectives and targets is reported and reviewed regularly both at business area level and by the Departmental Board. The end of year results are set out in the Performance Analysis section of this Annual Report.

The Budget Act (Northern Ireland) 2024, which received Royal Assent on 14 March 2024, together with the Northern Ireland Spring Supplementary Estimates 2023-24 which were agreed by the Assembly on 9 April 2024, provide the statutory authority for the Executive's final 2023-24 expenditure plans. The Budget Act (Northern Ireland) 2024 also provides a Vote on Account to authorise expenditure by departments and other bodies into the early months of the 2024-25 financial year.

The 2023-24 Main Estimates and Spring Supplementary Estimates are available on the Department's internet site www.finance-ni.gov.uk/publications/estimates-publications and are available from:

TSO, PO Box 29,
Norwich, NR3 1GN
Telephone orders/General enquiries: 0333 202 5070
Fax orders: 0333 202 5080
On-line orders: www.tsoshop.co.uk

Performance Analysis

Performance during 2023-24

The Department's performance over the past financial year has been monitored and reported to the Departmental Board.

Notable Achievements

The Department has made significant progress during 2023-24 and notable achievements have included:

Managing public money

- Enabled £25.2 billion (bn) of cash to be issued to fund government services;
- £1.5bn collected in rates to fund vital public services;
- SEUPB opened PEACE PLUS for funding calls, with £208m funding committed in 2023-24; *and*
- 305 contracts awarded with a total a value of £648.9m and 21 frameworks awarded with a maximum potential throughput value of £94.77m helping departments and public bodies deliver public services.

Supporting our people

- 1836 vacancies filled across all grades;
- Diversity Action Plan for 2023-34 launched in July 2023;
- 192,650 e-learning courses completed by public sector staff (increase of 15.66% on 2022-23); *and*
- Revised Special Leave policy published.

Transforming and innovating

- Launched procurements for:
 - Replacement technology to support Finance and HR Services; and
 - An Integr8 Delivery Partner to implement and provide ongoing support and maintenance of this new technology solution.
- Over six million (m) text messages sent, helping alert customers to critical information such as appointment reminders;
- Awarded new Private Cloud Infrastructure contract worth £60m: *and*
- Census 2021 Flexible Table builder published in June 2023, allowing users to create their own tables and data downloads on demand. Over 170,000 page views and 6,700 downloads (June 2023 to February 2024).

Providing evidence and insights

- Published a range of documents including the quarterly Northern Ireland House Price Index that provided timely, accurate information on changes in the value of residential properties;
- Continued sponsorship of the independent NI Fiscal Council, leading to greater transparency and independent scrutiny of public finances;

- Responded to COVID-19 Inquiry requests within statutory timeframes including six Departmental statutory Rule 9's; *and*
- Published revised 2011-2021 mid-year population estimates for Northern Ireland in line with the most recent Census 2021 population estimates.

Delivering public services

- Set cost and design standards for delivery of 1,500 social houses via the Social Housing Delivery programme totalling circa £275m (£161m in grant);
- 535 FOI/EIR requests received, with 99% responded to within statutory timeframes; *and*
- £1m rate support provided to 255 businesses affected by flooding.

Achievement of Departmental Targets

As at 31 March 2024, **16** targets were achieved within the timeframe, **seven** will be achieved outside of the timeframe, **one** will not be achieved and **one** is unable to be achieved in the absence of an Executive. Further information is provided in the performance analysis as follows.

Of the targets within the Department's control, detail of the nine targets not achieved are detailed below:

Implement NICS Renewal Action Plan to enable wider transformation and reform.

Four NICS Renewal targets were not achieved during this financial year.

Develop, design and implement a new model for the delivery of Occupational Health Services (OHS) that supports NICS staff and provides a more holistic, staff centric service.

Business Consultancy Services (BCS) OHS Review has now been completed and endorsed by NICS Board. Year 1 saw the implementation of the new operating model commencing. A new Lead Medical Officer commenced on 12 March 2024. The recruitment of a Medical Officer, Nursing and Occupational Health Technicians is commencing in May 2024 and progression of the new electronic system procurement underway. This target is likely to be achieved at a later date.

Produce a structured plan for streamlined recruitment across the NICS for all grades and disciplines.

The delivery of end-to-end recruitment responsibility moved to the Northern Ireland Civil Service Human Resources (NICSHR) in April 2024, therefore this action is likely to be achieved outside of the timeframe as it will be carried forward into the 2024-25 Business Plan.

Implement a refreshed Civil Service workforce model to include professions, job roles, apprenticeships and trainee schemes with the ability to support career pathways and skills programmes.

This target has been unable to be achieved as limited resources were available. Business As Usual supported some Heads of Professions developing career paths, apprenticeships, trainee schemes, initial Senior Civil Service workforce planning and benchmarking with other administrations.

Review and agree key HR Policies including discipline, recruitment, employee mobility and performance management.

This target will be achieved outside of the timeframe. Benchmarking has been completed and a stakeholder survey on policies issued in February 2024. Evaluation will inform the development of prioritised policy

review plan to go to the Finance, Human Resources Advisory Group (FHRAG) and NICS Board in May 2024.

Develop a Digital and Data Strategy to transform digital public services.

This target has been put on hold pending sufficient resources being available to progress and therefore will not be achieved.

Provide strategic support and leadership across the Department to meet the requirements of the Climate Change Act.

Although DoF provided input to the draft Climate Action Plan to meet timelines set by the Department of Agriculture, Environment and Rural Affairs (DAERA), the wider legislative timelines in the Climate Change Act have not been met. The DAERA Minister will bring recommendations on publication of the Climate Action Plan to The Executive, therefore, this target will be achieved outside of the timeframe as DoF obligations under the Climate Change Act are ongoing.

Digitise property valuation to deliver a modern and innovative service to customers.

The Procurement Strategy for this project has been reviewed. The Project Board have approved the decision to move from Competitive Dialogue (CD) to Competitive Procedure Negotiation (CPN). The impact of the change has been assessed, and the project plan reviewed. Initiation of the procurement phase is still on track for mid-2024, therefore this target will be achieved outside of the timeframe.

Digitise Land Registration services to deliver a modern and innovative service to customers.

This target will be achieved outside of the timeframe due to ongoing legal challenges.

Provide high quality shared services to government departments.

A sub-committee on Shared Services was established and inputs to set the parameters for this target were commissioned in January 2024. An initial draft has been circulated to teams for review. Therefore, this target will be achieved outside of the timeframe.

New Decade, New Approach Commitments

During the 2023-24 year the Department continued to deliver commitments included in the Agreement which was published in January 2020 as follows:

Structures will be put in place that will help deliver timely and fair public sector pay awards.

Following the Secretary of State for Northern Ireland's 27 April 2023 Written Ministerial Statement (WMS) on the budget, the NI public sector pay policy guidance was published on 31 May 2023 in FD (DoF) 05/23. This was subsequently updated on 12 March 2024 in FD (DoF) 04/24 to reflect the return of Executive Ministers and revised departmental budgets.

To enable births, marriages and deaths to be registrable in Irish.

The General Register Office currently provides the option for births, marriages and deaths to be registered with the choice of the certificate headings in English, Irish or bi-lingual English/Irish with all content in English. This was introduced on 11 March 2022 with the implementation of the Marriage, Civil Partnership and Civil Registration (Amendment) Regulations (Northern Ireland) 2022.

The Department is now considering how stage two can build on the changes introduced in stage one by introducing registrations, certificates and forms with the headings and most of the content in English, Irish and bi-lingual English/Irish. This will be dependent on specialist technical and legal input, resourcing and stakeholder engagement.

The Executive will establish a dedicated sub-committee which will consider the findings of the Renewable Heat Incentive (RHI) inquiry and propose further reforms, in addition to those in this agreement, to deliver the changes necessary to rebuild public confidence. The parties agree to deliver any such reforms rapidly once the inquiry has reported.

The Department's assessment is that 35 of the 42 recommendations for the NICS are now fully implemented. There are seven recommendations that are not yet fully implemented.

Further details can be found at the published update via the link below:

[Implementation of the Recommendations of the RHI Inquiry | Department of Finance \(finance-ni.gov.uk\)](#)

Renewal

The civil service initiated a programme of Renewal work to assess the challenges we face, the needs of the Service and to respond to feedback from staff and external organisations, building on the knowledge and expertise of others. An action plan for 2023-24 was developed and agreed. This has seen action taken and tangible outputs demonstrated, including:

- Launch of the Enterprise Resource Planning (ERP) procurement for a technology solution for the Integr8 Programme which aims to modernise and integrate NICS Finance and Human Resources (HR) services;
- Launch of the new Raising a Concern (RaC) policy and developed a programme of training and development for RaC Designated Officers and operational teams;
- Initiation of the implementation of Phase 1 of the 2022-2035 Estate Strategy;
- Initiation of a HR policy review programme, updating our HR policies to ensure they are effective;
- Development of a new Occupational Health Service (OHS) delivery model;
- Implementation of improved absence management to ensure consistency and support;
- Launch of a new learning and development portfolio to develop Civil Servants using a range of approaches;
- Initiation of Test and Learn pilots to test a new Collaboration Strategic Framework and share best practice; *and*
- Collaboration with Northern Ireland Audit Office (NIAO) on their Good Practice Guide for innovation and risk management in the public sector.

Moving forward, transformation is progressing through the newly established interim Transformation Board. The majority of Renewal work will be integrated into the NICS one year People Plan and five year People Strategy. A sub-group of the NICS Board has been established to put in place a one-year (2024-25) people plan and lead the development of a 2025-2030 People and Transformation Strategy. This five-year strategy will align with the Programme for Government and support the people, organisational, leadership and change priorities for the future in a focused and coordinated way. A one-year 2024-25 people plan has been developed setting out actions to be taken over the next year to maintain momentum and provide a strong platform for the implementation of the 5-year strategy.

This will build on the Renewal work completed to date to ensure we are strategically positioned, not only to deliver business as usual but also key strategic transformational actions that will enable and empower us to deliver the wider external challenges such as addressing Climate change, growing our economy, and supporting the communities we serve.

Raising Concerns

The Department of Finance (DoF) is committed to the highest possible standards in the delivery of its functions and services. In DoF, when concerns arise, we are fully committed to responding appropriately, correcting failures and learning lessons. This is in line with the [NICS Raising a Concern Policy Framework](#). Raising a concern, often referred to as “whistleblowing”, refers to someone notifying a department or agency about risk, danger, malpractice, wrongdoing or illegality. Each concern is fully investigated, and ongoing updates provided to the Departmental Audit and Risk Committee at each of its meetings.

During 2023-24, DoF reviewed and updated its operational arrangements, and facilitated an audit by Group Internal Audit and Fraud Investigation Services of those arrangements and their application. The review report was received in May 2024. Its recommendations have been accepted and will be operationalised before the end of 2024.

DoF received eight cases of concern during 2023-24, three of which were not related to DoF and were subsequently directed to the appropriate NICS Department.

Financial Review

A detailed analysis of Outturn against Estimates by function can be found in the Statement of Assembly Supply (SOAS) within the Accountability Report.

Table 1 below summarises Outturn against Estimates and links directly to SOAS, a key accountability statement which is audited.

Table 1: Summary Net Resource Estimate and Outturn

	Outturn	Estimate	Outturn vs Estimate saving/ (excess)
	£000	£000	£000
Total Request for Resources	225,810	246,177	20,367
Net Cash Requirement	224,160	243,357	19,197

The net resource outturn was **£225.8m** against an estimated provision of **£246.2m**.

The total variance was **£20.4m**, split between the Departmental expenditure limit (DEL) **£4.3m**, and the annually managed expenditure (AME) **£16.1m**.

Of the DEL underspend, £0.8m is in relation to depreciation, £1m of additional income, £0.9m was not required to account for staff annual leave untaken, with the remaining £1.6m in relation to the Department’s non-ringfenced spend which is mainly due to delays in filling vacancies.

Of the AME underspend, £8m is in relation to the revaluation of the office estate which was lower than anticipated. The remainder relates to the release of provision. AME spend is by its nature unpredictable.

The Department's net cash requirement outturn was **£224.2m** against an estimated provision of **£243.4m**, a variance of **£19.2m**. The bulk of the variance relates to the movement in working capital other than cash, depreciation and adjustment for provisions.

Detailed explanations of the variances are given in the SOAS note 1 in the Accountability Report section.

Budgeting Framework

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

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

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

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

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

DEL budgets are classified into resource and capital.

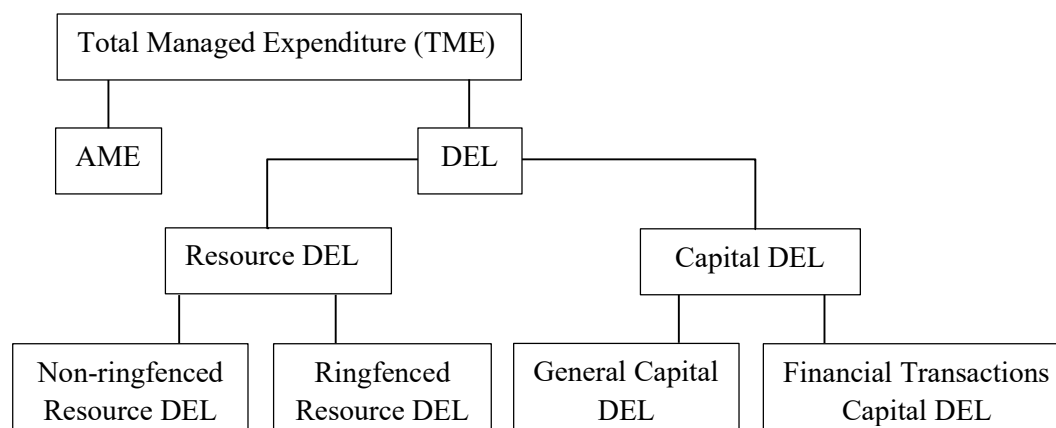
- Resource budgets are further split into non-ringfenced resource that pays for programme delivery and departmental running costs, and separately ringfenced resource that covers non-cash charges for depreciation and impairment of assets.
- Capital DEL is split into 'financial transactions' for loans given or shares purchased and 'general capital' for spending on all other assets or investments.

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

[Consolidated budgeting guidance 2023 to 2024 - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/115222/consolidated-budgeting-guidance-2023-to-2024.pdf)

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

Budget Structure



Budgetary Performance

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

Table 2: Department's performance by Budgetary Control

	Final Plan 2023-24	Final Outturn 2023-24	Underspend / (Overspend) 2023-24
Resource DEL	234,073	229,800	4,273
<i>Including</i>			
<i>Non-ringfenced</i>	180,930	177,449	3,481
<i>Ringfenced D/I</i>	53,143	52,351	792
Capital DEL	37,908	34,445	3,463
<i>Including</i>			
<i>General Capital</i>	37,908	34,445	3,463
Total DEL	271,981	264,245	7,736
AME	13,104	(4,717)	17,821
<i>Including</i>			
<i>AME Resource</i>	2,710	(4,786)	7,496
<i>AME D/I</i>	9,394	796	8,598
<i>AME Capital</i>	1,000	(727)	1,727
Total Managed Expenditure	285,085	259,528	25,557

Explanation of Variances

There was a Resource DEL underspend of £4.3m. Of the DEL underspend, £0.8m is in relation to depreciation, £1m of additional income, £0.9m was not required to account for staff annual leave untaken, with the remaining £1.5m in relation to the Department's non-ringfenced spend mainly due to delays in filling vacancies. The Capital DEL underspend of £3.5m relates mainly to delays in projects.

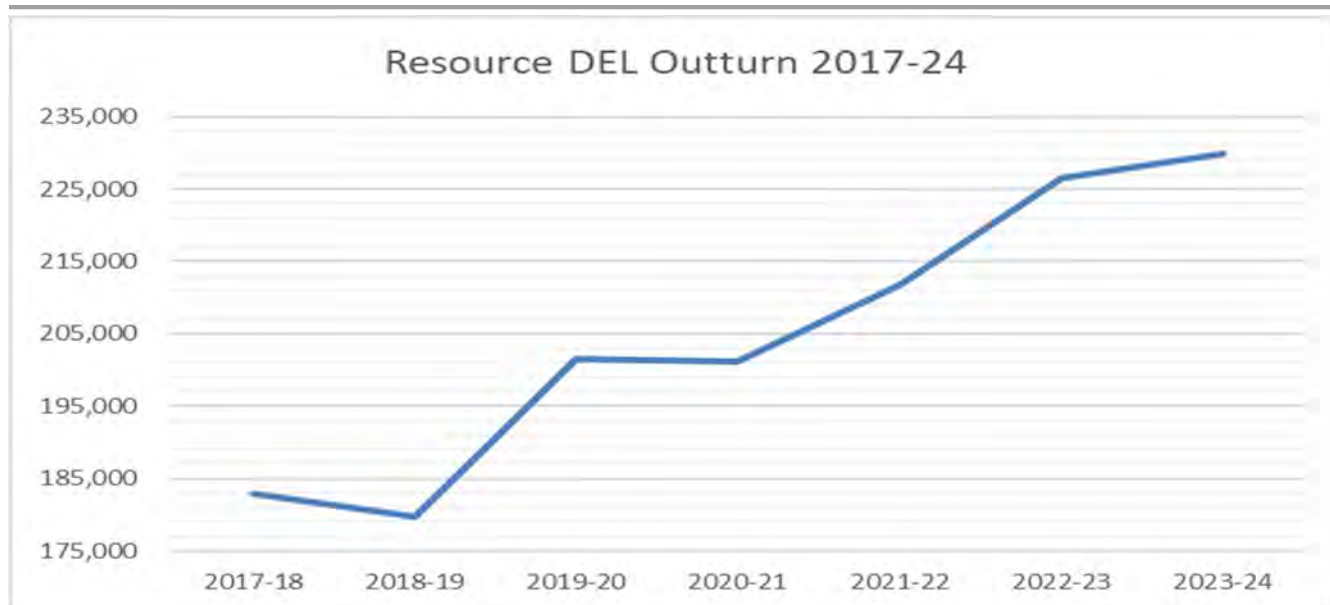
The AME underspend relates mainly to the revaluation of the office estate which was lower than anticipated. Budget cover for potential legal liabilities had also been included and these did not materialise.

Long-term expenditure trend

Total Departmental spending

	2019-20 Outturn £000	2020-21 Outturn £000	2021-22 Outturn £000	2022-23 Outturn £000	2023-24 Outturn £000
Total Resource DEL	201,520	587,505	322,376	220,220	229,800
<i>Of Which:</i>					
- Staff Costs*	168,064	172,302	180,756	181,743	188,950
- Other	129,305	516,851	250,992	139,804	145,113
- Depreciation & Impairments	34,126	35,873	34,039	52,044	52,351
- Income	(129,975)	(137,521)	(143,411)	(153,371)	(156,614)
Total Resource AME	3,041	3,994	456	5,062	(3,990)
<i>Of Which</i>					
- Staff costs	1,641	992	(1,623)	(739)	-
- Other	179	247	1,204	5,393	(4,786)
- Depreciation & Impairments	1,221	2,755	875	408	796
Total Resource Budget	204,561	591,499	322,832	225,282	225,810
<i>Of Which:</i>					
- Staff Costs	169,705	173,294	179,133	181,004	186,202
- Other	129,484	517,098	252,196	145,197	143,075
- Depreciation & Impairments	35,347	38,628	34,914	52,452	53,147
- Income	(129,975)	(137,521)	(143,411)	(153,371)	(156,614)
Total Capital DEL	28,998	16,749	32,541	31,758	34,445
<i>Of Which:</i>					
- Capital grants	16	-	190	45	-
Total Capital AME	-	-	-	9,077	(727)
Total Capital Budget	28,998	16,749	32,541	40,835	33,718
Total Departmental spending	233,559	608,248	355,373	266,117	259,528
<i>Of Which:</i>					
- Total DEL	230,518	604,254	354,917	251,978	264,245
- Total AME	3,041	3,994	456	14,139	(4,717)

*Difference in staff costs within the long-term expenditure trends budget outturn and the remuneration report is attributable to the NI share of SEUPB staff costs amounting to £1.2m



*Graph excludes COVID-19 expenditure

In 2017-18 the increase is mainly in relation to the Department’s new responsibility of providing a shared NICS Human Resources function to all NICS departments. In addition, the Department received allocations of £7.3m to take forward the Rate Rebate Replacement Programme, the Reform of Property Management Project and Census. Funding was also provided to enable the RHI Inquiry to proceed.

2018-19 net position saw a small decrease due to increased levels of income generated.

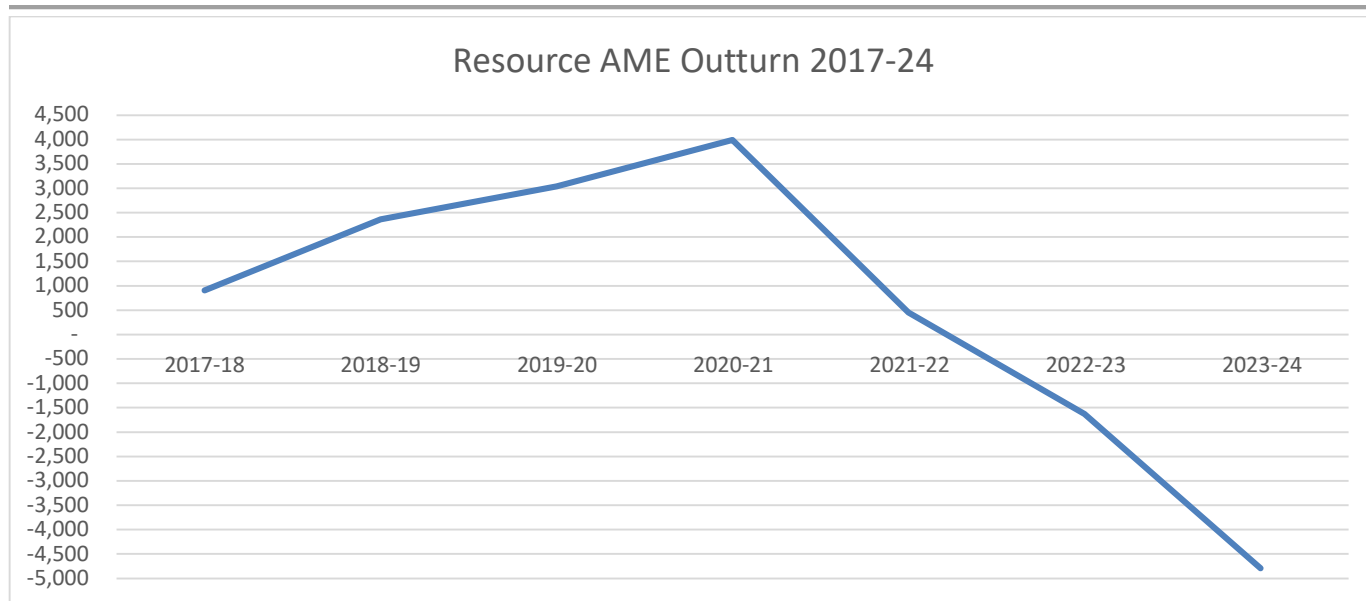
2019-20 saw a significant increase mainly due to the increase in employer’s pension contribution rate which was effective from 1 April 2019 and the Department received £8.8m additional funding. With the roll out of Universal Credit the payments the Department is responsible for making under the rate rebate scheme saw an increase of around £6m from the previous year. The Department was also preparing for the Census 2021 and there was an increase in both staff costs and other costs associated with this.

2020-21 saw a significant increase in budget due to COVID-19 and the Department’s involvement in providing financial support to businesses affected by the pandemic. For the purposes of the graph the funding associated with COVID-19 has been excluded to give a comparison of actual Departmental spend. Of the total DEL resource spend of £587.5m, £386.4m related to COVID-19 expenditure.

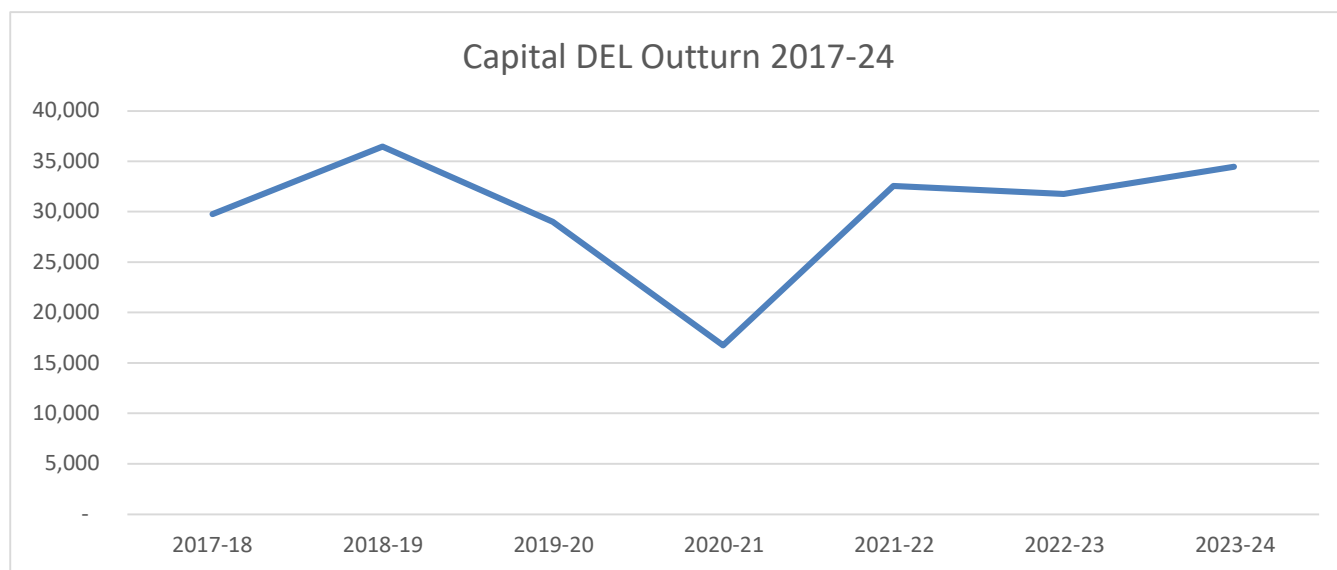
2021-22 also had spend of £110.6m associated with COVID-19 and for the purposes of the graph this has been excluded to give a comparison of actual Departmental spend. The increase in spend is mainly due to increased staff costs.

2022-23 had an increase in spend compared to the previous year mainly as a result of increased energy costs, increase in the rate rebate programme, increased staff costs and increased depreciation requirements following a change in accounting treatment.

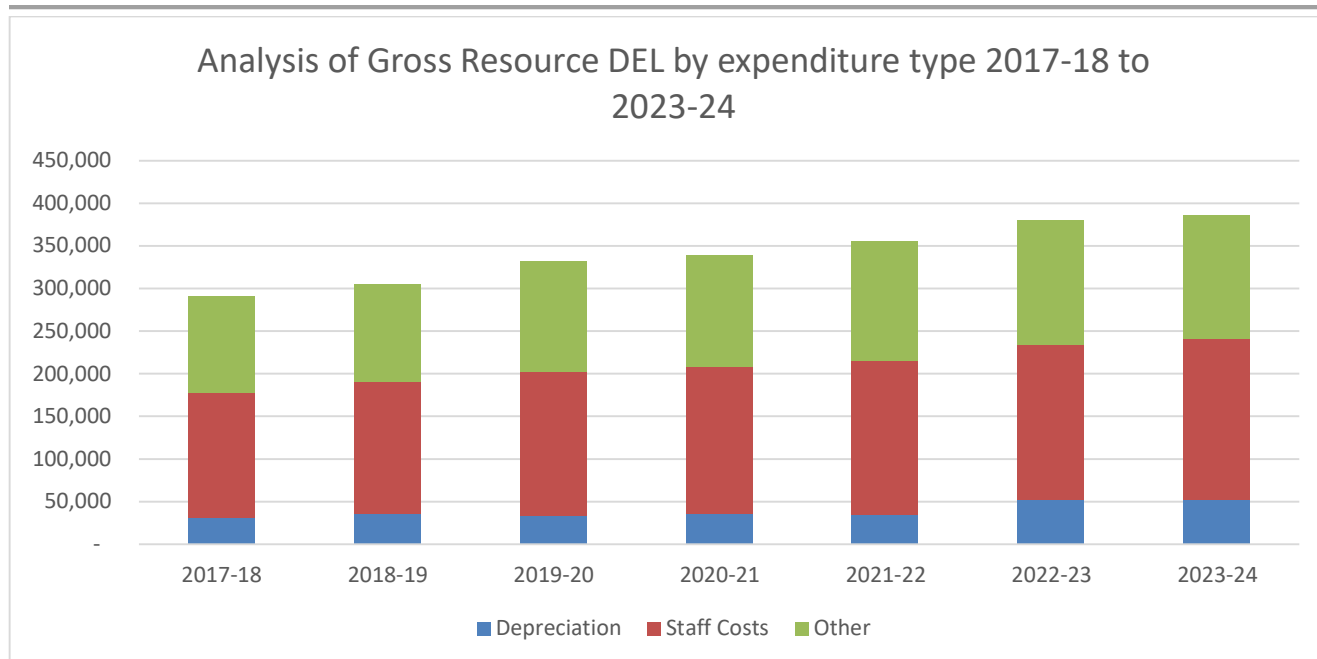
2023-24 saw a further increase in the rate rebate programme along with increased staff costs.



AME covers areas of expenditure that are more volatile including the revaluation of the office estate as a result of changes in market value and potential legal liabilities. The increase in 2019-20 and 2020-21 are mainly in relation to potential legal liabilities. The decrease in 2021-22 was mainly due to the revaluation of the office estate which was lower than anticipated and the revaluation of anticipated legal costs following revised information. The decrease in 2022-23 and 2023-24 is mainly due to changes in how lease exits are accounted for.



The increase in 2018-19 is as a result of the purchase of a property for office accommodation which was previously leased. Due to the pandemic a number of projects slipped in 2020-21 due to the unavailability of contractors and restrictions in place. Projects that had been delayed were progressed in 2021-22 resulting in increased spend. Spend in 2022-23 remained consistent with spend in 2021-22. Spend increased in 2023-24. This is due to digitalisation of statistical data and additional spend on IT equipment, offset by the reduction in the spend on major capital works projects.



Over the seven-year period shown above:

1. *Depreciation and impairment costs* – these had remained relatively constant until 2018-19 when there was an increase due to revaluations of assets. Costs increased significantly in 2022-23 due to IFRS16 accounting changes that brought operating leases on balance sheet and have remained at a similar level during 2023-24;
2. *Staff costs* – There was an increase in staff costs in 2017-18 due to the new responsibility of a new shared NICS Human Resources and Group Internal Audit and Financial Investigation Services (GIAFIS) functions. The 2017-18 staff costs would have remained broadly at 2016-17 level had these services not been introduced within the Department. The 2018-19 year saw further increases in staff costs due to increased numbers to carry out work required in preparation for the UK’s exit from the EU. 2019-20 saw a significant increase, mainly because of the increase in employers pension contribution rates which were effective from 1 April 2019. Staff numbers increased in 2021-22 and in 2022-23 resulting in increased costs. In 2023-24 pay increases and a non-consolidated amount for each staff member have increased costs. The Department will continue to monitor staff levels and associated costs; *and*
3. *Other costs* – these have remained relatively constant despite inflationary pressures and additional corporate functions. There was an increase in 2019-20, 2020-21 and 2021-22 due to the increase in rate rebate payments following roll-out of Universal Credit. There was also increased costs due to the preparation for Census 2021.

As with the above graphs the costs associated with COVID-19 in 2020-21 and 2021-22 have been excluded to enable comparison of actual Departmental spend.

Future Developments

The business plan for 2024-25 is due to be published on 8 July 2024 and continues to focus on key service delivery.

Specific targets will underpin the main themes, of:

- Delivering public services;
- Managing public money;
- Supporting our People;
- Transformation and Innovation; *and*
- Providing evidence and insights.

The Budget Act (Northern Ireland) 2024, which received Royal Assent on 14 March 2024, together with the Northern Ireland Spring Supplementary Estimates 2023-24 which were agreed by the Assembly on 9 April 2024, provide the statutory authority for the Executive's final 2023-24 expenditure plans. The Budget Act (Northern Ireland) 2024 also provides a Vote on Account to authorise expenditure by departments and other bodies into the early months of the 2024-25 financial year.

Budget Allocation for 2024-25

The 2024-25 total Departmental Expenditure Limit (DEL) allocated to the Department is £208.1m non-ringfenced resource, £48.9m ringfenced and £38.9m Capital. The table below sets out the net current and net capital baselines available to the Department in 2024-25.

Table 3: Departments' Baseline Budget Allocation for 2024-25

Spending Area	2024-25	
	Current Expenditure £m	Capital Investment £m
Finance and Personnel Policy	22.1	0.3
NICS Shared Services	88.7	10.9
NI Statistics & Research Agency	15.5	3.6
Land & Property Services	69.9	13.0
EU Programmes	1.1	-
Special EU Programmes Body	1.8	-
NICS Accommodation Services	57.9	11.1
TOTAL*	257.0	38.9

*Includes £49.0m depreciation and impairments. Figures in table may include slight variations due to rounding.

The 2024-25 budget is larger in cash terms than the 2023-24 outturn. This is due to the Department receiving £40m for the Rates Rebate at the start of the year and two additional one-offs, funds for transformational projects (i.e. Integr8 and NOVA). The Department will monitor budget and expenditure, taking necessary action to ensure it lives within budget.

Risks and Uncertainties

Risk management has been incorporated into the corporate planning process and decision-making processes of the Department. The Department has a Policy and Framework for Risk Management, which defines the framework and describes the process for identifying and managing risks. Further details on the Department's capacity to handle risk, the risk and control framework within which the Department operates, and a review of effectiveness of the Department's system of internal control are provided in the Governance Statement.

Events after the Reporting Period

There are no events after the financial period requiring adjustment to or disclosure in these accounts.

Public Interest and Other

Payment to Suppliers

The Department is committed to the prompt payment of bills for goods and services received in accordance with the Late Payment of Commercial Debts (Interest) Act 1998. Unless otherwise stated in the contract, payment is due within 30 days of the receipt of the goods or services, or on presentation of a valid invoice or similar demand, whichever is the later.

The Department's performance in relation to the payment of invoices within 30 days was 95% (2022-23: 95%). The Department did not incur any interest charges (2022-23: NIL) as a result of the late payment of bills.

In 2023-24 an average of 94% of DoF's invoices were paid within 10 days (2022-23: 91%).

Full details of performance in terms of paying invoices within 30 days and 10 days can be found at <https://www.finance-ni.gov.uk/articles/account-ni-questions-and-answers>.

Sustainability and Environmental Matters

The Department of Finance is committed to doing all it can to contribute to meeting the emissions targets in the Climate Change Act 2022. The Department is represented on the cross-departmental Senior Officials group chaired by Department of Agriculture, Environment and Rural Affairs (DAERA) and has established an internal DoF working group to identify current policies and explore proposals for inclusion in the draft Climate Action Plan (CAP) for 2023-27 and beyond. DoF is not a sector lead but is committed to working with those departments that are, to ensure the DoF policies and proposals are reflected in their sectors where appropriate. The Department has inputted to the draft CAP.

DoF has a unique and central enabling role in setting the frameworks, guidance and policies to help departments in their decision-making process, to consider the impact on emissions.

These include:

- **Business Case guidance**

Supplementary Business Case Guidance with respect to incorporating environmental and climate considerations, published in October 2022, requires the impact of emissions to be considered when investment or expenditure decisions are being made. This involves a proportionate assessment of the

social costs or benefits of emissions in the business case, thereby ensuring these impacts are embedded in the decision-making process.

The Department plans to amend NICS processes to embed consideration of climate impacts in business case guidance by summer 2024.

- **Procurement**

The Scoring Social Value policy approved by the Executive, which mandated that from June 2022, tenders must include a minimum of 10 percent of the total award criteria to social value. The policy includes a theme on net zero encouraging departments to have procurement strategies and specifications that minimise carbon footprint and emissions.

In addition, a construction toolkit published by the NI Procurement Board in September 2022, provides advice and direction on the latest best practice techniques for public sector projects. This links to an extensive range of guidance on measures to reduce energy usage and improve the environment, including the Government Commercial Function on Zero Carbon and Sustainability in construction.

Environmental Sustainability is also promoted by the Department through the inclusion of common minimum standards, promoting sustainability within Government construction contracts to reduce the consumption of water and energy, as well as reducing waste and carbon.

- **Financial Assistance**

The Northern Ireland Investment Fund (£150m) aims to help address market failures and accelerate and increase investment in private sector led development, including in infrastructure and low carbon projects.

DoF provides policy direction for Dormant Assets. The Dormant Assets Act 2022 provides for the investment of Dormant Bank and Building Society Accounts, insurance and pension schemes, investment and wealth management as well as securities sectors. Monies from dormant assets, are made available for distribution via The National Lottery Community Fund (TNLCF) to the voluntary, community and social enterprise sector in Northern Ireland. In October 2022 the Department issued updated Policy Directions to TNLCF that reflected the Dormant Assets Act 2022 and reaffirmed the Fund was to be invested in the three key pillars of increasing capacity; growing resilience; and encouraging sustainability for the third sector.

The Northern Ireland/Ireland PEACE PLUS programme (2021-2027) delivered through the Special European Union Programmes Body (SEUPB) is worth €1.145bn. The Programme has been developed with the UN Sustainable Development Goals in mind, to contribute to the European Green Deal and in line with NI Executive and Irish Government policy objectives. The programme has six themes, one of which is Theme 5 – Supporting a Sustainable Future - which has a budget allocation of approx. €303m. Projects approved within Theme 5 will support collaborative (North/South) initiatives to help ensure a sustainable future for the environment within the programme area and help impact on reducing emissions.

Note: PEACE PLUS is a North/South programme – all projects are on a North/South basis.

DoF also has policy and legislation responsibility for Building Regulations which set minimum standards with respect to carbon emissions and energy efficiency when building work is being carried out or certain cases of a material change of use occur. The uplifts to Building Regulations are the main quantified policy for DoF in the draft CAP.

In the first phase of an ambitious five phase programme, Properties Division (PD) amended technical guidance to Part F (Conservation of fuel and power) of the Building Regulations to uplift the requirements for energy efficiency for new buildings. This came into effect from June 2022 with few queries over the course of 2023-2024, indicative of successful implementation. The Department consulted on a comprehensive discussion document, which included detailed pre-consultation proposals for a Phase 3 uplift, from July to December 2023. It also continued to liaise with the DAERA and the Department for the Economy (DfE) on relevant aspects of the CAP and Energy Strategies.

The Department is liaising with the Department of Levelling Up, Housing and Communities (DLUHC) on reviewing Energy Performance Certificates to improve the energy efficiency information provided to tenants, homeowners and other stakeholders.

DoF established, supported and contributed to the work of an Expert Panel on Building Safety which provided its report to the Head of Civil Service in March 2023.

DoF has responsibility for the strategic management of the NICS Office Estate which includes ensuring that the estate meets the changing needs of the civil service and meets its energy efficiency targets. An ambitious review of the Civil Service Office Estate is ongoing to consolidate its portfolio, reduce its carbon footprint and support the journey towards decarbonisation.

In 2023-24, DoF commenced implementation of a 5-year plan to deliver a modern, fit for purpose and right-sized office estate by:

- reducing the number of leased buildings on the estate and maximising utilisation of freehold estate;
- promoting agile office layouts and NICS-wide shared office facilities to support departmental hybrid working practices and make more effective use of office space;
- aligning with PfG objectives: NICS People, Digital Strategies, and Net Zero Carbon; *and*
- exploring opportunities for delivery through collaboration with the wider public sector.

The plan will help the NICS to reduce its office and carbon footprint over the next 5 years. By 2028, Phase 1 of this Review, which is planned to achieve a 40% reduction of the in-scope office estate, will be complete.

In 2023-24 the Department:

- exited a lease at the Design Centre;
- transferred two buildings to the Department for Infrastructure (Road Transport and Licensing Division Corporation Street and Elmview);
- sold one freehold building (Downpatrick Social Security Office);
- exited five further buildings for divestment in 2024-25. (43-45 Falls Road Belfast, Victoria Hall, Belfast, Netherleigh, Belfast, 34 College Street, Belfast and Crown Buildings in Cookstown); *and*
- demolished two sectional buildings on the Stormont Estate.

In addition, two buildings benefitted from Light-Emitting Diode (LED) lighting upgrades during the year.

The Department previously produced an Office Estate Energy Efficiency / Carbon Reduction Plan covering the period 2020-2023. The results of this plan have not yet been analysed due to the loss of appropriately skilled resources. PD is planning to fill this role in 2024-25, which will allow for a further Plan to be produced and the calculation of the Department's energy and carbon baselines, and the reductions achieved by reducing the estate.

DoF provides a guide for Departmental Premises Officers, which advises how they can promote, coordinate and implement green housekeeping measures, minimise energy usage, improve levels of recycling and meet their responsibilities to adhere to guidance on waste management and reduce their department's waste. If resources permit, this would be updated for 2024-25.

On the Stormont Estate, the 'Green Flag' Heritage Award was retained for 2023-24. This is the benchmark standard that recognises well managed parks and green spaces as well as the historic importance of the site.

Work continues on the Estate to promote sustainability and environmental matters and improve facilities for the public, to ensure outdoor green spaces are accessible for all. These include:

- Continued maintenance of the all-abilities Mo Mowlam Play Park, with the focus on enhancing accessibility. This work included replacing the worn safety surface of one of the main play areas that contains a range of equipment including all-inclusive wheelchair accessible playground equipment. A full refurbishment of the playpark toilet block was completed at the start of the year;
- General health and safety improvements, including relining the main vehicle access route through the Estate; resurfacing of two bitmac paths that had deteriorated over recent years. This not only addressed health and safety risks but improved access to areas of the Estate, in particular, the playpark from the main Prince of Wales Avenue;
- Implementing recommendations in the Estate's 15-year Woodland Management Plan has continued. This included commissioning a review of years 6-10 of the plan and scheduling a work programme to take forward the revised recommendations;
- A programme to enhance biodiversity on the Estate is set out in a ten-year Conservation Management Plan;
- A comprehensive survey of invasive species was commissioned, and an Invasive Species Management Plan drawn up. Year One of the action plan was completed; *and*
- The Estate continues to achieve waste recycling figures of between 80-90%.

The Department is working with colleagues from DfE in preparation for a shallow Geothermal demonstrator project on the Stormont Estate. This will allow DoF to investigate if there are any possibilities for geothermal energy to help reduce the carbon footprint of its buildings on the Stormont Estate. Borehole drilling is due to take place in 2024-25.

A Hybrid Working Policy was formally implemented in June 2022 to support new ways of working, promote better work-life balance for employees, increase productivity and deliver environmental benefits. The NICS Hybrid working policy will be reviewed, led by DoF, People & Organisation Development (P&OD) Division in 2024.

The Department is also reducing the environmental impacts from Information and Communications Technology (ICT) and Digital services by way of the following measures:

- Continuing to rationalise the data centre footprint with services moving from sites such as Clarence Court and Agri-Food and Biosciences Institute (AFBI) to the NI Public Sector Datacentres and being virtualised within the Information Technology (IT) Assist Private Cloud Infrastructure. This work continues to reduce Departmental use of electricity and the number of physical servers needed to provide services;
- The IT Assist Private Cloud Infrastructure is currently being refreshed with more modern solutions which are more energy efficient and more performant allowing for better utilisation of resources and further reductions in physical infrastructure;

- With the roll out of Microsoft 365, services previously hosted within the core data centres are being hosted within shared public platforms. The increase of collaboration tools within this service is also supporting the remote working policy reducing the need for business travel and enabling more streamlined collaborative working;
- With the reduction in the number of office locations, there has been a reduction in the infrastructure required to support those buildings. This includes elements such as network devices, printers, and video conferencing units;
- All desktops, laptops and monitors bought by IT Assist must meet the Electronic Product Environmental Assessment Tool (EPEAT) Gold standard for sustainability. All servers purchased for use in our Data Centres must meet similar sustainability targets;
- We also reduce the amount of e-Waste (electronic waste) by selling end of life equipment (including mobile phones, laptops, and desktops) to the private sector. Around 90% of that equipment is recycled and re-used; *and*
- Further infrastructure changes are planned in 2024-25 to migrate and consolidate physical on premises devices while moving some services to publicly cloud hosted service providers. This will supplement the reductions already being made through other measures.

The Department is also engaged with the Climate Change Evidence and Analysis Group which examines the methodologies for establishing a carbon baseline and quantifying emissions. In September 2023, DoF officials organised a training event in the ‘valuation of energy and emissions benefits’ tool provided by the United Kingdom (UK) Department for Net Zero and Energy Security. The Department is working closely with colleagues in DAERA in developing the “Green Test”.

The Northern Ireland Statistics and Research Agency (NISRA) is committed to increasing its online presence and the facility to engage with data collection through online surveys and electronic devices thereby reducing paper products and the requirement for postage.

All General Register Office (GRO) records are fully digital and available online or via a public search facility and over 90% of certificate orders are submitted online or by telephone, reducing the need for a paper-based application process.

DoF is committed to sustainability and will look at further actions including working with DAERA in the development of more robust sustainability reporting guidance for 2024-25 and will engage with departments on the development of baseline data to monitor progress. DoF will, where possible, replace the DoF fleet with Electric Vehicles, encourage the uptake of Climate Change training among its staff and contribute to the third NI Climate Change Adaptation Plan. DoF will also take actions to meet the sustainability commitments set out in the draft Environmental Improvement Plan.

This Performance Report is approved and signed



Neil Gibson
Accounting Officer
Department of Finance
27 June 2024

ACCOUNTABILITY REPORT

ACCOUNTABILITY REPORT

The Accountability Report comprises the following:

Corporate Governance Report

The purpose of the Corporate Governance Report is to explain the composition and organisation of DoF's governance structures and how they support the achievement of DoF's objectives.

Remuneration and Staff Report

The Remuneration and Staff Report sets out DoF's remuneration policy for directors, reports on how that policy has been implemented and sets out the amounts awarded to directors. In addition, the report provides details on staff numbers, costs and staff-related policies.

Assembly Accountability and Audit Report

The Assembly Accountability and Audit Report brings together the key Assembly accountability documents within the annual report and accounts.

Corporate Governance Report

Directors' Report

Introduction

The Department of Finance (DoF) presents its accounts for the financial year ended 31 March 2024.

Management

The Secretary of State in accordance with s3(4) of the Northern Ireland Executive Formation and Exercise of Functions (EFEF) Act 2022, published guidance regarding departmental functions by senior officers of Northern Ireland departments during the absence of Ministers. The Act provides that the absence of Ministers does not prevent a senior officer of a Northern Ireland department from exercising a function of the department if the officer is satisfied that it is in the public interest to do so during the relevant period.

During the 2023-24 year, Ministers were appointed when the Institutions were restored on 3 February 2024. Minister Dr Caoimhe Archibald has been in post from this date. The Minister of Finance did not issue any Ministerial Directions to the DoF Permanent Secretary during this period.

The Permanent Secretary and Accounting Officer for the Department for the 2023-24 financial year was Neil Gibson.

Departmental Board

The Permanent Secretary has the assistance of the DB to meet his responsibilities, including the development of the Department's strategic plans. The Board is a core element of corporate governance arrangements, agreeing the range of other governance elements and through its scrutiny role, overseeing the policies, plans and effectiveness of those other elements. The Board is responsible for supporting the Permanent Secretary in ensuring that the Department's resources and corporate governance arrangements are directed towards the delivery of policy objectives and priorities.

The Board is chaired by the Permanent Secretary. No deputy chair is formally designated, although the Permanent Secretary may nominate another Board member to chair a particular meeting in the event of his absence. In addition to the Permanent Secretary, Board Membership comprises the Departmental Solicitor, Deputy Departmental Solicitor, Chief Executives and Directors at Grade 3 level, the Director of Finance, the Director of Corporate Services, the Head of Communications and Engagement, and two Non-Executive Board Members. The Board was also attended by a Boardroom Apprentice Funmilayo Tolani from 1 September 2022 to 31 August 2023.

Although the Head of Group Internal Audit does not attend Departmental Board, she attends regular Stocktake meetings with the Accounting Officer and other DB members.

The Board is supported by a Board Secretary who attends each meeting. Other officials may attend meetings when required.

The Departmental Board members during the year were as follows:

Role	Name
Permanent Secretary	Neil Gibson
Chief Executive - Land and Property Services (LPS)	Ian Snowden (up to 8 December 2023) Sharon Magee (Temporarily promoted from 2 January 2024)
Chief Executive – Northern Ireland Statistics & Research Agency (NISRA)	Phillip Wales
Departmental Solicitor* - (DSO)	Hugh Widdis
Deputy Departmental Solicitor – (DSO)	Louise Crilly
Director – Public Spending Directorate (PSD)	Joanne McBurney
Director – Strategic Policy & Reform (SPAR)	Tony Simpson
Director – People & Organisational Development (P&OD)	Jill Minne
Director NICSHR – Northern Ireland Civil Service Human Resources (NICSHR)	Catherine Shannon
Director – Construction & Procurement Division (CPD)	Sharon Smyth
Director – Digital, Security & Finance Shared Services (DSF)	Paul Duffy
Director – Finance Division (FD)	Stewart Barnes
Director – Communication & Engagement Division (CaED)	Mark McLaughlin
Director – Corporate Services Division (CSD)**	David Hughes (from 1 September 2023)
Non-Executive Board Member	Elizabeth Ensor (up to 31 August 2023)
Non-Executive Board Member	John Smyth (up to 31 August 2023)
Non-Executive Board Member	Tom Taylor (up to 31 August 2023)
Non-Executive Board Member	Joan McEwan (from 11 September 2023)
Non-Executive Board Member	Olwen Laird (from 11 September 2023)

NB - where Directors are unable to attend, they will send deputies.

* While the Departmental Solicitor is a Board Member and has the right to attend meetings, he delegates to his deputy. Hugh Widdis ceased to be the Departmental Solicitor on 12 April 2024. Louise Crilly was temporarily promoted from 24 April 2024.

** Creation of new Division.

Register of Interest

A Register of Interests is maintained by the Department. For 2023-24, no Board members have declared anything which would be considered a conflict of interest with the business of the Department.

Pension Liabilities

The treatment of pension costs and liabilities is disclosed in the Remuneration and Staff Report and in paragraph 1.13 of the Statement of Accounting Policies Note (Note 1 to the Accounts in the Financial Statement section).

Personal Data

The Department has policies, procedures and processes in place to ensure that all staff, contractors, agents, consultants and other parties who process personal information held by, or on behalf of, us are fully aware of their responsibilities under data protection legislation. The Department has:

- Encouraged and promoted accountability and data protection by design in all aspects of business planning and project management;
- Retained an experienced Data Protection Officer, who is given the required independence to perform her tasks;
- Provided robust policies and guidance which support data protection requirements;
- Delivered communication and awareness of data protection to staff;
- Provided online data protection awareness sessions to staff;
- Documented all holdings of personal data;
- Completed a Data Protection Health Check (DPHC) exercise to assess where processing activities are compliant with data protection legislation, policies and procedures;
- Provided staff with robust procedures to detect, report and investigate data incidents and breaches; *and*
- Provided staff with the appropriate organisational and technical security measures to securely collect, process and manage personal data, particularly where personal data is shared with other organisations.

There were no reportable breaches of personal data between 1 April 2023 and 31 March 2024.

Cost allocation and charging

The Department has complied with the cost allocation and charging requirements set out in HM Treasury Fees and Charges guidance.

Auditors

The financial statements are audited by the Comptroller and Auditor General (C&AG) in accordance with the Government Resources and Accounts Act (Northern Ireland) 2001. She is head of the Northern Ireland Audit Office (NIAO). She and her staff are wholly independent of the Department and she reports her findings to the Northern Ireland Assembly.

Complaints Handling

The Department is committed to providing a high-quality service and, as such, welcomes all feedback, both positive and negative. An element of this is our two-stage complaint procedure, which is available at:

<https://www.finance-ni.gov.uk/publications/dof-customer-service-standards-and-complaints-procedure>

Each Directorate/Agency within the Department is responsible for keeping a register of complaints received and ensuring that these are investigated in line with this procedure, including that appropriate responses are issued to each complainant. They will also evaluate any ‘lessons learned’ from individual cases and see if resulting improvements can be embedded into operating procedures.

In 2023-24 the Department dealt with 713 complaints (compared to 860 complaints in 2022-23). The percentages of complaints originated from:

	2023-24 Number	2023-24 %	2022-23 Number	2022-23 %
Land & Property Services	470	66	602	70
Civil Service Pensions	67	9	43	5
HR Connect	111	16	155	18
NI Direct	51	7	26	3
Others	14	2	34	4
Total	713	100%	860	100%

Rural Needs Act

The Rural Needs Act (Northern Ireland) 2016 (the Act) requires policy makers and public authorities to have due regard to rural needs when developing and implementing policies and when designing and delivering public services. In order to fulfil its obligations under Sections 1 and 3 of the Act, 20 Rural Needs Impact Assessments have been completed by policymakers within the Department of Finance between 1 April 2023 and 31 March 2024. Details of these assessments will be sent to DAERA for publication in the Rural Needs Annual Monitoring Report 2023-24.

Statement of Accounting Officer's Responsibilities

Under the Government Resources and Accounts (Northern Ireland) Act 2001 (GRAANI). The Department of Finance has directed the Department to prepare, for each financial year, consolidated resource accounts detailing the resources acquired, held or disposed of, and the use of resources, during the year by the Department (inclusive of its executive agencies) and its sponsored non-departmental public bodies designated by order made under the GRAANI by Statutory Rule 2023 No. 53, as amended by Statutory Rule 2024 No. 7, (together known as the 'departmental group', consisting of the department and sponsored bodies listed at note 20 to the accounts). The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the Department and the Departmental group and of the income and expenditure, Statement of Financial Position 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 Department of Finance, 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 public bodies;
- state whether applicable accounting standards as set out in the *Government Financial Reporting Manual* have been followed, and disclose and explain any material departures in the financial statements;
- prepare the accounts on a going concern basis; *and*
- confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable and that he takes personal responsibility for the Annual Report and Accounts and the judgments required for determining that it is fair, balanced and understandable.

The Department of Finance has appointed the Permanent Secretary of the Department as Accounting Officer of the Department.

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

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

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

Governance Statement

The Department of Finance is one of nine Northern Ireland departments. The Department is governed under a model with the following responsibilities:

- The Minister for Finance reports to the Northern Ireland Executive on all of the functions of the Department;
- The Permanent Secretary has responsibility to the Minister for the day-to-day operation of the Departmental functions and as Accounting Officer for the managing and controlling of the resources used by the Department; *and*
- The DB provides collective leadership, strategic direction and has responsibility for operational delivery of the functions of the Department.

The Department's organisation chart is as shown on page 3 of the Performance Report.

The Budget Act (Northern Ireland) 2024, which received Royal Assent on 14 March 2024, together with the Northern Ireland Spring Supplementary Estimates 2023-24 which were agreed by the Assembly on 9 April 2024, provide the statutory authority for the Executive's final 2023-24 expenditure plans. The Budget Act (Northern Ireland) 2024 also provides a Vote on Account to authorise expenditure by departments and other bodies into the early months of the 2024-25 financial year.

It was not possible to secure North South Ministerial Council (NSMC) approval of the 2023 and 2024 Business Plans for SEUPB during the period prior to the restoration of the NI Assembly. However, the 2023 and 2024 Business Plans were subsequently agreed at the NSMC SEUPB Sectoral Meeting on 15 May 2024. All approvals are now in place.

It is a legislative requirement under the North/South Co-operation (Implementation Bodies) (Northern Ireland) Order 1999 that any grants paid to bodies by a Northern Ireland Sponsor Department must be approved by DoF. Where such an approval is absent, any expenditure is illegal and retrospective consent cannot confer legality. No grant payments were made in the 2023-24 (2022-23: £NIL) financial year without DoF approval.

This Governance Statement, which has been agreed by the Board, sets out how these responsibilities have been discharged during 2023-24.

Ministerial Directions

There were no Ministerial Directions during 2023-24.

Executive Formation and Exercise of Functions

Due to the absence of an Executive for the majority of 2023-24, DoF continued to abide by the Secretary of State's published guidance, in accordance with s3(4) of the Northern Ireland Executive Formation and Exercise of Functions (EFEF) Act 2022, regarding departmental functions by senior officers of Northern Ireland departments during the absence of Ministers. The Act provides that the absence of Ministers does not prevent a senior officer of a Northern Ireland department from exercising a function of the department if the officer is satisfied that it is in the public interest to do so during the relevant period.

The guidance can be accessed at the following link:
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/112563/7/Guidance_on_decision-making_for_Northern_Ireland_Departments.pdf

Decisions made are available at the following link:

<https://www.executiveoffice-ni.gov.uk/articles/reports-decisions-taken-by-northern-ireland-departments>

Context

As the financial situation remains extremely challenging, we need to progress new ways of working, thinking and delivering to seize the opportunities to deliver better services in a more effective and efficient way. If we are to improve the position, we will need to be creative and transformative. The DoF Business Plan for 2024-25 is due to be published on 8 July 2024.

Specific targets underpin the main themes of:

- Delivering public services;
- Managing public money;
- Supporting our people;
- Transformation and Innovation; and
- Providing evidence and insights.

Accounting Officer

The Permanent Secretary as Departmental Accounting Officer is responsible to the Minister and to the Assembly for the proper handling and reporting of the use of public money by the Department under the main principles set out in *Managing Public Money Northern Ireland (MPMNI)* and for establishing and maintaining a sound system of internal control for the management of resources under the Permanent Secretary's control.

At the beginning of the financial year, the Accounting Officer delegated responsibility to the Directors and Chief Executives for the management of budgets within their respective business areas. Formal assurances were received twice yearly from each Director and Chief Executive on risk management, governance, financial management and delegations within their respective areas of responsibility in the format of assurance statements. Key issues emanating from those statements are reflected in this Governance Statement and necessary actions followed up with the relevant Directors.

Departmental Board

The Accounting Officer chairs the Board, which met on six occasions in 2023-24.

During this period the Board held discussions on:

- Board Effectiveness;
- Census;
- Communications;
- COVID-19 Inquiry;
- Cyber Security;
- DoF Service Delivery;
- Finance;
- HR, People and Resources;
- Integr8;
- Major Capital Programmes and Projects;
- NI Climate Change Act and Action Plan;

- NICS Estate Strategy;
- Performance;
- Risk; *and*
- Strategic Asset Management.

In addition, the Board considered and discussed the HR Review - end to end recruitment process, One Year People Plan and Five Year People Strategy, DoF People Survey and the NISRA Corporate Plan 2024-2029.

Compliance with the Corporate Governance in Central Government Departments: Code of Good Practice NI

The Department has in place a Corporate Governance Framework that is available on the staff intranet site. This reflects the key principles in '[Corporate governance in central government departments: Code of good practice NI \(2013\)](#)' and sets out details of the Department's corporate governance arrangements.

The assessment found that the Department is compliant with the spirit and principles of the Code across the majority of its aspects. There are a number of exceptions. As noted in the Directors report the Department did not have a Minister for the full period of 2023-24 outlined above.

Attendance of non-executive and executive members at Board and DARC meetings during 2023-24:

Role	Name	Number of Board Meetings Attended (6 in total)	Number of DARC Meetings Attended (6 in total)
Permanent Secretary	Neil Gibson	5	4
Chief Executive LPS	Ian Snowden (to 8 December 2023)	4	n/a
	Sharon Magee (temporarily promoted from 2 January 2024)	2	
Chief Executive NISRA	Philip Wales	4	n/a
Departmental Solicitor*	Hugh Widdis	1	n/a
Deputy Departmental Solicitor*	Louise Crilly	5	n/a
Director PSD	Joanne McBurney	5	n/a
Director SPAR	Tony Simpson	5	n/a
Director P&OD	Jill Minne	4	n/a
Director NICSHR	Catherine Shannon	5	
Director CPD	Sharon Smyth	5	n/a
Director DSF	Paul Duffy	6	1
Director FD	Stewart Barnes	6	6

Director CaED	Mark McLaughlin	6	n/a
Director CSD**	David Hughes (from 1 September 2023)	2	n/a
Non-Executive Board Member	Elizabeth Ensor (to 31 August 2023)	2	3
Non-Executive Board Member	John Smyth (to 31 August 2023)	1	3
Non-Executive Board Member	Tom Taylor (to 31 August 2023)	2	3
Non-Executive Board Member	Joan McEwan (from 11 September 2023)	4	3
Non-Executive Board Member	Olwen Laird (from 11 September 2023)	3	3

NB - where Directors are unable to attend, they will send deputies.

* While the Departmental Solicitor is a Board Member and has the right to attend meetings, he delegates to his deputy. Hugh Widdis ceased to be the Departmental Solicitor on 12 April 2024. Louise Crilly was temporarily promoted from 24 April 2024.

** Creation of new Division.

Declarations of Interest

Corporate Services Division maintains a “Register of Interests” for all staff at the senior civil service grades, which includes the members of the Departmental Board. Declarations include any private interest that may give rise to conflict with an individual’s position and role within the Department, including:

- Private occupations, such as sitting on the boards of other public bodies;
- Payment for private work;
- Relationships with suppliers and/or consultants with whom the Department does business;
- Gifts or benefits received in connection with work in the Department;
- Membership of professional institutes and/or committees; and
- Any other interests that could have a conflict.

For 2023-24, a number of interests were declared that could potentially pose a conflict with the business of the Department. The Accounting Officer has, however, been provided with assurance that line manager assessments have been carried out, mitigations are in place if necessary and that no significant conflict has materialised.

For staff at the grades below senior civil service, declarations of interest are monitored by the relevant Grade 3/5 and confirmed through the bi-annual assurance statement process.

The Department also collates the Registers of Interests relating to Ministers and their Special Advisers (SpAd) in all Departments. These are published at [Register of Ministers’ and Special Advisers’ Interests \(finance-ni.gov.uk\)](https://www.finance-ni.gov.uk). In respect of this Department, neither the Minister nor the SpAd declared any interests which would conflict with the business of the Department.

Relationships with Agencies and Other Bodies

The Permanent Secretary has designated the Chief Executive of NISRA Accounting Officer with responsibility for the propriety and regularity of Agency expenditure. The Chief Executive is responsible

for signing the NISRA accounts and ensuring they are prepared in accordance with FReM and other relevant DoF Guidance. NISRA accounts are consolidated into the Departmental resource accounts.

The Department also has joint responsibility for one North/South body, Special European Union Programmes Body (SEUPB). The Department had implemented the Review of Financial Process (RoFP) in 2022-23. The aim of RoFP was to align the boundaries of budgets, estimates and accounts as far as is practicable, including consolidation of NDPBs and other central government bodies in estimates and accounts. SEUPB is included within the Departmental boundary and was designated in Estimates and Accounts (Designation of Bodies) Order for consolidation into the Department's annual Estimates and Accounts. The 2023 accounts for SEUPB have been consolidated into the Departmental resource accounts.

The Chief Executive Officer of SEUPB is the Accountable Person responsible for the efficient and effective administration of the Body. The responsibilities of the Chief Executive are set out in the Financial Memorandum and include ensuring that appropriate financial and other management controls are in place to safeguard public funds and conform to the requirements of propriety, regularity and financial management. The Chief Executive Officer is responsible for signing the SEUPB accounts and ensuring they are prepared in accordance with relevant guidance.

The Finance Minister is responsible for making public appointments to the board of the Northern Ireland Authority for Utility Regulation (NIAUR). NIAUR is a non-ministerial body.

Departmental Audit and Risk Committee

The Departmental Audit and Risk Committee (DARC) supports the Accounting Officer and the Board on issues of risk, control and governance. In addition, the DARC provides assurances and advice to the Accounting Officer on the adequacy of audit coverage both internal and external. The DARC is chaired by one of the Non-Executive Board Members and operates under the best practice guidance contained within the Audit and Risk Assurance Committee Handbook (NI) issued under DAO (DoF) 03/18 in March 2018.

In total the Committee met on six occasions during 2023-24, with four full agenda meetings and two to discuss draft accounts.

The risk profile for the Department was regularly reviewed by both DB and the DARC throughout the year, resulting in refined controls and management actions being put into place to mitigate risks and minimise the impact should they materialise. The risk status was re-graded, and processes put in place for DB members to have risks either included or removed for the register at Departmental level as necessary. The DB has agreed a Risk Appetite Statement which articulates the amount of risk the Department is prepared to accept, tolerate or be exposed to in pursuit of its strategic objectives or from other inherent issues which although not directly linked to the strategic objectives, have an impact on the risk profile of the Department.

In addition to the risk register, the DARC considered papers in relation to a range of corporate governance and internal control issues, including, for example:

- Progress against internal audit plans and development of future plans;
- Progress against internal audit recommendations;
- Departmental Resource Accounts;
- Assurance Statements provided by all Business Area Directors;
- Reports to Those Charged with Governance and Value for Money reports provided by NI Audit Office;

-
- Direct Award Contracts (DACs) & External Consultancy;
 - Accountability Grids in relation to Public Accounts Committee recommendations;
 - Fraud; *and*
 - Raising Concerns (whistleblowing).

At each meeting the DARC receives a summary position of the Recommendations Register which indicates the progress being made against each internal audit recommendation. This supports DARC in identifying those recommendations which are past due, or which require further discussion at DARC level. The current dashboard used to report on internal audit recommendations has been further refined to provide a more streamlined reporting mechanism.

The Chair of the DARC presents a readout of the DARC meeting to the DB and prepares an annual report outlining the work undertaken by the Committee and providing assurance on the systems of internal control in operation across DoF.

All meetings of DARC are attended by representatives from the NIAO and the Head of Internal Audit. The Chair of the Committee holds independent meetings separately with the NIAO and Head of Internal Audit to discuss any specific issues of concern.

Financial Management

Financial Management reporting to the Board plays a significant part in the effective monitoring and management of the Department's financial performance. The Board regularly reviews annual forecasts against budgets to inform progress of financial targets and agree any corrective action as necessary to ensure those targets are achieved.

The Finance Director provides financial management reports to the Board as well as advice and recommendations on the allocation of Departmental resources. This is supported by business areas providing actual expenditure and forecast information and analysis of variance against budgets which enables the Board to assess the extent to which corrective action is needed to address the Department's financial position.

Governance and Control Framework

The Department's Governance and Control Framework is the system by which the work of the Department is directed and controlled. This includes how the Department plans, sets and monitors achievement of its corporate objectives, how the risks to the achievement of those corporate objectives are identified and managed and what controls are in place to provide assurance that the Board is in control of the risks to achieving the stated objectives. These arrangements are in place during the year under review and up to the date of approval of the Annual Report and Accounts.

The Governance and Control Framework contains advice and guidance to business areas on corporate governance and financial management including the approvals necessary for various types of expenditure. It also contains sources of information on the Departmental approach to issues such as anti-fraud measures, charging, information security, procurement and raising concerns (whistleblowing) arrangements.

A key element of the Governance and Control Framework is the DoF Policy and Framework for Risk Management which sets out the approach to the identification and management of risk at all levels across the Department. The DB regularly reviews and manages Departmental risks on the Corporate Risk Register, by evaluating each risk to determine the likelihood and impact of the risk occurring, ensuring controls and

mitigating actions are in place. The Corporate Risk Register is supported further by risk registers at Directorate and Agency level.

UK COVID-19 – Inquiry

The UK COVID-19 Inquiry has been set up, chaired by Baroness Hallett, to examine the UK’s response to and impact of the COVID-19 pandemic and learn lessons for the future. The final Terms of Reference for the Inquiry were released by the Prime Minister’s office, with the Inquiry formally opening on the 21 July 2022. The Department has a statutory responsibility to respond to the Inquiry.

At present seven Modules have been announced. The Department applied to be a Core Participant¹ in one of these Modules, namely Module 2C. The Department received and responded to two Rule 9² requests for Module 1; three Rule 9s for Module 2C, with an additional Rule 9 being received by NISRA, an Executive Agency of the Department. The Department has also received a Rule 9 for Module 5 that it is currently considering.

There is no specific timescale for how long the Inquiry will last but it is not expected that the public hearings will run beyond summer 2026. Therefore, it is anticipated that this work will continue over the coming years, with the Inquiry announcing future modules on additional areas they will be considering including the Government’s business and financial responses, health inequalities, the impact of COVID-19 on education and other public services.

DoF has systems and processes in place, designed to support data protection, information management, physical security and IT and cybersecurity, including the appointment of a Senior Information Risk Owner (SIRO), and a network of Information Asset Owners (IAOs).

Departmental Performance

The DoF Business Plan 2023-24 set out the targets and objectives for the year against which performance is reported and monitored. Progress has been reported to the Board using a Red, Amber or Green (RAG) status assessment of each target and narrative on the actions taken to deliver the expected outcomes. The Business Plan is supported by lower-level plans at Directorate, Agency and Divisional level and is cascaded further into individual staff Personal Performance Agreements.

Level of Assurance

The Head of Internal Audit (HIA) provides an objective evaluation of, and opinion on, the overall adequacy and effectiveness of the Department’s framework of governance, risk management and control.

Based on the audit work performed, it is the opinion of the HIA that the Department has established and maintained “satisfactory” governance, risk management and control processes during 2023-24.

¹A Core Participant is a person, institution or organisation that has a specific interest in the work of the Inquiry, and has a formal role defined by legislation. Core Participants have special rights in the Inquiry process.

² Rule 9 of the Inquiry Rules 2006 entitles the Inquiry to send a written request for evidence. It can be a request for documents and/or a witness statement.

The overall opinion is based mainly on the results of the internal audit activity carried out during 2023-24 and cumulative assurances derived from the internal audit activity during the previous three years. Account has also been taken of the wider control framework in place throughout the Department, NISRA and SEUPB.

During 2023-24, Internal Audit issued one final ‘limited’ opinion report in relation to Business Consultancy Service. Action Plans including implementation dates and responsibilities for all recommendations were agreed by management and will be followed up by Internal Audit during 2024-25.

Internal Audit also performed follow-ups of four previous ‘limited’ opinions of which three remain limited with further work required to implement remaining recommendations which were more long-term in nature. These reports will be subject to a further follow-up in 2024-25.

Internal Control Issues

LPS Fraud

LPS has reported an internal fraud in prior years resulting in misappropriation of £125k of rating refunds and £63.5k of monies written-off ratepayer accounts which had been processed fraudulently. LPS also reported that following legal proceedings, they were awarded a Compensation Order for £89k. The full amount of the Compensation Order has now been paid, and LPS consider the matter closed.

LPS – Housing Benefit

From 1 June 2022, Housing Benefit (HB) for Owner Occupiers has been administered by the Northern Ireland Housing Executive. LPS retains responsibility for the administration of HB Owner Occupiers, however the overall HB cost is shown in the Department for Communities (DfC) accounts. LPS does however process the relief through the rate system as a non-cash credit on the relevant rate account. During the 2023-24 year, a total of £30m of HB for Owner Occupiers was processed through the LPS rating system, however this is not shown in the DoF Accounts. It is however shown in the LPS Trust Statement of Rate Levy.

Levels of fraud and error in HB for owner occupiers are reported by the Standards Assurance Unit (SAU) within DfC. The SAU issued two reports, being ‘Housing Benefit Review (Customer Error and Customer Fraud)’ and ‘Housing Benefit Review Financial Accuracy Official Error’ for the calendar year 1 January 2023 to 31 December 2023, in April 2024. These reports highlighted customer error amounting to £0.847m (£0.824m customer error overpayment, £0.023m customer error underpayment) and £2.207m customer fraud overpayments in HB for owner occupiers. The level of Official Error was £0.473m (£0.436m official error overpayment and £0.038m of official error underpayment). Customer error and customer fraud estimated of HB for owner occupiers are based on the results of Benefit Reviews in 2023.

The table below shows the estimated levels of fraud and error with the relevant upper and lower confidence intervals as reported by SAU.

	Monetary Value (£000)	Upper Confidence Interval (£000)	Lower Confidence Interval (£000)
Customer fraud overpayments	2,207	3,014	1,473
Customer error overpayments	824	1,322	389
Customer error underpayments	23	55	4
Official error overpayments	436	881	112
Official error underpayments	38	93	2
Total	3,528	5,365	1,980

LPS – Rate Rebate Scheme

The Rate Relief Regulations (Northern Ireland) 2017 came into operation on 27 September 2017 aligning with the introduction of Universal Credit (UC) and sets the policy for LPS to administer a Rate Rebate Scheme for claimants in receipt of UC. During the 2023-24 year, a total of £27.4m of Rate Rebated was processed.

The regulations provide that the Rate Rebate Scheme is only available to claimants in receipt of UC. Those entitled to Rate Rebate receive a credit to the Rate Account to offset rating liability. The only exception to this is in respect to claimants who live in Housing Executive or Housing Association properties. Awards in these cases are made by a monthly payment to the Social Landlord through DoF Account NI.

Potential for customer fraud and customer error is minimised due to the policy requirement that awards are based on UC entitlement, using UC award details and verification of claimant details using the Department for Work and Pensions (DWP) Customer Information Services. LPS is aware of the potential risk for fraud and error within UC and has reported this to DfC. LPS attends the UC Programme Board and UC Risk Review Board to ensure continued awareness of the consequential outcomes stakeholders face due to UC being a gateway for fraud and error to enter LPS systems.

In order to estimate levels of Official Error within the Rate Rebate caseload, LPS has engaged with the Standard Assurance Unit (SAU) of DfC. The SAU issued a report in March 2024 entitled ‘Land and Property Services Rate Rebate Scheme Financial Accuracy’ which has assessed the Rate Rebate caseload for Official Error for the year to 31 October 2023. Based on these reports, LPS estimates that a total of £384k of rate rebate was paid in error, due to official error (£3k underpayments and £381k overpayments). The table below includes lower and upper confidence levels associated with these overpayments/underpayments.

	Monetary Value (£000)	Upper Confidence Interval (£000)	Lower Confidence Interval (£000)
Official error overpayments	381	674	133
Official error underpayments	3	8	-
Total	384	682	133

To ascertain the level of customer fraud and error, LPS used as a proxy the percentage of customer fraud and error found in UC estimated by SAU. This has been taken from a report issued in March 2024 by SAU entitled ‘Universal Credit Benefit Review (Customer Fraud and Customer Error)’ for cases assessed between 1 December 2022 and 30 November 2023. This has given rise to an estimate of £3,285k (£2,710k customer fraud overpayments, £110k customer fraud underpayments*, £301k customer error overpayments and £164k customer error underpayments). The total level of fraud and error in rate rebate is estimated to be £3,677k.

The SAU is currently finalising its methodology for assessing rate rebate for customer fraud and error and aim to commence this from July 2024.

**The UC sample includes one case of customer fraud overall underpayment. This situation can occasionally arise, e.g. when a customer does not disclose that a partner has moved in with them.*

Localised Restrictions Support Scheme (LRSS)

The LRSS was introduced in October 2020 to administer a number of COVID-19 reactive business support schemes and was formally closed on 7 April 2021. A total of 24,322 applications were received and

approximately £320m issued in grant payments. Of the total number of applications received, **93** cases were identified by LPS staff as potential fraud cases and referred to the Group Internal Audit & Fraud Investigation Services (GIAFIS) for further investigation. **17** cases have been closed and the PSNI are currently investigating all **76** remaining cases. Of these **76** cases under investigation, **36** resulted in payment (amounting to **£525k**) whereas nothing was paid in the other 40 applications.

Omicron Hospitality scheme

The Omicron Hospitality payment scheme was introduced in December 2021 to provide a one-off grant payment to hotels, restaurants, cafés, coffee shops, bistros, snack bars, nightclubs, pubs, and social clubs as a result of the impact of COVID-19 on the hospitality industry. The scheme closed to new applicants in March 2022. The administration of the LRSS scheme and lessons learned were used in the development of the scheme and included the creation of mitigations. There were two application streams for the Omicron Hospitality payment. The first for those with previous LRSS applications and was deemed lower risk, the second with a more extensive application form and more detailed checks. A total of six applications (amounting to £75k) were identified as potentially fraudulent by LPS and passed to GIAFS for further investigation. These cases however were passed back to LPS to recover internally as PSNI believe it would not merit criminal investigation.

Valuation of Land and Buildings

A full professional quinquennial valuation of land and buildings was undertaken by LPS as at 1 April 2020 and revalued at year-end using indices.

Counter-fraud

The DoF Fraud Working Group continued to meet and correspond during 2023-24 to consider issues in relation to fraud, raise awareness of anti-fraud measures and disseminate information pertinent to the prevention and detection of fraud.

Actions taken during 2023-24 included the review of business area Fraud Risk Assessments and the continuation of the National Fraud Initiative (NFI) Exercise by investigating matches in relation to payroll, pensions, trade creditors, rates and housing benefit data. Participation in this exercise provides assurance that the department has effective controls in place for the prevention and detection of fraud. Progress updates are included in each Fraud paper presented to the DARC, which is a standing agenda item. The exercise is currently ongoing; some headline figures are as follows:

- LPS rates – checks against the Electoral Register identified 102 errors, equating to £275k.
- Civil Service Pensions – one case of suspected fraud amounting to £3k. Investigations are ongoing.
- Housing Benefit - NIHE received 81 student loan NFI matches with 76 investigated and closed resulting in two overpayments to the value of £3k. Investigations are ongoing on remaining cases.

The DB receives a readout from each DARC meeting which record the discussions around fraud.

NIAO VFM Reports/Public Audit Business

In the absence of the Assembly during 2023-24 until 3 February, there was no Public Accounts Committee (PAC) operating. During that time, under arrangements laid out in paragraph 16 of the document “Guidance on decision-making for Northern Ireland Departments until an Executive is formed or for the six-month period beginning with the day on which the Northern Ireland (Executive Formation etc.) Act 2022 is passed

(6 December)”, which was presented to Parliament by the Secretary of State for Northern Ireland (Chris Heaton-Harris) on 19 December 2022, NI Departments presented their departmental responses to NIAO recommendations in the Assembly and shared these responses with the Secretary of State to lay copies in Parliament. DoF issued guidance on the process to be followed to Accounting Officers on 7 March 2023, however, from 3 February 2024, the normal public audit process resumed whereby Northern Ireland Audit Office (NIAO) reports may be considered by the PAC, who subsequently produce their own reports and recommendations following due consideration. Formal responses to these are presented to the Assembly and published in the format of a DoF Memorandum of Reply cleared by the relevant departmental Minister and the Finance Minister.

The following reflects the public audit business undertaken during the reporting period:

Public Procurement in Northern Ireland – The NIAO report was published on 25 April 2023. A [Departmental Response](#) was published on 12 June 2023. It has been confirmed that a PAC evidence session will be held in May 2024.

Ministerial Directions in Northern Ireland – The NIAO report was published on 27 April 2023. A [Departmental Response](#) was published on 22 June 2023. Officials appeared before PAC on 21 March 2024 to discuss the report.

Follow-up – Major Capital Projects – The NIAO report was published on 27 February 2024. It has been confirmed that a PAC evidence session will be held in autumn 2024.

The Judicial Review Process in Northern Ireland – The NIAO report was published on 4 July 2023. A [Departmental Response](#) was published on 31 August 2023.

Review of the Northern Ireland Budget Process – The PAC report had been published on 4 March 2022 but the process for completing the MOR was unable to be completed at that time. The [MOR](#) was formally presented to the NI Assembly and published on 15 March 2024.

Budgeting and Accountability Report – The NIAO report was published on 24 May 2024 - [NI Audit Office Report - Budgeting and Accountability](#). As the Assembly has returned, the normal public audit process applies.

In addition, a further two studies have been initiated on Major ICT Projects and Follow up report on the implementation of RHI recommendations.

Remuneration and Staff Report

Remuneration Report

Remuneration Policy

The pay remit for the Northern Ireland Civil Service, including senior civil servants (SCS), is normally approved by the Minister of Finance. Following the Secretary of State for Northern Ireland's 27 April 2023 Written Ministerial Statement (WMS) on the budget, the NI public sector pay policy guidance was published on 31 May 2023 in FD (DoF) 05/23. This was subsequently updated on 12 March 2024 in FD (DoF) 04/24 to reflect the return of Executive Ministers and revised Departmental budgets.

Annual NICS pay awards are made in the context of the wider public sector pay policy. The pay award for NICS non-industrial staff, including SCS, for 2023-24 has been finalised and is due to be paid in June 2024. The 2023-24 pay award for NICS industrial staff has also been finalised and is due to be paid in May 2024. This pay award is included in the accounts and amounts presented as accruals in Note 12.

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

Service Contracts

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

Unless otherwise stated, the officials covered by this report hold appointments that are open-ended. Early termination, other than for misconduct, would result in consideration of the individual receiving compensation as set out in the Civil Service Compensation Scheme ([Civil Service Commissioners for Northern Ireland \(nicscommissioners.org\)](#)).

Remuneration and Pension Entitlements

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

Remuneration and pension entitlements – Ministers (Audited information)

Ministers	Salary (£)		Benefits in kind (to nearest £100)		Pension Benefits** (to nearest £1,000)		Total (to nearest £1,000)	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
Conor Murphy	-	21,758	-	-	-	4	-	26
Caoimhe Archibald	6,006	-	-	-	2	-	8	-

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

Remuneration and pension entitlements – DoF Departmental Board (Audited information)

Officials	2023-24			2022-23		
	Salary £000	Pension Benefits** (to nearest £1,000)	Total £000	Salary £000	Pension Benefits** (to nearest £1,000)	Total £000
Neil Gibson Permanent Secretary	140-145	7	145-150	140-145	473	610-615
Hugh Widdis Head of Government Legal Service	140-145	50	190-195	135-140	(4)	130-135
Louise Crilly Deputy Head of Government Legal Service	100-105	3	100-105	95-100	55	150-155
Sharon Smyth Director CPD	100-105	3	105-110	95-100	3	100-105
Stewart Barnes Director Finance	80-85	(22)	55-60	75-80	(49)	25-30
Philip Wales Chief Executive NISRA [from 27 February 2023]	100-105	40	140-145	5-10 (100-105 FYE)	4	10-15 (105-110 FYE)
Jill Minne Director - People and Organisational Development	105-110	11	115-120	105-110	42	145-150
Anthony Simpson Director SPAR [from 1 December 2022]	95-100	65	160-165	30-35 (95-100 FYE)	21	50-55 (115-120 FYE)
Ian Snowden Chief Executive LPS [until 7 December 2023]	75-80 (100-105 FYE)	(25)	50-55 (75-80 FYE)	100-105	(18)	80-85
Joanne McBurney Director PSD	100-105	(21)	80-85	95-100	(6)	90-95
Mark McLaughlin Director CaED	75-80	31	110-115	75-80	30	105-110
Paul Duffy Director ESS	100-105	(18)	80-85	95-100	(30)	65-70
Catherine Shannon Director NICSHR – Strategic Planning and Governance [from 31 October 2023]	95-100	451	545-550	40-45 (95-100 FYE)	16	55-60 (110-115 FYE)
Sharon Magee Acting Chief Executive LPS [from 2 January 2024]	80-85 (95-100 FYE)	43	125-130 (135-140 FYE)	-	-	-
David Hughes Corporate Services Division [from 1 September 2023]	85-90 (80-85 FYE)	(14)	70-75 (70-75 FYE)	-	-	-
Siobhan Carey Chief Executive NISRA [to 15 December 2022]	-	-	-	95-100 (105-110 FYE)	(51)	45-50 (55-60 FYE)

Officials	2023-24			2022-23		
	Salary £000	Pension Benefits** (to nearest £1,000)	Total £000	Salary £000	Pension Benefits** (to nearest £1,000)	Total £000
Brian Green Acting Chief Executive NISRA [from 16 December 2022 – 26 February 2023]	-	-	-	15-20 (95-100 FYE)	3	20-25 (100-105 FYE)
Emer Morelli Acting Director SPAR [to 30 November 2022]	-	-	-	60-65 (95-100 FYE)	67	130-135 (160-165 FYE)

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

Salary

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

The Northern Ireland Assembly was dissolved from 28 March 2022 with an election taking place on 5 May 2022. An Executive was not initially formed following the 5 May 2022 election. Consequently, the former Ministers retained their roles in a caretaker capacity until 28 October 2022. The Executive was subsequently restored on 3 February 2024, on which date new Ministers were appointed. As such, the Department of Finance was under the direction and control of Caoimhe Archibald from this date. Her salary and allowances were paid by the Department and have been included in these accounts. These amounts do not include costs relating to the Minister’s role as MLA which are disclosed in the Northern Ireland Assembly Commission accounts.

Benefits in kind

The monetary value of benefits in kind covers any benefits provided by the employer and treated by HM Revenue and Customs (HMRC) as a taxable emolument. None of the officials received any benefits in kind in 2023-24 or 2022-23.

Fair Pay Disclosures (Audited information)

Pay Ratios

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

The banded remuneration of the highest-paid director in DoF in the financial year 2023-24 was £140,000 - £145,000 (2022-23, £140,000 - £145,000). The relationship between the mid-point of this band and the remuneration of the organisation’s workforce is disclosed below.

2023-24	25 th percentile	Median	75 th percentile
Total remuneration (£)	27,127	33,445	43,191
Pay ratio	5.3:1	4.3:1	3.3:1

2022-23	25 th percentile	Median	75 th percentile
Total remuneration (£)	26,575	32,720	42,638
Pay ratio	5.4:1	4.4:1	3.3:1

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 values for the salary component of remuneration for the 25th percentile, median and 75th percentile were £27,127 (2022-23 £26,575), £33,445 (2022-23 £32,720) and £43,191 (2022-23 £42,638) respectively.

In 2023-24 and 2022-23, no employees received remuneration in excess of the highest-paid director.

Remuneration ranged from £20,000 to £145,000 (2021-22, £19,000 to £145,000).

Percentage Change in Remuneration

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

- a) salary and allowances, and
- b) performance pay and bonuses.

of the highest paid director and of their employees as a whole.

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

Percentage change for:	2023-24 v 2022-23	2022-23 v 2021-22
Average employee salary and allowances	2.42%	-1.85%
Highest paid director's salary and allowances	0.00%	3.64%

1 No performance pay or bonuses were payable in these years.

Remuneration of Independent Board Members

The remuneration for each Independent Board Member is £12,500 for a commitment of twenty-five days plus expenses in relation to travel and subsistence incurred whilst on Departmental business.

Pension Entitlements – Ministers (Audited information)

Officials	Accrued pension at pension age as at 31/03/24	Real increase in pension at pension age	CETV at 31/03/24	CETV at 31/03/23	Real increase in CETV
	£000	£000	£000	£000	£000
Caoimhe Archibald Minister	410	135	4	3	1

Ministerial pensions

Pension benefits for Ministers are provided by the Assembly Members' Pension Scheme (Northern Ireland) 2016 (AMPS). In 2011, the Assembly passed the Assembly Members (Independent Financial Review and Standards) Act (Northern Ireland) 2011 establishing a panel to make determinations in relation to the salaries, allowances and pensions payable to members of the Northern Ireland Assembly. The tenure of the first Panel ended in July 2016. As a consequence of the Assembly Commission's desire to consider a reform of the Panel and the political situation between March 2017 and January 2020, a new Panel was not appointed. Legislation to reform the Panel, although started, was not completed before the dissolution of the Assembly on 28 March 2022. Following the election in May 2022, full Assembly business did not commence, as no Speaker was elected and therefore progress on the legislation and the appointment of a new Panel was further delayed. This matter will be taken forward by the Assembly Commission as soon as practicable now that full Assembly business has recommenced.

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

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

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

Benefits for Ministers are payable at the same time as MLA's benefits become payable under the AMPS. Pensions are increased annually in line with changes in the Consumer Prices Index. Up to the 6 May 2021 those Ministers under the transitional protection arrangements paid contributions of either 9% or 12.5% of their Ministerial salary, depending on the accrual rate. The contribution paid by Ministers in the CARE Scheme is 9% of the Ministerial salary. There is also an employer contribution paid by the Consolidated Fund (CF) out of money appropriated by Act of Assembly for that purpose representing the balance of cost. Following the publication of the triennial valuation of the AMPS by the Government Actuary's Department, this was increased from 14.4% to 17.1% of Ministerial salary, effective from 1 April 2021. The accrued pension quoted is the pension the Minister is entitled to receive when they reach normal pension age for their section of the Scheme. Ministers under transitional protection arrangements may retire at age 65. Ministers in the CARE scheme have a pension age aligned to the State Pension Age.

The Cash Equivalent Transfer Value (CETV)

This is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. It is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the pension benefits they have accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total service, not just their current appointment as a Minister. CETVs are calculated in accordance with The Occupational Pension Schemes (Transfer Values) Regulations 1996 (as amended) 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 increase in accrued pension due to the Assembly Commission's contributions to the AMPS and excludes increases due to inflation and contributions paid by the Minister and is calculated using valuation factors for the start and end of the period.

Pension Entitlements – Officials (Audited information)

Officials	Accrued pension at pension age as at 31/03/23 and related lump sum	Real increase in pension and related lump sum at pension age	CETV at 31/03/24 or date of leaving if earlier	CETV at 31/03/23 or start date if later	Real increase in CETV	Employer contribution to partnership pension account
	£000	£000	£000	£000	£000	Nearest £100
Neil Gibson Permanent Secretary [from 1 April 2022]	25-30	0-2.5	369	274	1	N/a
Hugh Widdis Head of Government Legal Service	55-60 plus a lump sum of 10-15	2.5-5 plus a lump sum of 0	1,122	860	32	N/a
Louise Crilly Deputy Head of Government Legal Service [from 29 November 2021]	30-35	0-2.5	641	474	(9)	N/a
Sharon Smyth Director CPD [from 5 July 2021]	30-35 plus a lump sum of 80-85	0-2.5 plus a lump sum of 0	700	575	(10)	N/a
Stewart Barnes Director Finance	40-45 plus a lump sum of 115-120	0 plus a lump sum of 0	1,027	946	(32)	N/a
Philip Wales Chief Executive NISRA [from 27 February 2023]	0-5	0-2.5	29	2	19	N/a
Jill Minne Director People and Organisational Development	15-20	0-2.5	260	196	6	N/a
Anthony Simpson Director SPAR [from 1 December 2022]	35-40 plus a lump sum of 10-15	2.5-5 plus a lump sum of 0-2.5	687	426	49	N/a
Ian Snowden Chief Executive LPS	40-45 plus a lump sum of 110-115	0 plus a lump sum of 0	955	827	(35)	N/a
Joanne McBurney Director PSD	45-50 plus a lump sum of 130-135	0 plus a lump sum of 0	1,113	943	(34)	N/a
Mark McLaughlin Director CaED	20-25	0-2.5	296	185	15	N/a
Paul Duffy Director ESS	45-50 plus a lump sum of 125-130	0 plus of lump sum of 0	1,072	904	(32)	N/a
Catherine Shannon Director NICSHR – Strategic Planning and Governance [from 31 October 2023]	35-40	32.5-35	524	11	31	N/a
Sharon Magee Acting Chief Executive LPS [from 2 January 2024]	35-40 plus a lump sum of 95-100	0-2.5 plus a lump sum of 2.5-5	869	812	43	N/a
David Hughes Corporate Services Division [from 1 September 2023]	15-20 plus a lumpsum of 30-35	0 plus a lump sum of 0	308	302	-13	N/a

Note: Any members affected by the Public Service Pensions Remedy may have been reported in the 2015 scheme for the period between 1 April 2015 and 31 March 2022 in 2022-23 but are reported in the legacy scheme for the same period in 2023-24.

Northern Ireland Civil Service (NICS) Pension Schemes

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

The alpha pension scheme was introduced for new entrants from 1 April 2015. The alpha scheme and all previous scheme arrangements are unfunded with the cost of benefits met by monies voted each year. The majority of members of the classic, premium, classic plus and nuvos pension arrangements (collectively known as the Principal Civil Service Pension Scheme (Northern Ireland) [PCSPS (NI)]) also moved to alpha from that date. Transitional protection measures introduced alongside these reforms meant any members who on 1 April 2012 were within 10 years of their normal pension age remained in their previous scheme arrangement (full protection) and those who were within 13.5 years and 10 years of their normal pension age were given a choice between moving to alpha on 1 April 2015 or at a later date determined by their age (tapered protection).

McCloud Judgment

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

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

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

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

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

Eligible members with relevant service between 1 April 2015 and 31 March 2022 (the Remedy Period) will now be entitled to a choice of alternative pension benefits in relation to that period. i.e. calculated under the pre-reformed PCSPS(NI) 'Classic', 'Premium' or 'Nuvos' rules or alternatively calculated under the reformed alpha rules. As part of this 'retrospective' remedy most active members will now receive a choice about their remedy period benefits at the point of retirement. This is known as the Deferred Choice Underpin (DCU). For those members who already have pension benefits in payment in relation to the Remedy Period, they will receive an Immediate Choice which will be issued by 31 March 2025.

At this stage, allowance has not yet been made within CETVs for this remedy. Further information on the remedy will be included in the NICS pension scheme accounts which, once published, are available at <https://www.finance-ni.gov.uk/publications/dof-resource-accounts>.

As part of the remedy involves rolling back all remediable service into the relevant legacy PCSPS(NI) arrangement for the 7-Year Remedy Period, the value of pension benefits may change for affected members and some figures previously reported may change. The 2023-24 pension disclosures above are calculated based on HM Treasury guidance using;

- a. Rolled back opening balance
- b. Rolled back closing balance
- c. CETV calculated by CSP on the rolled back basis
- d. No restatement of prior year figures where disclosed

Alpha

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

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

Information on the PCSPS (NI) – Closed Scheme

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

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

Benefits in Classic accrue at the rate of 1/80th of pensionable salary for each year of service. In addition, a lump sum equivalent to three years' pension is payable on retirement. For Premium, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike Classic, there is no automatic lump sum (but members may give up (commute) some of their pension to provide a lump sum). Classic Plus is essentially a variation of Premium, but with benefits in respect of service before 1 October 2002 calculated broadly as per Classic.

Partnership Pension Account

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

Active members of the pension scheme will receive an Annual Benefit Statement. The accrued pension quoted is the pension the member is entitled to receive when they reach their scheme pension age, or immediately on ceasing to be an active member of the scheme if they are at or over pension age. The normal scheme pension age in alpha is linked to the member's State Pension Age but cannot be before age 65. The Scheme Pension age is 60 for any pension accrued in the legacy Classic, Premium, and Classic Plus arrangements and 65 for any benefits accrued in Nuvos. Further details about the NICS pension schemes can be found at the website www.finance-ni.gov.uk/civilservicepensions-ni.

All pension benefits are reviewed annually in line with changes in the cost of living. Any applicable increases are applied from April and are determined by the Consumer Prices Index (CPI) figure for the preceding September. The CPI in September 2023 was 6.7% and HM Treasury has announced that public service pensions will be increased accordingly from April 2024.

Employee contribution rates for all members for the period covering 1 April 2024 – 31 March 2025 are as follows:

Scheme Year 1 April 2024 to 31 March 2025

Annualised Rate of Pensionable Earnings (Salary Bands)		Contribution rates – All members
From	To	From 01 April 2024 to 31 March 2025
£0.00	£26,302.49	4.60%
£26,302.50	£59,849.99	5.45%
£59,850.00	£160,964.99	7.35%
£160,965.00 and above		8.05%

Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies. The CETV figures, and from 2003-04 the other pension details, include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the NICS pension arrangements. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated in accordance with The Occupational Pension Schemes (Transfer Values) Regulations 1996 (as amended) and do not take account of any actual or potential benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken. The Lifetime Allowance will end in April 2024 and will be replaced by the Lump Sum Allowance and The Lump Sum and Death Benefit Allowance.

HM Treasury provides the assumptions for discount rates for calculating CETVs payable from the public service pension schemes. On 27 April 2023, HM Treasury published guidance on the basis for setting the discount rates for calculating cash equivalent transfer values payable by public service pension schemes. In their guidance of 27 April 2023, HM Treasury advised that, with immediate effect, the discount rate adopted for calculating CETVs should be in line with the new SCAPE discount rate of 1.7% above CPI inflation, superseding the previous SCAPE discount rate of 2.4% above CPI inflation. All else being the same, a lower SCAPE discount rate leads to higher CETVs. The HM Treasury Guidance of 27 April 2023 can be found at <https://www.gov.uk/government/publications/basis-for-setting-the-discount-rates-for-calculating-cash-equivalent-transfer-values-payable-by-public-service-pension-schemes/basis-for-setting-the-discount-rates-for-calculating-cash-equivalent-transfer-values-payable-by-public-service-pension-schemes>

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. However, the real increase calculation uses common actuarial factors at the start and end of the period (which therefore disregards the effect of any change in factors).

Compensation for loss of office (Audited Information)

No compensation for loss of office was payable in the year.

Staff Report

Number of senior civil service staff (or equivalent) by band

The number of staff serving as senior civil servants (or equivalent) based on a full year equivalent as at 31 March 2024 is as follows:

Core Department and Agency		
Pay band	2023-24	2022-23
	Number	Number
£70,000 - £74,999	-	19
£75,000 - £79,999	32	16
£80,000 - £84,999	17	12
£95,000 - £99,999	4	7
£100,000 - 104,999	4	2
£105,000 - £109,999	1	1
£135,000-£139,999	1	1
£140,000-£144,999	1	1
Total	60	59

Staff costs (Audited information)

Staff costs comprise:

				2023-24 £000	2022-23 £000
	Permanently employed staff*	Others	Minister	Total***	Total***
Wages and salaries	130,766	8,699	6	139,471	132,319
Social security costs	12,701	-	1	12,702	12,940
Other pension costs	36,777	-	1	36,778	37,508
Sub Total	180,244	8,699	8	188,951	182,767
Less recoveries in respect of outward secondments	(14,398)	-	-	(14,398)	(12,733)
Total net costs	165,846	8,699	8	174,553	170,034
Of which:					
		Charged to Administration	Charged to Programme	2023-24 Total**	2022-23 Total**
Core Department		108,036	50,675	158,711	153,554
Agency		-	14,635	14,635	14,785
Other designated bodies - SEUPB		1,207	-	1,207	1,695
Total net costs		109,243	65,310	174,553	170,034

*Permanently employed staff includes the cost of the Department's Special Adviser who was paid in the pay band £75-£80k (2022-23: £50-55k).

** The total excludes £3.1m which has been charged to capital (2022-23: £2.4m).

*** Included with Other wages and salaries are apprenticeship levy payments of £611k (2022-23: £613k).

Pension Arrangements

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

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

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

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

For 2023-24, employers' contributions of £36,659,978 were payable to the NICS pension arrangements (2022-23: £37,388,202) at one of three rates in the range 28.7% to 34.2% of pensionable pay, based on salary bands.

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. Employers' contributions of £114,643 (2022-23: £116,201) were paid to one or more of the panel of two appointed stakeholder pension providers. Employer contributions are age-related and range from 8% to 14.75% (2022-23, 8% to 14.75%) of pensionable pay.

The partnership pension account offers the member the opportunity of having a 'free' pension. The employer will pay the age-related contribution and if the member does contribute, the employer will pay an additional amount to match member contributions up to 3% of pensionable earnings.

Employer contributions of £3,379, 0.5% (2022-23: £3,597 0.5%) of pensionable pay, were payable to the NICS Pension schemes to cover the cost of the future provision of lump sum benefits on death in service and ill health retirement of these employees. Contributions due to the partnership pension providers at the reporting period date were £NIL. Contributions prepaid at that date were £NIL (2022-23: £NIL).

Ill health retirements

Ten persons (2022-23: 6 persons) retired early on ill health grounds during the year. The total additional accrued pension liabilities in the year amounted to £85,670 (2022-23: £68,465).

Average number of persons employed (Audited Information)

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

Activity					2023-24	2022-23
	Permanently employed staff	Others	Minister	Special Adviser	Number Total	Number Total Restated
Construction and Procurement Delivery	316	11	-	-	327	398
Finance Division	108	17	1	1	127	144
Corporate Services Division*	9	-	-	-	9	-
Communications and Engagement Division	32	-	-	-	32	29
Departmental Solicitors Office	156	20	-	-	176	176
Digital, Security and Finance Shared Services	597	15	-	-	612	748
Group Internal Audit	69	1	-	-	70	71
Land and Property Services	997	106	-	-	1,103	1,129
NICS Human Resources	439	31	-	-	470	352
Northern Ireland Statistics and Research Agency	450	94	-	-	544	559
Public Spending Directorate	61	-	-	-	61	62
Strategic Policy & Reform Directorate	89	-	-	-	89	94
SEUPB	86	-	-	-	86	75
Total**	3,409	295	1	1	3,706	3,837
Of which:						
Core Department	2,873	201	1	1	3,076	3,203
Agency	450	94	-	-	544	559
Other designated bodies - SEUPB	86	-	-	-	86	75
Total	3,409	295	1	1	3,706	3,837

* Creation of new Division in 2023-24

**The Department does not employ any staff exclusively for capital projects.

Staff Composition

The gender analysis as at 31 March 2024 for the Department and its Agency can be broken down as follows:

	2023-24			2022-23		
	Female staff	Male Staff	Total Staff	Female staff	Male Staff	Total Staff
Departmental Board	6	8	14	5	8	13
Senior Civil Service	21	25	46	17	29	46
DoF Employees	1,735	1,729	3,464	1,779	1,778	3,557
Total*	1,762	1,762	3,524	1,801	1,815	3,616

*the total per this table will differ to the total staff persons employed as it is based on average staff numbers at a point in time.

Sickness Absence Data

The Department had an overall sickness absence rate of 8.6 days lost per employee in 2022-23. Annual sickness absence figures can be found in the "Sickness Absence in the Northern Ireland Civil Service 2022-

23” report at <https://www.nisra.gov.uk/publications/sickness-absence-northern-ireland-civil-service-202223-updated-available-other>. Figures for the 2023-24 financial year will be published in due course.

Staff policies

Employment, training and advancement of disabled persons

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

The NICS delivers an annual programme of communications and training on disability awareness and understanding and has policies in place to support inclusive workplaces. A review of the NICS reasonable adjustment process for in-work support commenced in 2023 and a new reasonable adjustment policy and supporting resources is anticipated to launch during 2024. The NICS Disability Working Group, which includes representatives from the disability sector and colleagues with lived experience is a key stakeholder in the reasonable adjustment policy review.

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

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

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

Equality, Diversity and Inclusion

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

The NICS Diversity Champions Network includes senior colleagues as designated Diversity Champions for each of the nine NICS departments, as well as four thematic leads for gender, race and ethnicity, disability and LGBTQ+. The network alongside the NICS corporate HR function, People and Organisational Development, develops and delivers an annual NICS Diversity Action Plan, which sets out priorities for action by diversity and inclusion theme and cross-cutting priorities.

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

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

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

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

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

Other Employee Matters

Health and Safety

The Department of Finance has a Health and Safety Policy which complies with the requirements of the Health and Safety at Work (NI) Order 1978, the Management of Health and Safety at Work Regulation (NI) 2000, and all other relevant legislation. The Department regards it as an integral part of its duties and objectives to ensure, so far as is reasonably practicable, the health, safety and welfare of its employees at work and of all other persons who may be affected by the Department's undertakings.

Human Capital Management

The NICS is committed to career development, acknowledging that skilled and engaged staff are an essential resource in meeting current and future business needs.

This NICS Career Development Policy emphasises that career development is a collaborative process between individual staff members, line managers, and departments, and takes account of the NICS Competency Framework and Performance Management System. As well as the individual's role in managing their career development, the NICS provides opportunities to enhance the skills, capabilities and performance of staff so that they, in turn, can contribute to achieving corporate objectives.

Learning and Development

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

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

Talent management is a key theme and highlights the importance of the development conversation between managers and staff, with a number of resources available within a talent management toolkit.

The NICS offers a wide range of career development opportunities through mentoring, secondment and interchange opportunities, elective transfers, temporary promotion, job rotation and job shadowing.

**NICSHR is the NICS' centralised human resources operational delivery function, falling under the responsibility of the Department of Finance*

Employee Engagement

When launching the 2023 NICS People Survey in April 2023, the Head of the Civil Service issued a message that the frequency of the Survey was changing from yearly to every other year to allow for proper targeting of actions, and so a People Survey is not due to take place in 2024.

The 2023 NICS People Survey is therefore the most recent survey and was conducted by NISRA across the nine NICS ministerial Departments as well as the Public Prosecution Service and the Health & Safety Executive for NI. All staff working in these organisations were invited to take part in the survey. For the Department of Finance there were 3,528 (2021: 3,776) permanent staff invited to complete the survey, of which 1,845 (2021: 2,351) participated, a response rate of 50.0% (2021: 62%). The Employee Engagement Index (EEI) is the weighted average of the responses to the five employee engagement questions, and it ranges from 0% to 100%. Department of Finance responses indicated an Employee Engagement Index of 55% (2021: 58%) compared to the NICS average of 54% (2021: 57%). The full survey can be accessed at <https://www.finance-ni.gov.uk/publications/nics-people-survey-results>.

Application of Business Appointment Rules (BARs)

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

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

Employee Consultation and Trade Union Relationships

The Department of Finance is responsible for the NICS Industrial Relations Policy. People & Organisational Development consults on HR policy with all recognised Trade Unions and local departmental arrangements are in place to enable consultation on matters specific to a department or individual business area.

Consultancy and Temporary Staff Expenditure

	2023-24			2022-23		
	Core	Agency	Total	Core	Agency	Total
	£000	£000	£000	£000	£000	£000
External Consultancy	1,772	-	1,772	3,787	-	3,787
Temporary staff	5,316	701	6,017	5,760	782	6,542
	7,088	701	7,789	9,547	782	10,329

The Department uses professional service providers to support specialist work. This includes consultancy, contingent labour (temporary staff), legal advice and IT expertise. Consultants are hired to work on projects in a number of specific situations: where the Department does not have the skill set required; where the particular requirement falls outside the core business of civil servants; or where an external, independent perspective is required. When used appropriately, consultancy can be a cost effective and efficient way of getting the temporary and skilled external input that the Department needs. We are committed to the consistent application of the Department's guidance on consultancy and other spending.

In particular, the consultancy spend was incurred mainly for the following:

- Integr8 – Consultancy spend in relation to the transformation of the future delivery of Finance and HR & Payroll services for Central Government, including implementing a new technology solution to replace the current systems; *and*
- LPS – Consultancy spend assisting with the provision of professional financial services and the procurement of professional legal services, in relation to the programme that will fully transform how LPS delivers its services.

Staff Turnover

Department	Departmental Turnover Rate		General Turnover Rate	
	Turnover Rate	Turnover Percentage	Turnover Rate	Turnover Percentage
DoF	0.070	7.0%	0.054	5.4%

The Department of Finance Staff Turnover percentage (the number of people that have left the Department including those who have moved within the NICS) for 2023-24 is 7.0% (2022-23: 8.9%), and the general turnover percentage (the people who have left the Department and have not gone elsewhere in the NICS) is 5.4% (2022-23: 5.0%). This has been calculated by NICSHR based on the Cabinet Office Guidance on calculations for Turnover in the Civil Service.

Staff Redeployment

The Department did not have any staff redeployed in 2023-24 year.

Off-payroll Engagements

The Department did not have any off -payroll engagements in 2023-24 year.

Senior officials with significant financial responsibility

There are no off-payroll board members who are engaged with significant financial responsibilities. All the executive members of the DB are on-payroll and have significant financial responsibilities:

On-payroll	2023-24	2022-23
Current board members	14	13
Past board members	-	-
	14	13

Reporting of Civil Service and other compensation schemes – exit packages (Audited information)

Redundancy and other departure costs have been paid in accordance with the provisions of the Civil Service Compensation Scheme (Northern Ireland) (CSCS(NI)), a statutory scheme made under the Superannuation (Northern Ireland) Order 1972. Exit costs are accounted for in full in the SoCNE in the year departure is agreed. The Department had no costs agreed and accounted for in respect of exit packages in 2023-24 and 2022-23. Where the Department has agreed early retirements, the additional costs are met by the Department and not by the Civil Service pension scheme. Ill-health retirement costs are met by the pension scheme.

Assembly Accountability and Audit Report

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

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

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

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

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

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

The SOAS contain a summary table, detailing performance against the control limits that the Assembly has voted on, cash spent (budgets are compiled on an accruals basis and so outturn won't exactly reconcile to the cash spent) and administration.

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

The SOAS and Estimates are compiled against the budgeting framework, which is similar to, but different from, IFRS. An understanding of the budgeting framework and an explanation of key terms is provided on page 14, 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 www.gov.uk.

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

Summary tables – mirror Part I of the Estimates

Summary table, 2023-24, all figures presented in £000s

Type of Spend	Note	Outturn			Estimate			Outturn vs estimate, saving / (excess)		Prior Year Outturn Total, 2022-23
		Voted	Non-Voted	Total	Voted	Non-Voted	Total	Voted	Total	
Departmental Expenditure Limit										
Resource	SOAS 1.1	240,340	(10,540)	229,800	244,573	(10,500)	234,073	4,233	4,273	220,220
Capital	SOAS 1.2	34,418	-	34,418	37,908	-	37,908	3,490	3,490	31,758
Total		274,758	(10,540)	264,218	282,481	(10,500)	271,981	7,723	7,763	251,978
Annual Managed Expenditure										
Resource	SOAS 1.1	(3,990)	-	(3,990)	12,104	-	12,104	16,094	16,094	5,062
Capital	SOAS 1.2	(727)	-	(727)	1,000	-	1,000	1,727	1,727	9,077
Total		(4,717)	-	(4,717)	13,104	-	13,104	17,821	17,821	14,139
Total Budget										
Resource	SOAS 1.1	236,350	(10,540)	225,810	256,677	(10,500)	246,177	20,327	20,367	225,282
Capital	SOAS 1.2	33,691	-	33,691	38,908	-	38,908	5,217	5,217	40,835
Total Budget Expenditure		270,041	(10,540)	259,501	295,585	(10,500)	285,085	25,544	25,584	266,117
Total Budget		270,041	(10,540)	259,501	295,585	(10,500)	285,085	25,544	25,584	266,117

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

Net Cash Requirement 2023-24, all figures presented in £000s

Item	Note	Outturn	Estimate	Outturn vs estimate, saving / (excess)	Prior Year Outturn Total, 2022-23
Net Cash Requirement	SOAS 3	224,160	243,357	19,197	225,845

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

Explanations of variances between Estimate and Outturn are given in SOAS note 1.

Administration costs 2023-24, all figures presented in £000s

Item	Note	Outturn	Estimate	Outturn vs estimate, saving / (excess)	Prior Year Outturn Total, 2022-23
Administration costs	SOAS 1.1	162,912	173,701	10,789	161,906

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

SOAS 1 to 4 form part of these accounts.

Notes to the Statement of Outturn against Assembly Supply, 2022–23 (£000)

This note mirrors Part II of the Estimates: (Revised) Subhead Detail and Resource to Cash Reconciliation.

SOAS 1. Outturn detail, by Estimate line (Audited information)

SOAS1.1 Analysis of resource outturn by Estimate Line, all figures presented in £000

Type of spend (Resource)	Resource Outturn							Estimate			Outturn vs Estimate (inc virements), saving/ (excess)	Prior Year Outturn Total, – 2022-23	
	Administration			Programme			Total	Total	Virements*	Total including virements			
	Gross	Income	Net	Gross	Income	Net							
Spending in Departmental Expenditure Limits (DEL)													
Voted Expenditure													
1	Finance and Personnel Policy	46,516	(25,707)	20,809	1,220	-	1,220	22,029	28,039	(5,418)	22,621	592	23,162
2	NICS Shared Services	130,858	(50,515)	80,343	144	-	144	80,487	82,090	-	82,090	1,603	81,434
3	NISRA	1,261	-	1,261	35,142	(22,128)	13,014	14,275	13,823	452	14,275	-	15,445
4	LPS	1,416	-	1,416	97,388	(35,674)	61,714	63,130	58,522	4,608	63,130	-	52,381
5	EU Programmes				6,815	(5,479)	1,336	1,336	978	358	1,336	-	562
	of which:	-	-	-									
	<i>EU Peace Programmes</i>	-	-	-	5,616	(4,501)	1,115	1,115	810	305	1,115	-	270
	<i>EU Community Initiatives</i>	-	-	-	1,151	(978)	173	173	168	5	173	-	320
	<i>ERDF</i>	-	-	-	48	-	48	48	-	48	48	-	(28)
6	SEUPB (Net)^	1,668	-	1,668	-	-	-	1,668	2,186	-	2,186	518	2,141
7	NICS Accommodation Services	63,916	(6,501)	57,415	-	-	-	57,415	58,935	-	58,935	1,520	54,337
	Total Voted DEL	245,635	(82,723)	162,912	140,709	(63,281)	77,428	240,340	244,573	-	244,573	4,233	229,462
Non- voted expenditure													
8	Land and Property Services	-	-	-	-	(10,540)	(10,540)	(10,540)	(10,500)	-	(10,500)	40	(9,242)
	<i>Consolidated Fund Extra Receipts</i>	-	-	-	-	-	-	-	-	-	-	-	-
	Total non-voted expenditure	-	-	-	-	(10,540)	(10,540)	(10,540)	(10,500)	-	(10,500)	40	(9,242)
	Total spending in DEL	245,635	(82,723)	162,912	140,709	(73,821)	66,888	229,800	234,073	-	234,073	4,273	220,220

Type of spend (Resource)	Resource Outturn							Estimate			Outturn vs Estimate (inc virements), saving/ (excess)	Prior Year Outturn Total, – 2022-23
	Administration			Programme			Total	Total	Virements*	Total including virements		
	Gross	Income	Net	Gross	Income	Net						
Voted Expenditure												
9 Provisions	-	-	-	(5,103)	-	(5,103)	(5,103)	2,510	(117)	2,393	7,496	4,415
10 Depreciation	-	-	-	796	-	796	796	9,394	-	9,394	8,598	408
11 SEUPB	-	-	-	317	-	317	317	200	117	317	-	239
Total Spending in AME	-	-	-	(3,990)	-	(3,990)	(3,990)	12,104	-	12,104	16,094	5,062
Total Resource	245,635	(82,723)	162,912	136,719	(73,821)	62,898	225,810	246,177	-	246,177	20,367	225,282

^NDPB outturn is recorded net

*Virements are the reallocation of provision in the Estimates that do not require Assembly authority (because the Assembly does not vote to that level of detail and delegates to DoF). Further information on virements is provided in the Supply Estimates in Northern Ireland Guidance Manual, available on the DoF website. The Outturn vs Estimate column is based on the total including virements. The Estimate total before virements have been made is included so that users can reconcile this Estimate back to the Estimates approved by the Assembly.

SOAS 1 to 4 form part of these accounts

Explanation of the variation between Estimate and Outturn (net total resources):

The net resource outturn was **£225.8m** against an estimated provision of **£246.2m**.

The total variance was **£20.4m**, split between the Departmental expenditure limit (DEL) **£4.3m**, and the annually managed expenditure (AME) **£16.1m**.

Of the DEL underspend, £0.8m is in relation to depreciation, £1m of additional income, £0.9m was not required to account for staff annual leave untaken, with the remaining £1.6m in relation to the Department's non-ringfenced spend.

Departmental expenditure limit (DEL)

The total cost of Finance, Procurement and Policy was **£47.7m** (2022-23: £50.0m). This function comprises Construction and Procurement Delivery, the Departmental Solicitors Office, Group Internal Audit and Fraud Investigation Services, Public Spending Directorate and Strategic Policy and Reform Division. Key activities include work to improve the overall management of public funds and the spending performance of departments, and professional legal and procurement services for the NICS and the wider public sector. The decreased cost from last year was mainly as a result of delayed projects, offset by increased staff costs.

The Department continues to deliver essential shared services to departments and other public bodies. During 2023-24 the total costs of NICS Shared Services (including Financial Shared Services, Learning and Development, HR Connect, Digital Operations, Digital Security and Engagement (DSE), People and Organisation Development and NICS Human Resources) amounted to **£132.6m** (2022-23: £129.9m). The increased cost is mainly as a result of increased staff costs.

The Department's main public-facing services are delivered by Land and Property Services and the Department's Agency, the Northern Ireland Statistics and Research Agency. NISRA produces its own Annual Reports and Accounts, and further details of the Agency's financial performance can be found in its own financial review.

LPS's main functions are to collect rates on behalf of central government and councils, maintain domestic and non-domestic rating valuation lists, record legal interests in land in the Land Registers, provide land information services relating to the Registers for conveyancing purposes, provide mapping services in NI, collect, manage and publish spatial data in NI for use by the public and private sectors, and deliver a property valuation, estate management and property data service to the public sector. 2017-18 saw LPS take on a new role in respect of rate rebate payments to those who qualify and are in receipt of Universal Credit. The total costs of Land and Property Services was **£97.4m** (2022-23: £89.8m). The increased costs are mainly because of increased payments associated with the rate rebate scheme and an increase in staff costs.

The Department is responsible for the provision of office accommodation for staff employed in NICS government departments and their agencies. Gross resource expenditure on accommodation services was **£65m** (2022-23: £62.5m), which includes **£26.5m** (2022-23: £26.4m) of depreciation and impairment, and approximately **£24.1m** (2022-23: £24.8m) on rent, rates and maintenance of the estate. Decreases in rent and maintenance were offset by an increase in rates.

Annually Managed Expenditure (AME)

By definition AME covers areas of expenditure that are more volatile. Of the AME underspend, £8.6m is in relation to the revaluation of the office estate which was lower than anticipated. £6.5m relates to the release of dilapidations provisions and £1m not required for set up of new provisions. AME spend is by its nature unpredictable.

SOAS 1.2 Analysis of capital outturn by Estimate line, all figures presented in £000 (Audited Information)

Type of spend (Capital)	Outturn			Estimate			Outturn vs Estimate (inc virements), saving/ (excess)	Prior Year Outturn Total, – 2022-23
	Gross	Income	Net total	Total	Virements*	Total inc. virements		
Spending in Departmental Expenditure Limits (DEL)								
Voted Expenditure								
1 Finance and Personnel Policy	330	-	330	330	-	330	-	278
2 NICS Shared Services	14,511	(65)	14,446	14,638	-	14,638	192	11,616
3 NISRA	4,913	-	4,913	4,913	-	4,913	-	1,709
4 LPS	3,988	-	3,988	5,488	-	5,488	1,500	4,214
5 EU Programmes	-	-	-	-	-	-	-	-
of which:								
<i>EU Peace Programmes</i>	-	-	-	-	-	-	-	-
<i>EU Community Initiatives</i>	-	-	-	-	-	-	-	-
6 SEUPB (Net)^	20	-	20	20	-	20	-	28
7 NICS Accommodation Services	12,531	(1,810)	10,721	12,519	-	12,519	1,798	13,913
Total Voted DEL	36,293	(1,875)	34,418	37,908	-	37,908	3,490	31,758
Total spending in DEL	36,293	(1,875)	34,418	37,908	-	37,908	3,490	31,758
Spending in Annually Managed Expenditure (AME)								
Voted Expenditure								
9 Provisions	(727)	-	(727)	1,000	-	1,000	1,727	9,077
Total Spending in AME	(727)	-	(727)	1,000	-	1,000	1,727	9,077
Total Capital	35,566	(1,875)	33,691	38,908	-	38,908	5,217	40,835

^ NDPB outturn is recorded net

SOAS 2. Reconciliation of outturn to net expenditure (Audited Information)

Item	Note	Outturn total 2023-24 £000	Prior Year Outturn Total, 2022-23 £000
Total Resource Outturn	SOAS 1.1	225,810	225,282
Add: Capital Grants		1,727	129
Provisions utilised in capital but released in Resource		2,092	-
Dilapidations provision released in Capital		(74)	-
Cost of Rate Collection		10,540	9,242
Total		240,095	234,653
Less: Income paid/payable to the Consolidated Fund (CF)		(1,787)	(362)
Total		(1,787)	(362)
Net Expenditure in Consolidated Statement of Comprehensive Net Expenditure	SoCNE	238,308	234,291

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

Capital grants are budgeted for as Capital DEL but accounted for as spend on the face of the SoCNE, and therefore function as a reconciling item between Resource and Net Expenditure.

Provisions utilised and dilapidations provisions are budgeted for as Capital DEL but accounted for as spend on face of the SoCNE.

The Cost of Rate Collection is effectively a charge to district councils for a service provided to them by DoF in collecting district rates. It is not recognised as Income received in the DoF accounts. A budgetary policy decision enabled the amount each year to be recognised by the Department as income for the purposes of determining the Department's available budget effective.

SOAS 1 to 4 form part of these accounts.

SOAS 3. Reconciliation of Net Resource Outturn to Net Cash Requirement (Audited information)

This note mirrors Part II of the Estimates: Resource to Cash Reconciliation

Item	Note	Outturn total £000	Estimate £000	Outturn vs Estimate, Saving/ (excess) £000
Total Resource Outturn	SOAS 1.1	225,810	246,177	20,367
Total Capital outturn	SOAS 1.2	33,691	38,908	5,217
<i>Non operating accruing resources:</i>				
Net book value of assets disposals		-	-	-
<i>Adjustments for ALBs:</i>				
Remove voted resource and capital		(2,005)	(2,406)	(401)
Add cash grant in aid		1,148	1,160	12
<i>Adjustments to remove non-cash items:</i>				
Depreciation, impairments and revaluations		(53,016)	(62,472)	(9,456)
New provisions and adjustments to previous provisions		2,995	(3,510)	(6,505)
Finance expense		(744)	-	744
Supported capital expenditure		-	-	-
Other non-cash items		(12,151)	(10,000)	2,151
<i>Adjustments to reflect movements in working balances:</i>				
Increase/(decrease) in receivables		4,989	-	(4,989)
(Increase)/decrease in payables		(3,847)	25,000	28,847
Changes in working capital other than cash		13,916	-	(13,916)
Use of provision		2,834	-	(2,834)
Total		213,620	232,857	19,237
Removal of non-voted budget items				
Other adjustments - cost of rate		10,540	10,500	(40)
Total		10,540	10,500	(40)
Net Cash Requirement		224,160	243,357	19,197

Explanation of the variation between Estimate and Outturn (Net Cash Requirement):

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

The Department's net cash requirement outturn was **£224.2m** against an estimated provision of **£243.4m**, a variance of £19.2m. The bulk of the variance relates to the movement in working capital other than cash, depreciation, and adjustment for provisions.

SOAS 1 to 4 form part of these accounts.

SOAS 4. Amounts of Income to the Consolidated Fund (Audited information)

This note mirrors Part III of the Estimates: Extra Receipts Payable to Consolidated Fund

SOAS 4.1 Analysis of income payable to the Consolidated Fund

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

Item	Note	Outturn total 2023-24 £000		Prior Year Outturn total 2022-23 £000	
		Income (Accruals)	<i>Receipts</i> (Cash basis)	Income (Accruals)	<i>Receipts</i> (Cash basis)
Income in budgets surrendered to Consolidated Fund (resource)		(1,787)	<i>(1,593)</i>	(362)	<i>(362)</i>
Income in budgets surrendered to Consolidated Fund (capital)		-	-	-	-
Non-budget amounts collectable on behalf of the Consolidated Fund (in the SoCNE)		-	-	-	-
Total amount payable to the Consolidated fund		(1,787)	<i>(1,593)</i>	(362)	<i>(362)</i>

SOAS 4.2 Consolidated Fund Income

Consolidated Fund income shown in note SOAS 4.1 above does not include any amounts collected by the Department where it was acting as agent of the Consolidated Fund rather than as principal. Full details of income collected as agent for the Consolidated Fund are in the Department’s Trust Statements, Rate Levy Accruals Accounts, published separately.

SOAS 1 to 4 form part of these accounts.

Other Assembly Accountability Disclosure

Regularity of Expenditure (Audited information)

i. Losses and special payments

Losses Statement

In 2023-24 there were losses to the value of £488k which represented 4,703 cases, of which £486k representing 4,700 cases related to the core Department (2022-23: £552k which represented 3,439 cases, of which £547k representing 3,435 cases related to the core Department).

Special Payments

In 2023-24 there were special payments paid in the period to the value of £86k which represented 21 cases (2022-23: £320k which represented 18 cases), all of which were related to the core Department.

No losses or special payments were in excess of £300k.

ii. Fees and Charges (Audited Information)

This note is provided for fees and charges purposes and not for IFRS 8 purposes. Information is provided in relation to services where the full cost of the service is in excess of £1m.

Business Activity	2023-24			2022-23 Restated	Financial Objective	Commentary
	Income	Full Cost	Surplus/ (deficit)	Surplus/ (deficit)		
	£000	£000	£000	£000		
Central Management of the Civil Service Pension Scheme	2,400	2,400	-	(1)	To recover the full costs associated with the management of the Northern Ireland Civil Service Pension Schemes including the payment of pensions and associated arrangements.	Objective achieved.
Construction and Procurement Delivery	12,815	12,579	236	315	Full cost recovery on chargeable services in relation to professional procurement services to the NICS and other public sector bodies, except for Property Services Division who undertake a significant portion of notional DoF work in relation to the NICS Estate.	Objective achieved.
Departmental Solicitor's Office – Litigation Division Commercial and Property Division	5,824	5,926	(102)	232	Full cost recovery on Litigation and Commercial and Property services.	Objective achieved. The deficit reflects notional work for parent Department (DoF) which is notionally charged.
Employer Pension Services	5,380	5,281	99	(15)	To recover the full costs of providing pension services to current employees who are members of the Northern Ireland Civil Service Pensions Schemes on behalf of their employers. Surplus/deficit managed by DoF baseline.	Objective achieved.
NICSHR– HR Connect	12,276	14,828	(2,552)	(2,400)	To recover the full cost of the delivery of the HR Connect contract, with the exception of service management costs which are funded centrally through a baseline budget.	Objective achieved. The deficit reflects the cost of the work undertaken for the parent Department, DoF. The DoF costs cannot be hard charged. These costs were covered by DoF baseline funding.
Group Internal Audit & Fraud Investigation Service (GIAFIS)	4,159	4,836	(677)	(506)	Full cost recovery on Department Internal Audit Services.	Objective achieved. The deficit reflects the cost of the work undertaken for the parent Department (DoF) which is notionally charged plus the salary cost of head of GIAFIS.

Business Activity	2023-24			2022-23	Financial Objective	Commentary
	Income	Full Cost	Surplus/ (deficit)	Restated Surplus/ (deficit)		
	£000	£000	£000	£000		
Land & Property Services – Client Services	2,665	3,097	(432)	221	To recover the full costs of services provided.	Objective achieved. The deficit takes into account the notional income relating to the parent Department (DoF).
Land & Property Services – Land Registration	19,932	15,849	4,083	8,850	To recover the full costs of services in relation to land registers, registry of deeds and statutory charges registry.	Objective achieved. The surplus generated has been reviewed and the main contribution factors includes Land Registration fees are set by the 2014 fees order, they were set at a rate that anticipated the full cost recovery for delivering the service at that point in time. Fee's are set by Legislation and approved through the Assembly. In normal times, a new fees order would be put in place to reduce the fees to bring income levels into line with the Registry's costs. In the absence of the Assembly, there has been no change to the fees order; therefore, it has not yet been possible to reduce the income levels and the surplus income continues to be generated.
Land & Property Services – Land Parcel Identification System (LPIS)	1,669	1,669	-	(19)	To recover the full cost of special project mapping work provided on behalf of DAERA.	Objective achieved.
PD - recovery of accommodation costs	6,501	4,826	1,675	1,377	To recover the full costs of providing accommodation	Income includes rent from owned buildings. This rent is charged to ALB's who occupy part of the NICS estate that could be utilised by Departments or could be sold. Income in 2023-24 also includes dilapidations income of £350k with no offsetting expense in the year.
NI Direct contact centre services	3,665	6,513	(2,848)	(1,334)	To recover the variable charges for delivery of the NI Direct contact centre contract. These are re-charged directly to NICS services using the contact centre. Core fixed charges of the contract are currently funded directly by DoF as a central Government shared service provision to enable whole of NICS access.	Objective to recover variable charges largely achieved. A small percentage of variable charges remain unrecoverable due to technical issues around establishing ownership of shared services (due to complexities arising from the NICS VoIP network). Fixed contract charges continue to be funded centrally from DoF baseline funding. The deficit shown relates

Business Activity	2023-24			2022-23	Financial Objective	Commentary
	Income	Full Cost	Surplus/ (deficit)	Restated Surplus/ (deficit)		
	£000	£000	£000	£000		
						to that central funding element. The increase in deficit between the two periods reflects that the SERCO contract went live on 10 October 2022.
Land & Property Services – Ordnance Survey	11,413	12,711	(1298)	(1,592)	To recover the full cost of mapping services provided.	When considering the notional income relating to the parent Department (DoF) of £829k - the deficit is reduced to £469k. This is mainly due to pay award being greater than anticipated and agreed towards the end of the financial year when additional costs could not be passed onto customers.
Northern Ireland Statistics and Research Agency	22,129	21,704	425	266	To recover the cost of activities in relation to the General Registry Office and NISRA statistics and out-posted statisticians, for which core funding is not provided by DoF.	Objective achieved.
Occupational Health Service	1,163	1,125	38	(13)	To recover the full costs associated with the management of NICS OHS and medical advisory services provided to the Departments, Driver and Vehicle Agency, HSC NI Pensions Scheme and Teachers Superannuation Scheme NI.	Objective achieved.
Strategic Policy and Reform Business Consultancy Service	949	1,292	(343)	(583)	To recover the full cost of Business Consultancy services provided to NICS and other public sector bodies.	Objective achieved. The deficit occurs as a result of the cost of the work undertaken for the parent Department DoF (notional charges). Income recovery has been achieved.
IT Assist	19,914	19,914	-	-	To recover the full costs associated with the delivery of the laptop/desktop service, server hosting and IPT tariff IT Assist provides to government departments and other public sector organisations.	Objective achieved.
DSF - Digital Operations (DO)	924	924	-	(1,480)	To recover full costs associated with providing Enterprise Digital Development Services.	Objective achieved.
DSO - Advisory Income	547	6,196	(5,649)	(4,663)	Advisory divisions operate a notional charging policy with the exception of some clients. Costs included here are for the full Advisory divisions (Salaries and General Annual Expenditure (GAE) for Advisory 1 -	Income for Advisory Division work for clients who are hard charged has been recovered.

Business Activity	2023-24			2022-23 Restated	Financial Objective	Commentary
	Income	Full Cost	Surplus/ (deficit)	Surplus/ (deficit)		
	£000	£000	£000	£000		
					4) as the costs associated with the hard charging clients cannot be separately identified.	

iii. Remote Contingent Liabilities (Audit Information)**Contingent Liabilities requiring disclosure under assembly reporting requirements and not under IAS 37**

In addition to contingent liabilities reported within the meaning of IAS37 shown in Note 15 of the Annual Accounts, the Department also considers liabilities for which the likelihood of a transfer of economic benefit in settlement is too remote to meet the definition of contingent liability. As at 31 March 2024, the Department have the following remote contingent liabilities:

Impact of BREXIT on EU funding

On 29 March 2017, the UK Government submitted its notification to leave the EU in accordance with Article 50. On 31 January 2020, the Withdrawal Agreement between the UK and the EU became legally binding, and the UK left the EU.

Should any subsequent changes in legislation, regulation and funding arrangements occur, consequential (and currently unquantifiable) contingent liability could materialise.

Professional indemnity

The Department has entered 140 indemnities, but the possibility of these crystallising is considered to be too remote to require disclosure.

Legal cases

The Department has identified 12 legal cases which includes 2 pending judicial reviews, however it is too early to determine the outcome for each case and the possibility of these crystallising is considered too remote to require disclosure.

This Accountability Report is approved and signed



Neil Gibson
Accounting Officer
Department of Finance
27 June 2024

The Certificate and Report of the Comptroller and Auditor General to the Northern Ireland Assembly

Opinion on financial statements

I certify that I have audited the financial statements of the Department of Finance and of its Departmental Group for the year ended year ended 31 March 2024 under the Government Resources and Accounts Act (Northern Ireland) 2001. The Department comprises the core Department and its agency. The Departmental Group consists of the Department and the body designated for inclusion under the Government Resources and Accounts (Northern Ireland) 2001 (Estimates and Accounts) (Designation of Bodies) Order 2022. The financial statements comprise the:

- Statement of Financial Position as at 31 March 2024;
- Statement of Comprehensive Net Expenditure, Statement of Cash Flows and Statement of Changes in Taxpayers' Equity for the year ended; and
- the related notes including the significant accounting policies.

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

I have also audited the Statement of Outturn against Assembly Supply, and the related notes, and the information in the Accountability Report that is described in that report as having been audited.

In my opinion 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 2024 and of its net operating expenditure for the year then ended; and
- have been properly prepared in accordance with the Government Resources and Accounts Act (Northern Ireland) 2001 and Department of Finance directions issued thereunder.

Emphasis of Matter

I draw attention to the disclosures made in note 14.1 to the financial statements concerning the uncertainties inherent in the outcome of a legal case taken by a contractor against the department. My opinion is not modified in respect of this matter.

Opinion on regularity

In my opinion, in all material respects:

- the Statement of Outturn against Assembly Supply properly presents the outturn against voted Assembly control totals for the year ended 31 March 2024 and shows that those totals have not been exceeded; and
- the expenditure and income recorded in the financial statements have been applied to the purposes intended by the Assembly and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis for opinions

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

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

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

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the 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.

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

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

Other Information

The other information comprises the information included in the annual report other than the financial statements, the parts of the Accountability Report described in that report as having been audited, and my audit certificate and report. The Accounting Officer is responsible for the other information. My opinion on the financial statements does not cover the other information and except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

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

- the parts of the Accountability Report to be audited have been properly prepared in accordance with Department of Finance directions made under the Government Resources and Accounts Act (Northern Ireland) 2001; and
- the information given in the Performance Report and Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which I report by exception

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

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the financial statements and the parts of the Accountability Report to be audited are not in agreement with the accounting records; or
- certain disclosures of remuneration specified by the Government Financial Reporting Manual are not made; or
- I have not received all of the information and explanations I require for my audit; or
- the Governance Statement does not reflect compliance with the Department of Finance's guidance.

Responsibilities of the Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer is responsible for:

- the preparation of the financial statements in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- such internal controls as the Accounting Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error;
- ensuring the annual report, which includes the Remuneration and Staff Report, is prepared in accordance with the applicable financial reporting framework; and
- assessing the 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 (Northern Ireland) 2001.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue a certificate that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in

accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulation, including fraud.

My procedures included:

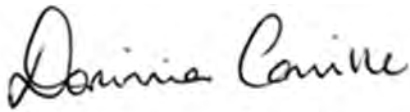
- obtaining an understanding of the legal and regulatory framework applicable to the Department and its Group through discussion with management and application of extensive public sector accountability knowledge. The key laws and regulations I considered included the Government Resources and Accounts Act (Northern Ireland) 2021;
- making enquires of management and those charged with governance on the Department and its Group's compliance with laws and regulations;
- making enquiries of internal audit, management and those charged with governance as to susceptibility to irregularity and fraud, their assessment of the risk of material misstatement due to fraud and irregularity, and their knowledge of actual, suspected and alleged fraud and irregularity;
- completing risk assessment procedures to assess the susceptibility of the and its Group's financial statements to material misstatement, including how fraud might occur. This included, but was not limited to, an engagement director led engagement team discussion on fraud to identify particular areas, transaction streams and business practices that may be susceptible to material misstatement due to fraud. As part of this discussion, I identified potential for fraud in the following areas: expenditure recognition, and posting of unusual journals;
- engagement director oversight to ensure the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with the applicable legal and regulatory framework throughout the audit;
- documenting the design and implementation of internal controls in place to mitigate risk of material misstatement due to fraud and non-compliance with laws and regulations;
- designing audit procedures to address specific laws and regulations which the engagement team considered to have a direct material effect on the financial statements in terms of misstatement and irregularity, including fraud. These audit procedures included, but were not limited to, reading board and committee minutes, and agreeing financial statement disclosures to underlying supporting documentation and approvals as appropriate;
- addressing the risk of fraud as a result of management override of controls by:
 - performing analytical procedures to identify unusual or unexpected relationships or movements;
 - testing journal entries to identify potential anomalies, and inappropriate or unauthorised adjustments;
 - assessing whether judgements and other assumptions made in determining accounting estimates were indicative of potential bias; and
 - investigating significant or unusual transactions made outside of the normal course of business; and
- applying tailored risk factors to datasets of financial transactions and related records to identify potential anomalies and irregularities for detailed audit testing.

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

In addition, I am required to obtain evidence sufficient to give reasonable assurance that the Statement of Outturn against Assembly Supply properly presents the outturn against voted Assembly control totals and that those totals have not been exceeded. The voted Assembly control totals are Departmental Expenditure Limits (Resource and Capital), Annually Managed Expenditure (Resource and Capital), Non-Budget and Net Cash Requirement. I am also required to obtain evidence sufficient to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by Assembly and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Report

I have no observations to make on these financial statements.



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

2 July 2024

FINANCIAL STATEMENTS

Consolidated Statement of Comprehensive Net Expenditure For the year ended 31 March 2024

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

	Note	2023-24		2022-23	
		Core Dept. & Agency £000	Group £000	Core Dept. & Agency £000	Group £000
Revenue from contracts with customers	4	(125,988)	(166,493)	(127,987)	(164,475)
Other operating income	4	(21,803)	(21,803)	(16,432)	(16,432)
Total operating income		(147,791)	(188,296)	(144,419)	(180,907)
Staff costs	3.3	187,744	188,951	181,072	182,767
Purchase of goods and services	3.3	104,189	145,210	105,578	142,309
Depreciation and impairment charges	3.3	53,016	53,149	52,334	52,452
Provision expense	3.3	(3,067)	(2,750)	5,575	5,814
Other operating expenditure	3.3	42,432	41,279	32,003	30,942
Total operating expenditure		384,314	425,839	376,562	414,284
Net operating expenditure		236,523	237,543	232,143	233,377
Finance expense	3.3	948	765	829	914
		948	765	829	914
Net expenditure for the year		237,471	238,308	232,972	234,291
Notional Audit Costs	3.4	402	402	379	379
Other Notional Costs		-	-	-	-
Total Notional Costs		402	402	379	379
Net Expenditure for the year including notionals		237,873	238,710	233,351	234,670
Other comprehensive net expenditure					
Items that will not be reclassified to net operating expenditure:					
Net (gain)/loss on revaluation of property, plant and equipment	5	29,457	29,457	(2,528)	(2,528)
Net (gain)/loss on revaluation of intangible assets	6	(1,762)	(1,762)	(3,220)	(3,220)
Actuarial (gain)/loss on pension scheme liabilities		-	(1,154)	-	(7,292)
Comprehensive net expenditure for the year		265,568	265,251	227,603	221,630

Notes 1 to 22 form part of these accounts.

Consolidated Statement of Financial Position As at 31 March 2024

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

		2024		2023	
	Note	Core Dept. & Agency £000	Group £000	Core Dept. & Agency £000	Group £000
Non-current assets					
Property, plant and equipment	5	438,517	438,662	511,332	511,513
Intangible assets	6	39,398	39,504	42,101	42,223
Trade and other receivables	11	2,435	4,928	3,183	5,055
Total non-current assets		480,350	483,094	556,616	558,791
Current assets					
Assets classified as held for sale	9	24,830	24,830	97	97
Trade and other receivables	11	69,308	109,285	60,117	102,111
Cash and cash equivalents	10	43,011	106,440	43,153	82,759
Total current assets		137,149	240,555	103,367	184,967
Total assets		617,499	723,649	659,983	743,758
Current liabilities					
Bank overdraft	10	(4,071)	(4,071)	(561)	(561)
Trade and other payables	12	(104,363)	(165,958)	(98,859)	(171,254)
Provisions	13	(713)	(713)	(6,582)	(6,582)
Total current liabilities		(109,147)	(170,742)	(106,002)	(178,397)
Total assets less current liabilities		508,352	552,907	553,981	565,361
Non-current liabilities					
Provisions	13	(9,155)	(9,155)	(9,115)	(9,115)
Provision – Pension Liability	13	-	(6,282)	-	(6,906)
Other payables	12	(56,289)	(100,776)	(69,677)	(80,670)
Total non-current liabilities		(65,444)	(116,213)	(78,792)	(96,691)
Total assets less total liabilities		442,908	436,694	475,189	468,670
Taxpayers' equity and other reserves					
General fund		310,172	303,958	303,563	297,044
Revaluation reserve		132,736	132,736	171,626	171,626
Total equity		442,908	436,694	475,189	468,670



Neil Gibson
Accounting Officer
27 June 2024

Notes 1 to 22 form part of these accounts.

Consolidated Statement of Cash Flows

For the year ended 31 March 2024

The Statement of Cash Flows shows the changes in cash and cash equivalents of the Department during the reporting period. The statement shows how the Department generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities. The amount of net cash flows arising from operating activities is a key indicator of service costs and the extent to which these operations are funded by way of income from the recipients of services provided by the Department. Investing activities represent the extent to which cash inflows and outflows have been made for resources which are intended to contribute to the Department's future public service delivery.

		2023-24	2022-23		
	Core Dept. & Agency	Group	Core Dept. & Agency		
Note	£000	£000	Group £000		
Cash flows from operating activities					
Net operating expenditure		(237,873)	(238,710)	(233,351)	(234,670)
Adjustments for non-cash transactions		63,362	63,812	68,042	68,399
(Increase)/Decrease in trade and other receivables	11	(8,443)	(7,047)	(6,684)	(12,324)
<i>less movements in receivables relating to items not passing through the Consolidated Statement of Comprehensive Net Expenditure</i>		3,296	3,296	(870)	(870)
Increase/(Decrease) in trade and other payables	12	(7,884)	14,810	75,449	69,502
<i>less movements in payables relating to items not passing through the Consolidated Statement of Comprehensive Net Expenditure</i>	12	11,498	11,498	(80,715)	(80,715)
Adjustments for non-cash transactions SEUPB		-	1,187	-	1,147
Use of provisions	13	(2,834)	(2,911)	(1,160)	(1,220)
Net cash inflow/ (outflow) from operating activities		(178,878)	(154,065)	(179,289)	(190,751)
Cash flows from investing activities					
Purchase of property, plant and equipment	5	(21,863)	(22,829)	(34,947)	(35,051)
Less non-cash additions – IFRS 16		981	981	9,077	9,077
Purchase of intangible assets	6	(9,210)	(9,234)	(8,904)	(8,935)
Proceeds from disposal of non-current assets		123	123	2	2
Net cash inflow/(outflow) from investing activities		(29,969)	(30,959)	(34,772)	(34,907)
Cash flows from financing activities					
From the Consolidated Fund (Supply) – current year		220,864	220,864	227,236	227,236
From the Consolidated Fund (Supply) – prior year		(1,391)	(1,391)	863	863
Capital element of payments in respect of finance leases and on-balance sheet (SoFP) PFI contracts		(13,916)	(13,916)	(12,658)	(12,658)
Net financing		205,557	205,557	215,441	215,441
Net increase/(decrease) in cash and cash equivalents in the period before adjustment for payments to the Consolidated Fund		(3,290)	20,533	1,380	(10,217)
Payments of amounts due to the Consolidated Fund		(362)	(362)	(829)	(829)
Net increase/(decrease) in cash and cash equivalents in the period after adjustment for payments to the Consolidated Fund		(3,652)	20,171	551	(11,046)
Cash and cash equivalents at the beginning of the period	10	42,592	82,198	42,041	93,244
Cash and cash equivalents at the end of the period	10	38,940	102,369	42,592	82,198

Notes 1 to 22 form part of these accounts.

Consolidated Statement of Changes in Taxpayers' Equity

For the year ended 31 March 2024

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 2022		280,457	175,087	455,544
Opening balance adjustment		-	-	-
Net Assembly Funding – drawdown		228,099	-	228,099
Net Assembly Funding – deemed		(863)	-	(863)
Net Assembly Funding – prior year excess		-	-	-
Supply receivable/(payable) adjustment	12	(1,391)	-	(1,391)
Amounts repayable to the Consolidated Fund	12	(362)	-	(362)
Comprehensive net expenditure for the year	CSoCNE	(234,670)	5,748	(228,922)
Auditors' remuneration	3.4	379	-	379
Actuarial (gain)/loss		7,292	-	7,292
Other non-cash charges – benefit grant expenditure	3.2	8,846	-	8,846
Other reserves movements including transfers		9,209	(9,209)	-
SEUPB reserves		48	-	48
Balance at 31 March 2023		297,044	171,626	468,670
Opening balance adjustment		-	-	-
Net Assembly Funding – drawdown		219,473	-	219,473
Net Assembly Funding – deemed		1,391	-	1,391
Net Assembly Funding – prior year excess		-	-	-
Supply receivable/(payable) adjustment	11	3,296	-	3,296
Amounts repayable to the Consolidated Fund	12	(1,787)	-	(1,787)
Comprehensive net expenditure for the year	CSoCNE	(238,710)	(27,695)	(266,405)
Auditors' remuneration	3.4	402	-	402
Actuarial (gain)/loss		1,154	-	1,154
Other non-cash charges – benefit grant expenditure	3.2	10,512	-	10,512
Other reserves movements including transfers		11,195	(11,195)	-
SEUPB reserves		(12)	-	(12)
Balance at 31 March 2024		303,958	132,736	436,694

Notes 1 to 22 form part of these accounts.

Notes to the Accounts

1. Statement of accounting policies

These financial statements have been prepared in accordance with the 2022-23 *Government Financial Reporting Manual (FReM)* issued by the Department of Finance. The accounting policies contained in the *FReM* apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. Where the *FReM* permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the Department of Finance Group for the purpose of giving a true and fair view has been selected. The particular policies adopted by the Group are described below. They have been applied consistently in dealing with items that are considered material to the accounts.

In addition to the primary statements prepared under IFRS, the *FReM* also requires the Department to prepare one additional primary statement. The *Statement of Outturn against Assembly Supply* and supporting notes show outturn against Estimate in terms of the net resource requirement and the net cash requirement.

Management have reviewed new accounting standards that have been issued but are not yet effective, nor adopted early for these accounts in 1.24 below.

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, intangible assets and certain financial assets and liabilities.

1.2 Basis of consolidation

These accounts comprise a consolidation of the core Department, its Departmental agency, and other bodies listed in note 20 SEUPB, which fall within the Departmental boundary as defined in the *FReM* and make up the 'Departmental Group'. Transactions between entities included in the consolidation are eliminated. The consolidated bodies prepare accounts in accordance with either the *FReM* and North/South Body Guidance. For those bodies that do not prepare accounts in accordance with the *FReM*, adjustments are made at consolidation if necessary where differences would have a significant effect on the accounts.

1.3 Property, plant and equipment and intangible assets

Expenditure on property, plant and equipment of over £1,000 is capitalised, except for computer equipment, which is capitalised if expenditure is over £500, and telecoms equipment, which has a capitalisation threshold of £5,000.

Databases, internally developed software and associated licenses costing greater than £500 and purchased software and associated licences costing greater than £1,000, are capitalised under intangible assets.

Capitalisation only occurs if the asset has an expected useful economic life of more than one year.

On initial recognition, property, plant and equipment and intangible assets are measured at cost including any expenditure, such as installation, directly attributable to bringing them into working condition. Assets classified as "under construction" are recognised in the Statement of Financial Position to the extent that money has been paid or a liability has been incurred.

All property, plant and equipment and intangible assets are carried at fair value.

Land and buildings are carried at the last professional valuation, in accordance with the Appraisal and Valuation Manual produced jointly by the Royal Institute of Chartered Surveyors (RICS), the Incorporated Society of Valuers and Auctioneers (ISVA) and the Institute of Revenues Rating and Valuation (IRRV). Professional revaluations of land and buildings are undertaken every five years. A full professional valuation of land and buildings was undertaken by Land and Property Services (LPS) as at 1 April 2020. In addition, such assets are revalued annually, between professional valuations, using indices provided by LPS, a directorate within DoF. Properties are valued based on open market value existing use, unless they are specialised, in which case they are valued on the basis of depreciated replacement cost.

No interim valuation is performed. The current policy is to revalue annually those properties that have undergone significant works, or where a new property has been brought into use.

Professional valuations of antiques and artwork are undertaken every 4 years. Kim Mawhinney, Head of Art at National Museums Northern Ireland, undertook the most recent valuation as of 1 April 2020. Antiques and artwork are not subject to annual indexation.

Except for the above, and items under construction, fair value is estimated by restating the value annually by reference to indices compiled by the Office of National Statistics (ONS). The indexation calculation reflects the annual movement in indices from December to December.

1.4 Depreciation and amortisation

Property, plant and equipment and intangible assets are depreciated/amortised at rates calculated to write them down to estimated residual value on a straight-line basis over their estimated useful lives. Depreciation/amortisation is charged in the month of acquisition.

No depreciation is provided on freehold land and antique/artwork collections since they have unlimited or very long-established useful lives. Items under construction are not depreciated until they are commissioned. Capital expenditure on leasehold improvements is depreciated over the remaining term of the lease.

Estimated useful lives are in the following ranges:

Buildings	1-60 years
Motor vehicles	3-10 years
Plant and machinery	3-30 years
IT assets (including intangible assets)	3-12 years
Furniture and fittings	up to 10 years

The overall useful life of the Department's buildings takes account of the fact that different components of those buildings have different useful lives. This ensures that depreciation is charged on these assets at the same rate as if separate components had been identified and depreciated at different rates.

1.5 Assets classified as held for sale

Assets are classified as held for sale if their carrying amount will be recovered through sale rather than continuing use. This condition is regarded as met only when the sale is highly probable, and the asset is

available for immediate sale in its present condition. Management must be committed to the sale, and it should be expected to be completed within one year from the date of classification.

Assets classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell. Depreciation is not charged once an asset has been classified as held for sale.

1.6 Donated assets

The Department has several donated assets, including antiques within the Government Art Collection and refurbishment work undertaken at the Maynard Sinclair Pavilion in 2002-03 and 2003-04.

Donated assets are capitalised at their current value on receipt, and this value is recognised as income. Donated assets are revalued, depreciated (excluding antiques) and subject to impairment review in the same way as other non-current assets.

The Department is not aware of any conditions or restrictions having been imposed by the donors of the artwork.

1.7 Service concession arrangements

The *FReM* requires that service concession arrangements should be accounted for in accordance with IFRIC 12 where the government body controls the use of the asset and the residual interest in the asset at the end of the arrangement. The Department therefore recognises assets that fall within this definition as non-current assets together with a liability to pay for them. The services received under the contract are recorded as operating expenses.

1.8 Operating income

Operating income is income which relates directly to the operating activities of the Department. It principally comprises fees and charges for services provided on a full cost basis to other public bodies and citizens.

In 2018-19 the Department adopted IFRS 15 *Revenue from Contracts with Customers*. The Department has Service Level Agreements with a wide range of public sector organisations. These contracts enable the Department to impose a charge on the customer and the requirement for the customer undertaking the relevant activities to be liable to pay the charge. The Service Level Agreement provides the enforceability on both parties. The income from these activities is effectively revenue from contracts with customers for services provided to the NI Departments, Public Bodies and UK Departments and Public Bodies and external customers. Note 5 shows the income by customer for each Business Group.

The timing and amount of the levy due from the customer is set out in the Service Level Agreement. The customer is invoiced, and the revenue recognised on completion of the services. It is probable that the Department will collect the consideration to which it is entitled. Any amounts due at the year-end but not yet invoiced to the customer are included as accrued income in the financial statements.

Services that are statutory in nature and provided to members of the public are usually paid for in advance of the service being provided or when the service is provided.

The income generated in pursuit of these activities or as part of managing the Department's affairs is Operating Income in the Statement of Comprehensive Net Expenditure.

Operating Income includes both income classified as Accruing Resources and income due to the Consolidated Fund, which in accordance with *FReM*, is treated as operating income. Operating income is stated net of VAT.

1.10 Administration and programme expenditure

The Statement of Comprehensive Net Expenditure is analysed between administration and programme income and expenditure. The classification of expenditure and income as administration or as programme follows the definition of administration costs under the administrative cost control regime set by the Department of Finance.

1.11 Foreign exchange

Transactions that are denominated in a foreign currency are translated into sterling at the exchange rate ruling on the date of each transaction. At the end of the reporting period monetary items are translated at the closing rate applicable at the period end date.

1.12 Grants payable

Grants payable are recorded as expenditure in the period that the underlying event or activity giving entitlement to the grant occurs. Grants relating to activity occurring over a specific time period, usually a financial year, are recorded as expenditure for that period.

1.13 Employee benefits including pensions

Under the requirements of IAS 19 *Employee Benefits*, staff costs must be recorded as an expense as soon as the organisation is obligated to pay them. This includes the cost of any untaken leave that has been earned at the year end.

Past and present employees are covered by the provisions of the Northern Ireland Civil Service (NICS) Pension Schemes. The defined benefit schemes are unfunded. The Department recognises the expected cost of pension provision on a systematic and rational basis over the period during which it benefits from employees' services by payment to the NICS Pension Schemes of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the NICS Pension Schemes. In respect of the defined contribution schemes, the Department recognises the contributions payable for the year.

The Department is required to meet the additional cost of benefits beyond the normal NICS Pension Schemes benefits in respect of employees who retire early or who qualify for Injury Benefits. The Department provides in full for the cost of the early retirement once it has been agreed and annually expenses the costs of Injury Benefit awards.

SEUPB has its own separate pension scheme from the Department. SEUPB operates a defined benefit pension scheme which is funded annually on a 'pay as you go' basis from monies available to it, including monies provided by DoF and the Department of Public Expenditure & Reform (DPER) in Ireland. Funding is also provided by way of deductions from staff salaries, which are repaid by the SEUPB to DoF and DPER. Pension Scheme liabilities are measure on actuarial basis using the projected unit method. More information about the Group's pension schemes can be found in the accounts of the SEUPB.

1.14 Provisions

The Department provides for legal or constructive obligations, which are of uncertain timing or amount at the reporting date based on the best estimate of the expenditure required to settle the obligation. These relate to early departure charges, potential legal actions and provision for liabilities in respect of contracts. Where the effect of the time value of money is significant the estimated risk-adjusted cash flows are discounted using the real rate set by HM Treasury.

1.15 Contingent liabilities

In addition to contingent liabilities disclosed in accordance with IAS 37, the Department discloses for Assembly reporting and accountability purposes certain statutory and non-statutory contingent liabilities where the likelihood of a transfer of economic benefit is remote, but which have been reported to the Assembly in accordance with the requirements of *Managing Public Money Northern Ireland (MPMNI)*.

These comprise:

- a. Items over £250,000 (or lower, where required by specific statute) that do not arise in the normal course of business and which are reported to the Assembly by Departmental Minute prior to the Department entering into the arrangement; *and*
- b. All items (whether they arise in the normal course of business) over £250,000 (or lower, where required by specific statute or where material in the context of resource accounts) which are required by the *FReM* to be noted in the resource accounts.

Where the time value of money is material, contingent liabilities which are required to be disclosed under IAS 37 are stated at discounted amounts and the amount reported to the Assembly separately noted. Contingent liabilities that are not required to be disclosed by IAS 37 are stated at the amounts reported to the Assembly.

1.16 Value Added Tax (VAT)

Where output VAT is charged or input VAT is recoverable, the amounts are stated net of VAT. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. VAT is recoverable on a departmental basis.

1.17 Financial instruments

A financial instrument is defined as any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A financial instrument is recognised when, and only when, the entity becomes a party to the contractual provisions of the instrument. A previously recognised financial asset is derecognised when, and only when, either the contractual rights to the cash flows from that asset expire, or the entity transfers the asset such that the transfer qualified for de-recognition. A financial liability is derecognised when, and only when, it is extinguished.

The Department has financial instruments in the form of trade receivables and payables and cash and cash equivalents.

In accordance with IFRS 9 *Financial Instruments – Classification and Measurement*, financial assets in the form of trade receivables, cash and cash equivalents and other receivables are measured at amortised cost.

The Department impairs its trade receivables by making loss allowances equal to the lifetime expected credit losses if the credit risk on the trade receivables has increased significantly since its initial recognition.

Impairment losses are assessed individually for financial assets that are individually significant and individually or collectively for assets that are not individually significant. In making collective assessment of impairment, financial assets are grouped into portfolios based on similar risk characteristics. Future cash flows from these portfolios are estimated based on the contractual cash flows and historical loss experience for assets with similar risk characteristics.

Impairment losses are recognised in the Statement of Comprehensive Net Expenditure and the carrying amount of the financial asset or group of financial assets reduced by establishing an allowance for impairment losses. If in a subsequent period the amount of the impairment loss reduces and the reduction can be ascribed to an event after the impairment was recognised, the previously recognised loss is reversed by adjusting the allowance.

When a financial asset is deemed unrecoverable the amount of the asset is reduced directly and the impairment loss is recognised in the Statement of Comprehensive Net Expenditure to the extent that a provision was not previously recognised. Financial liabilities are measured at amortised cost.

1.18 Insurance

Only insurance costs in respect of motor vehicles are charged to the Statement of Comprehensive Net Expenditure.

Departments do not generally insure. Cover for insurance is not provided against the following: fire, explosion, common-law third party and similar risks. Notional insurance premiums are not charged to the Statement of Comprehensive Net Expenditure. Instead, expenditure in connection with uninsured risks is charged as incurred.

1.19 Comparatives

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

1.20 Exceptional items

In accordance with *FReM*, disclosure of exceptional items is included under either administration or programme expenditure as appropriate. There were no exceptional items in 2023-24 (2022-23:£NIL).

1.21 Government grants receivable

Grants receivable for revenue purposes are recognised in the Statement of Comprehensive Net Expenditure so as to match them with the expenditure towards which they are intended to contribute.

Grants received as a contribution towards a non-current asset are recognised as income and taken through the Statement of Comprehensive Net Expenditure, unless the funder imposes a condition requiring that the future economic benefits embodied in the grant are consumed as specified by the grantor or must be

returned to them. Assets funded by government grant are revalued, depreciated and subject to impairment review in the same way as other non-current assets.

SEUPB operates a central payments unit which has established to make payment to projects funded under relevant EU Programmes on behalf of Accountable Government Departments in Northern Ireland and Ireland. For the INTERREG and PEACE programmes, payment made to projects (as adjusted for accruals and unearned advances) and income is shown within the SoCNE. More information about the central payments unit can be found in the accounts of the SEUPB.

1.22 Critical accounting estimates and key judgements

As a result of the uncertainties inherent in all business activities, many items in financial statements cannot be measured with precision but can only be estimated. Where estimates have been required in order to prepare these financial statements in conformity with *FReM*, management have used judgements based on the latest available, reliable information. Management continually review estimates to take account of any changes in the circumstances on which the estimate was based or as a result of new information or more experience.

1.23 Third party assets

Third-party assets are assets for which the Department acts as custodian or trustee, but in which the Department has no direct beneficial interest. Third-party assets are not public assets, and hence are not recorded in the primary financial statements. In the interests of general disclosure and transparency, details of the Departments third-party assets are provided in Note 19.

1.24 IFRS 16 Leases

IFRS 16 Leases has been implemented from 1 April 2022. It largely removes the distinction between operating and finance leases and introduces a single lease accounting model. A lessee is required to recognise ('right-of-use') assets and liabilities for all leases (apart from the exemptions listed below). This replaces the previous standard, IAS 17 Leases, representing a change in accounting policy applied in accordance with IAS 1 and IAS 8 as adapted by the *FReM*.

Implementation and Assumptions

The Department has expanded the definition of a lease to include arrangements with nil consideration, for example peppercorn leases, defined as lease payments significantly below market value. These assets are measured at current value in use or fair value on initial recognition. On transition, any differences between the discounted lease liability and the right of use asset are included through cumulative catch. Any differences between the lease liability and right of use asset for new leases after implementation of IFRS 16 are recorded in income in the SoCNE.

The Department has elected not to recognise right of use assets and lease liabilities for the following leases:

- low value assets, with an assessment performed on the underlying asset when new (these are determined to be in line with capitalisation thresholds); and
- leases with a lease term of 12 months or less.

Previous treatment

In the comparative period, as a lessee the Department classified leases that transferred substantially all the risks and rewards of ownership as finance leases. The leased assets were measured at an amount equal to lower of the fair value and the present value of minimum lease payments.

Leases other than finance leases were classified as operating leases. Assets previously held as operating leases were not recognised in the Department's SoFP. Payments were recognised in the SoCNE on a straight-line basis over the term of the lease. Lease incentives were recognised as an integral part of the total lease expense, over the term of the lease.

Policy applicable from 1 April 2022

At inception of a contract, the Department assesses whether a contract is, or contains, a lease. A contract is or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time. To assess whether a contract conveys the right to control the use of an identified asset, the Department assesses whether:

- the contract involves the use of an identified asset;
- the Department has the right to obtain substantially all of the economic benefit from the use of the asset throughout the period of use; and
- the Department has the right to direct how and for what purpose the asset is used for.

The policy is applied to contracts entered into, or changed, on or after 1 April 2022.

Departmental Group as a lessee

The Department's lease contracts comprise of operational land and buildings, information technology relating to a PFI arrangement for the design, implementation and management of the IT infrastructure for land registration systems, and plant & machinery which includes motor vehicles and an aircraft.

Right of use assets

The Department recognises a right of use asset and lease liability 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 a 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 IFRS 16 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:

- 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 asset is 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 assets.

The Department applies IAS 36 Impairment of Assets to determine whether the right of use asset is impaired and to account for any impairment loss identified.

Lease liabilities

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease, or if that cannot be readily determined, the rate provided by HM Treasury (0.95% for leases recognised in 2022, 3.51% for those in 2023). 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 the Department's estimates of the amount expected to be payable under a residual value guarantee, or if the Department changes its assessment of whether it will exercise a purchase, extension or termination option.

Lease payments included in the measurement of the lease liability comprise 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 that the Department is reasonably certain to exercise; and
- penalties for early termination of a lease unless the Department is reasonably certain not to terminate early.

At the commencement of a lease (or on the date of transition to IFRS 16, if later), the Department recognises a right of use asset and a lease liability.

Dilapidations Provisions

IFRS 16 requires dilapidation provisions to be capitalised as part of the cost of the right-of-use asset (IFRS 16, 24(d)). These dilapidation provisions are treated as provisions in respect of capital expenditure for budgeting purposes, consistent with normal Consolidated Budgeting Guidance (CBG) principles (see guidance on capitalised provisions in CBG Chapter 6). Appendix G clarifies this treatment.

Departmental Group as lessor

Where the Department acts as a lessor, the arrangement will be assessed to determine whether it constitutes a finance lease, this being where the risks and rewards incidental to ownership of an underlying asset are substantially transferred to the lessee. For these leases the asset is derecognised, and a receivable is recognised, with accrued interest being treated as income over its life. All other leases are treated as operating leases and rental income is recognised in the SoCNE on a straight-line basis.

1.25 Impending application of newly issued accounting standards not yet effective

The Department has reviewed new standards, interpretations and amendments to existing standards which have been issued but are either not yet effective, nor adopted early for these accounts. The standards are mandatory for the Department's accounting periods beginning on or after 1 April 2024 or later periods.

Other than as outlined below, the Department considers that these standards are not relevant or material to its operations.

IFRS 10 Consolidated Financial Statements, IFRS 11 Joint Arrangements, IFRS 12 Disclosure of Interests in Other Entities

The International Accounting Standard Board (IASB) have issued new and amended standards (IFRS 10, IFRS 11 and IFRS 12) that affect the consolidation and reporting of subsidiaries, associates and joint ventures. These standards are effective with EU adoption from 1 January 2014.

IFRS 17 Insurance Contracts

IFRS 17 (Insurance Contracts) will replace IFRS 4 (Insurance Contracts) and is effective for accounting periods beginning on or after 1 January 2023. In line with the requirements of the FReM, IFRS 17 will be implemented, as interpreted and adapted for the public sector, with effect from 1 April 2025.

IFRS 18 *Presentation and Disclosure in Financial Statements*

IFRS 18 (Presentation and Disclosure in Financial Statements) was issued in April 2024, replacing IAS 1 (Presentation of Financial Statements), and is effective for accounting periods beginning on or after 1 January 2027. IFRS 18 will be implemented, as interpreted and adapted for the public sector if required, from a future date (not before 2027-28) that will be determined by the UK Financial Reporting Advisory Board in conjunction with HM Treasury following analysis of this new standard.

1.26 Review of Financial Process

Review of Financial Process (RoFP) was initiated to simplify financial reporting to better align Budgets, Estimates and Accounts. The legislation necessary for RoFP (The Financial Reporting (Departments and Public Bodies) Act (Northern Ireland) 2022) received Royal Assent in March 2022.

The Department is applying this accounting policy change for the first time for the financial year ended 31 March 2023 and, in accordance with IAS 1 as adapted by the FReM, has restated prior year comparatives to ensure comparability and consistency of financial information against the current reporting period. The most significant changes to the Annual Report and Accounts as a result of RoFP are as follows:

- The Departmental boundary (incorporating both Estimates and Accounts boundaries) has been extended to incorporate SEUPB. This North/South body was not previously consolidated within these Account. Therefore, the Departmental Group now includes the Core Department, supply financed Agency and 53% of SEUPB accounts;
- The primary statements (including the SoAS) and the Notes to the Accounts (including Net Outturn, Reconciliation of outturn to net operating expenditure, Reconciliation of Net Cash Requirement and 2022-23 Income payable to the Consolidated Fund) have been revised to incorporate the alignment requirements; *and*
- The Assembly control totals have been revised to reflect the alignment of the Estimates and Budgeting boundaries.

1.27 Financial Reporting – Future Developments

The Department has considered the accounting initiatives identified by HM Treasury for which the Standards are under development and considers these changes are not relevant or material to its operations.

2 Statement of Operating Expenditure by Operating Segment

Reportable segment	2023-24			2022-23		
	Gross expenditure	Income	Net expenditure	Gross expenditure	Income	Net expenditure
	£000	£000	£000	£000	£000	£000
Construction and Procurement Delivery	80,123	(19,316)	60,807	89,310	(23,663)	65,647
Departmental Solicitors Office	11,333	(6,605)	4,728	11,352	(5,704)	5,648
Digital, Security and Finance	83,734	(28,816)	54,918	90,375	(34,637)	55,738
EU Programmes	6,815	(5,479)	1,336	3,900	(3,338)	562
Finance Division	3,172	(211)	2,961	3,687	(206)	3,481
Communications and Engagement Division	1,838	-	1,838	2,090	-	2,090
Corporate Services Division	868	-	868	-	-	-
Internal Audit and Fraud Investigation	4,838	(4,159)	679	4,426	(3,919)	507
Land and Property Services	97,390	(35,674)	61,716	87,248	(37,563)	49,685
Northern Ireland Civil Service Human Resources	41,603	(21,699)	19,904	36,347	(13,807)	22,540
People and Organisational Development	4,614	-	4,614	1,908	-	1,908
Northern Ireland Statistics and Research Agency	35,111	(22,130)	12,981	34,105	(19,825)	14,280
Other Bodies – International Fund for Ireland (IFI)	634	-	634	523	-	523
Public Spending Directorate	3,724	(21)	3,703	3,620	(15)	3,605
Special EU Programmes Body	42,490	(40,505)	1,985	38,868	(36,488)	2,380
Strategic Policy and Reform Directorate	6,878	(1,529)	5,349	6,655	(1,274)	5,381
Centrally Managed	1,439	(2,152)	(713)	784	(468)	316
Total	426,604	(188,296)	238,308	415,198	(180,907)	234,291

Description of segments

The reportable segments detailed above are those reported to the Departmental Board. Refer to Appendix 1 for the key roles and responsibilities of each segment.

2.1 Reconciliation between Operating Segments and CSocNE

	2023-24	2022-23
	£000	£000
Total net expenditure reported for operating segments	238,308	234,291
Reconciling items:	-	-
Total net expenditure per the Consolidated Statement of Comprehensive Net Expenditure	238,308	234,291
Notional costs	402	379
Total net expenditure including notionals per the Consolidated Statement of Comprehensive Net Expenditure	238,710	234,670

2.2 Reconciliation between Operating Segments and CSoFP

	2023-24	2022-23
	£000	£000
Total assets reported for operating segments	723,649	743,758
Reconciling items:	-	-
Total assets per the Consolidated Statement of Financial Position	723,649	743,758
Total liabilities reported for operating segments	(286,955)	(275,088)
Reconciling items:		
Total liabilities per Consolidated Statement of Financial Position	(286,955)	(275,088)
Total net assets per Consolidated Statement of Financial Position	436,694	468,670

3 Expenditure

3.1 Other Administration Expenditure

	Note	2023-24 £000	2023-24 £000	2022-23 £000	2022-23 £000
		Core Department & Agency	Departmental Group	Core Department & Agency	Departmental Group
Staff costs¹:					
Wages and salaries		79,386	79,998	75,590	76,057
Social security costs		7,657	7,779	7,821	7,954
Other pension costs		21,680	22,153	21,973	23,068
	3.3	108,723	109,930	105,384	107,079
Goods and services:					
Accommodation, maintenance and utilities		34,632	34,802	31,944	32,054
Accounting and information technology		47,274	47,352	46,588	46,660
Personnel and training costs		1,972	1,986	1,884	1,907
Printing, stationery and advertising		789	794	898	902
Travel, subsistence and hospitality		240	300	340	341
Legal costs		378	378	566	567
Other costs		1,635	1,641	4,341	4,349
EU grant expenditure		-	40,688	-	36,403
PFI and other service charges	16.2	4,031	4,031	3,853	3,853
Rentals under operating leases:					
Other operating leases	15.3	152	152	1,027	1,136
Hire of plant and machinery		7	7	-	-
	3.3	91,110	132,131	91,441	128,172
Interest charges:					
Finance leases		614	614	692	692
Interest payable and similar charges		3	(180)	-	85
	3.3	617	434	692	777
Other expenditure:					
Banking and cash handling costs		5	5	1	1
Bad debts and bad debt provision		-	-	-	-
Exchange losses/(gains)		-	(6)	14	16
Losses and special payments		(389)	(388)	1,160	1,160
	3.3	(384)	(389)	1,175	1,177
Non-Cash Items:					
Other Expenditure:					
(Profit)/loss on disposal of property, plant and equipment	3.3	55	55	41	41
Depreciation and Impairment:					
Depreciation		36,555	36,649	35,486	35,565
Amortisation		7,282	7,321	7,382	7,421
Impairment		(9)	(9)	1,643	1,643
	3.3	43,828	43,961	44,511	44,629
Total	3.3	243,949	286,122	243,244	281,875

¹ Further analysis of staff costs is located in the Accountability Report

3.2 Programme Expenditure

Note	2023-24	2023-24	2022-23	2022-23
	£000	£000	£000	£000
	Core Department & Agency	Departmental Group	Core Department & Agency	Departmental Group
Staff costs²:				
	59,473	59,473	56,262	56,262
	4,923	4,923	4,986	4,986
	14,625	14,625	14,440	14,440
3.3	79,021	79,021	75,688	75,688
Goods and services:				
	2,232	2,232	2,905	2,905
	7,217	7,217	7,379	7,379
	3,105	3,105	3,142	3,142
	170	170	210	210
	286	286	300	300
	(8)	(8)	100	100
	9	9	9	9
15.3	-	-	1	1
	68	68	91	91
3.3	13,079	13,079	14,137	14,137
Other Expenditure				
Grants:				
	5,480	5,480	3,338	3,338
	16,866	16,866	13,219	13,219
	3,165	2,017	1,889	826
	75	75	(796)	(796)
	-	-	(50)	(50)
	-	-	25	25
	-	-	13	13
	15	15	195	195
Other expenditure:				
	3,179	3,179	2,812	2,812
	370	370	167	167
	934	934	635	635
	303	303	123	123
	111	111	263	263
	50	50	(23)	(23)
	1	1	93	93
3.3	30,549	29,401	21,903	20,840
Non-Cash Items:				
Other Expenditure:				
	-	-	38	38
	10,512	10,512	8,846	8,846
	1,700	1,700	-	-
3.3	12,212	12,212	8,884	8,884
Provision Expense:				
	(3,067)	(3,067)	5,575	5,575
	-	317	-	239
3.3	(3,067)	(2,750)	5,575	5,814

Depreciation and Impairment:					
Depreciation		1,366	1,366	1,274	1,274
Amortisation		7,678	7,678	6,774	6,774
Impairment		144	144	(225)	(225)
	3.3	9,188	9,188	7,823	7,823
Interest Charges:					
Finance Leases		130	130	137	137
Interest payable and similar charges		201	201	-	-
	3.3	331	331	137	137
Total	3.3	141,313	140,482	134,147	133,323

² Further analysis of staff costs is located in the Accountability Report

3.3 Reconciliation between Expenditure and SoCNE

	Other Administration Expenditure		Programme Expenditure		2023-24 Total Expenditure	
	£000 Core Department & Agency	£000 Group	£000 Core Department & Agency	£000 Group	£000 Core Department & Agency	£000 Group
Staff costs	108,723	109,930	79,021	79,021	187,744	188,951
Purchase of goods and services	91,110	132,131	13,079	13,079	104,189	145,210
Depreciation and impairment	43,828	43,961	9,188	9,188	53,016	53,149
Provision expense	-	-	(3,067)	(2,750)	(3,067)	(2,750)
Other Expenditure	(384)	(389)	30,549	29,401	30,165	29,012
Other Expenditure – Non-Cash	55	55	12,212	12,212	12,267	12,267
Total operating expenditure	243,332	285,688	140,982	140,151	384,314	425,839
Finance Expenditure	617	434	331	331	948	765
Total expenditure for the year	243,949	286,122	141,313	140,482	385,262	426,604

	Other Administration Expenditure		Programme Expenditure		2022-23 Total Expenditure	
	£000 Core Department & Agency	£000 Group	£000 Core Department & Agency	£000 Group	£000 Core Department & Agency	£000 Group
Staff costs	105,384	107,079	75,688	75,688	181,072	182,767
Purchase of goods and services	91,441	128,172	14,137	14,137	105,578	142,309
Depreciation and impairment	44,511	44,629	7,823	7,823	52,334	52,452
Provision expense	-	-	5,575	5,814	5,575	5,814
Other Expenditure	1,175	1,177	21,903	20,840	23,078	22,017
Other Expenditure – Non-Cash	41	41	8,884	8,884	8,925	8,925
Total operating expenditure	242,552	281,098	134,010	133,186	376,562	414,284
Finance Expenditure	692	777	137	137	829	914
Total expenditure for the year	243,244	281,875	134,147	133,323	377,391	415,198

3.4 Notional Audit Costs

The non-cash auditors' remuneration for the year includes costs incurred by the Department for the Departmental group audit, and by agency for the audit of their individual accounts as shown in the breakdown below. Further details for agency can be found in their individual accounts.

	Note	2023-24 £000 Total	2022-23 £000 Total
Core Department		383	361
Agency		19	18
Total Core Department and Agency		402	379
Other designated bodies - SEUPB		-	-
Departmental Group Notional Audit Costs		402	379

During 2023-24 the Department did not purchase any non-audit services from its auditor (2022-23: £NIL). In relation to the National Fraud Initiative, there was no costs incurred in 2023-24 (2022-23: no costs incurred).

4 Income

Note	2023-24 £000 Core Department & Agency	2023-24 £000 Departmental Group	2022-23 £000 Core Department & Agency	2022-23 £000 Departmental Group
Revenue from Contracts with Customers:				
Administration Income				
Sales and recharges	75,999	75,999	75,471	75,471
Grant Income – SEUPB	-	40,688	-	36,403
Other fees, levies and charges	6,037	5,854	7,498	7,583
	82,036	122,541	82,969	119,457
Programme Income				
Sales and recharges	24,025	24,025	23,565	23,565
Other fees, levies and charges	19,927	19,927	21,453	21,453
	43,952	43,952	45,018	45,018
Sub-total revenue from contracts with customers	125,988	166,493	127,987	164,475
Other Operating Income:				
Administration Income				
Recovery of secondee costs	687	687	510	510
Other income	915	915	214	214
	1,602	1,602	724	724
Programme Income				
Recovery of secondee costs	13,711	13,711	12,223	12,223
EU grant income (current)	5,477	5,477	3,337	3,337
Other income	1,013	1,013	148	148
	20,201	20,201	15,708	15,708
Sub-total other operating income	21,803	21,803	16,432	16,432
Total operating income	147,791	188,296	144,419	180,907

	Note	2023-24		2022-23	
		£000 Core Department & Agency	£000 Departmental Group	£000 Core Department & Agency	£000 Departmental Group
Of which:					
Administration		83,638	124,143	83,693	120,181
Programme		64,153	64,153	60,726	60,726
		147,791	188,296	144,419	180,907
Of which:					
Agency		22,135	22,135	19,825	19,825
Core Department		125,656	166,161	124,594	161,082
		147,791	188,296	144,419	180,907

Disaggregation of revenue from contracts with customers per operating segment is as follows:

	2023-24					
	£000 CFN	£000 DSF	£000 NICS HR	£000 PSDLG	£000 Core Department & Agency	£000 Departmental Group
Income from NI Departments	13,736	17,089	19,577	22,073	72,475	72,475
Income from other NI Public Bodies	8,756	10,035	2,092	2,999	23,882	23,882
Income from UK Departments and Public Bodies	3,525	913	18	1,835	6,291	6,291
Income from external customers	2,050	775	13	20,502	23,340	63,845
	28,067	28,812	21,700	47,409	125,988	166,493
	Restated ¹ 2022-23					
	£000 CFN	£000 DSF	£000 NICS HR	£000 PSDLG	£000 Core Department & Agency	£000 Departmental Group
Income from NI Departments	16,640	16,791	18,636	19,502	71,569	71,569
Income from other NI Public Bodies	10,321	10,065	1,991	2,443	24,820	24,820
Income from UK Departments and Public Bodies	2,505	781	18	1,579	4,883	4,883
Income from external customers	2,155	142	15	24,403	26,715	63,203
	31,621	27,779	20,660	47,927	127,987	164,475

¹ Restated 2022-23 due to internal reorganisation of business areas.

5 Property, plant and equipment

	2023-24								
Consolidated	Land £000	Buildings £000	Dwellings £000	Information Technology £000	Plant & Machinery £000	Furniture & Fittings £000	Antiques £000	Assets under Construction £000	Total £000
Cost or valuation									
At 1 April 2023	100,830	463,070	378	78,996	6,436	22,565	2,655	28,116	703,046
Additions	-	596	-	13,536	120	1,496	-	6,923	22,671
Lease Reassessments/Modifications	-	(909)	-	-	-	-	-	-	(909)
Disposals	-	-	-	(8,103)	(170)	-	-	-	(8,273)
Impairments	-	23	-	(164)	1	-	-	-	(140)
Transfers	(8,679)	(17,851)	-	-	-	-	-	-	(26,530)
Reclassifications	-	20,005	-	56	-	88	-	(20,575)	(426)
Revaluations	(5,219)	(31,981)	5	(862)	82	1,013	-	1	(36,961)
At 31 March 2024	86,932	432,953	383	83,459	6,469	25,162	2,655	14,465	652,478
Depreciation									
At 1 April 2023	-	120,288	76	56,826	3,742	10,593	6	2	191,533
Charged in year	-	24,553	20	10,362	762	2,312	2	4	38,015
Disposals	-	-	-	(8,065)	(166)	-	-	-	(8,231)
Impairments	-	15	-	(12)	-	-	-	-	3
Reclassifications and transfers	-	6	-	-	-	-	-	(6)	-
Revaluations	-	(7,435)	1	(595)	35	490	-	-	(7,504)
At 31 March 2024	-	137,427	97	58,516	4,373	13,395	8	-	213,816
Carrying amount at 31 March 2024	86,932	295,526	286	24,943	2,096	11,767	2,647	14,465	438,662
Carrying amount at 31 March 2023	100,830	342,782	302	22,170	2,694	11,972	2,649	28,114	511,513
Asset financing:									
Owned	78,244	235,665	286	24,943	2,071	11,767	2,570	14,465	370,011
UK Grant Funded	-	8,488	-	-	-	-	-	-	8,488
Finance leased	8,688	50,013	-	-	25	-	-	-	58,726
Donated	-	1,360	-	-	-	-	77	-	1,437
Carrying amount at 31 March 2024	86,932	295,526	286	24,943	2,096	11,767	2,647	14,465	438,662
Of the total:									
Department	86,932	295,524	286	24,613	2,069	11,604	2,647	14,465	438,140
Agency	-	-	-	212	7	158	-	-	377
Other designated bodies - SEUPB	-	2	-	118	20	5	-	-	145
Carrying amount at 31 March 2024	86,932	295,526	286	24,943	2,096	11,767	2,647	14,465	438,662

Property, plant and equipment (continued)

Consolidated									2022-23
	Land £000	Buildings £000	Dwellings £000	Information Technology £000	Plant & Machinery £000	Furniture & Fittings £000	Antiques £000	Assets under Construction £000	Total £000
Cost or valuation									
At 1 April 2022	91,820	379,327	378	74,932	6,286	45,319	2,653	19,100	619,815
Opening balance adjustment	8,688	69,649	-	-	254	-	-	-	78,591
Additions	-	11,691	-	8,711	229	151	-	11,092	31,874
Disposals	-	-	-	(7,226)	(735)	(24,132)	-	-	(32,093)
Impairments	-	91	-	421	7	-	-	-	519
Reclassifications and transfers	-	1,881	-	-	-	155	-	(2,076)	(40)
Revaluations	322	431	-	2,158	395	1,072	2	-	4,380
At 31 March 2023	100,830	463,070	378	78,996	6,436	22,565	2,655	28,116	703,046
Depreciation									
At 1 April 2022	-	95,391	56	53,341	3,639	32,176	4	-	184,607
Charged in year	-	24,778	20	9,322	690	2,024	1	2	36,837
Disposals	-	-	-	(7,190)	(733)	(24,132)	-	-	(32,055)
Impairments	-	43	-	246	3	-	-	-	292
Revaluations	-	76	-	1,107	143	525	1	-	1,852
At 31 March 2023	-	120,288	76	56,826	3,742	10,593	6	2	191,533
Carrying amount at 31 March 2023	100,830	342,782	302	22,170	2,694	11,972	2,649	28,114	511,513
Carrying amount at 31 March 2022	91,820	283,936	322	21,591	2,647	13,143	2,649	19,100	435,208
Asset financing:									
Owned	92,142	264,696	302	22,170	2,569	11,972	2,572	28,114	424,537
UK Grant Funded	-	8,861	-	-	-	-	-	-	8,861
Finance leased	8,688	67,837	-	-	125	-	-	-	76,650
Donated	-	1,388	-	-	-	-	77	-	1,465
Carrying amount at 31 March 2023	100,830	342,782	302	22,170	2,694	11,972	2,649	28,114	511,513
Of the total:									
Department	100,830	342,775	302	21,796	2,669	11,709	2,649	28,052	510,782
Agency	-	-	-	221	11	256	-	62	550
Other designated bodies - SEUPB	-	7	-	153	14	7	-	-	181
Carrying amount at 31 March 2024	100,830	342,782	302	22,170	2,694	11,972	2,649	28,114	511,513

*Details of the Property, Plant and Equipment assets that have been valued are disclosed in Note 1 Accounting Policies.

6 Intangible assets

Intangible assets comprise internally developed software and databases, purchased software and software licences for the Department and its agency consolidated into these statements.

Consolidated	2023-24			
	Information technology (intangible) £000	Software Licences £000	Assets under Construction (intangible) £000	Total £000
Cost or valuation				
At 1 April 2023	212,910	9,539	665	223,114
Opening Balance adjustment	-	-	-	-
Additions	8,733	575	814	10,122
Disposals	(1,672)	(188)	-	(1,860)
Impairments	-	-	-	-
Reclassifications and transfers	448	-	(21)	427
Revaluations	9,204	280	-	9,484
At 31 March 2024	229,623	10,206	1,458	241,287
Amortisation				
At 1 April 2023	173,966	6,925	-	180,891
Charged in year	14,211	788	-	14,999
Disposals	(1,642)	(188)	-	(1,830)
Impairment	1	-	-	1
Reclassifications and transfers	-	-	-	-
Revaluations	7,536	186	-	7,722
At 31 March 2024	194,072	7,711	-	201,783
Carrying amount at 31 March 2024	35,551	2,495	1,458	39,504
Carrying amount at 31 March 2023	38,944	2,614	665	42,223
Asset financing:				
Owned	25,668	2,495	1,458	29,621
UK Grant Funded	3	-	-	3
Finance leased	9,880	-	-	9,880
Carrying amount at 31 March 2024	35,551	2,495	1,458	39,504
Of the total				
Department	29,421	2,350	1,458	33,229
Agency	6,023	145	-	6,168
Other designated bodies – SEUPB	107	-	-	107
Carrying amount at 31 March 2024	35,551	2,495	1,458	39,504

The amortisation charged during the accounting period in respect of assets held under finance leases was £1,217k (2022-23: £357k).

Intangibles assets (continued)

2022-23

Consolidated

	Information technology (intangible) £000	Software Licences £000	Assets under Construction (intangible) £000	Total £000
Cost or valuation				
At 1 April 2022	191,969	19,814	-	211,783
Opening Balance adjustment	16,125	-	-	16,125
Additions	7,338	832	853	9,023
Disposals	(18,198)	(11,759)	-	(29,957)
Impairments	(3,700)	-	-	(3,700)
Reclassifications and transfers	227	-	(188)	39
Revaluations	19,149	652	-	19,801
At 31 March 2023	212,910	9,539	665	223,114
Amortisation				
At 1 April 2022	165,235	16,848	-	182,083
Charged in year	12,769	1,427	-	14,196
Disposals	(18,155)	(11,759)	-	(29,914)
Impairment	(2,055)	-	-	(2,055)
Reclassifications and transfers	-	-	-	-
Revaluations	16,172	409	-	16,581
At 31 March 2023	173,966	6,925	-	180,891
Carrying amount at 31 March 2023	38,944	2,614	665	42,223
Carrying amount at 31 March 2022	26,734	2,966	-	29,700
Asset financing:				
Owned	26,399	2,614	665	29,678
UK Grant Funded	4	-	-	4
Finance leased	12,541	-	-	12,541
Carrying amount at 31 March 2023	38,944	2,614	665	42,223
Of the total				
Department	35,140	2,481	665	38,286
Agency	3,682	133	-	3,815
Other designated bodies – SEUPB	122	-	-	122
Carrying amount at 31 March 2023	38,944	2,614	665	42,223

7 Impairments

	2023-24		2022-23	
	£000 Core Department & Agency	£000 Departmental Group	£000 Core Department & Agency	£000 Departmental Group
Charged direct to the Statement of Comprehensive Net Expenditure	144	144	1,418	1,418
Taken through the Revaluation Reserve	27,695	27,695	(5,748)	(5,748)
Total impairment charge for the year	27,839	27,839	(4,330)	(4,330)

8 Financial instruments

IFRS 7 *Financial Instruments: Disclosures* requires disclosure that enables evaluation of the significance of financial instruments for the Department's financial position and performance, the nature and extent of risks arising from financial instruments to which the Department is exposed during the period and at the reporting date, and how the Department manages those risks. As a result of the non-trading nature of its activities and the way in which government departments are financed, the Department of Finance is not exposed to the degree of financial risk faced by business entities.

Classification of financial instruments

All departmental financial instruments are measured at amortised cost. The Department's financial assets are classified as loans and receivables and comprise trade and other receivables (Note 11) and cash and cash equivalents (Note 10). The Department's financial liabilities comprise payables excluding tax liabilities, accruals and deferred income (Note 12). The carrying value of these financial assets and liabilities, as disclosed in the notes to the accounts, approximates to fair value because of their short maturities.

The following table shows the net gains/losses recognised through the Statement of Comprehensive Net Expenditure by measurement category:

	From subsequent measurement				2023-24	2022-23
	From interest	At fair value	Currency translation	Impairment /reversal of impairment	Net gain/ (loss)	Net gain/ (loss)
	£000	£000	£000	£000	£000	£000
Loans and receivables	–	–	(48)	(414)	(462)	(359)
Financial liabilities measured at amortised cost	–	–	(2)	–	(2)	(18)
Total	–	–	(50)	(414)	(464)	(377)

Finance costs from financial liabilities measured at amortised cost consist of interest charges in relation to finance lease liabilities. The net currency translation gains or losses on financial assets classified as loans and receivables are attributable to monies due from the EU in respect of grant payments. The net currency

translation gains or losses on financial liabilities are attributable to exchange gains or losses arising on the settlement of invoices issued to the Department in other currencies.

The impairment/reversal of impairment relates to bad debts written off or provided.

Late payment charges in respect of payables are disclosed in the Management Commentary, see Payment to Suppliers section in the Performance Report on page 21. The Department recognised all the components of net gain/loss through the Statement of Comprehensive Net Expenditure.

Risk management

Financial risks include credit risk, liquidity risk and market risks (currency and interest rate).

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Department is not exposed to significant credit risk and manages its exposure via credit risk management policies which require review of the credit history of the organisations that the Department wishes to trade with. Publicly available credit information from recognised providers is utilised for this purpose where necessary. The maximum exposure to credit risk is represented by the carrying amounts of the trade receivables carried in the Statement of Financial Position.

Liquidity risk

The Department's net revenue resource requirements are financed by resources voted annually by the Assembly, as is its capital expenditure. The Department of Finance is not, therefore, exposed to significant liquidity risks.

Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Department receives reimbursement of certain grant payments from the European Union (EU). Transactions with the EU are denominated in euro and therefore exposed to currency risk. The revenue due from the EU is recognised as a receivable when it is initially paid to grant recipients. However, only when the Department submits claims to the EU is the relevant portion of the receivable subject to exchange rate risk. The exchange risk on receivables is offset by EU advances received, which are included within payables. At 31 March 2024 the net exposure was £4.0m (31 March 2023: £1.9m).

Sensitivity analysis

Based on the balance denoted in euro at 31 March 2024, a 15% weakening or strengthening of sterling against the euro would have increased or decreased the exchange rate movement by £598k respectively (31 March 2023: movement of £283k). This movement is attributable to the foreign exchange gains or losses on translation of the euro denominated receivables and payables with the EU as described above.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. All of the Department's financial assets and liabilities carry NIL or fixed rates of interest. The lease rate used is the HM Treasury discount rate promulgated in PES papers as their incremental borrowing rate. The single HM Treasury nominal discount rate for leases, for the full calendar year 2023, is 3.51%. The Department is therefore not exposed to any interest rate risk.

9 Assets classified as held for sale

	2023-24	2022-23
£000	£000	£000
Core Department & Agency	Departmental Group	Core Departmental Group
Balance at 1 April	97	97
Transfers in	26,530	-
Transfers out	(1,700)	-
Disposals	(106)	-
Reversal of Impairment Loss	9	-
Balance at 31 March	24,830	97

The Department intends to dispose of these assets within the next year. They comprise of one building and associated land that it no longer requires.

10 Cash and cash equivalents

	2023-24	2022-23
£000	£000	£000
Core Department & Agency	Departmental Group	Core Departmental Group
Balance at 1 April	42,592	93,244
Net change in cash and cash equivalents	(3,652)	(11,046)
Balance at 31 March	38,940	82,198

The following balances at 31 March were held at:

Commercial banks and cash in hand	38,940	102,369	42,592	82,198
Balance at 31 March	38,940	102,369	42,592	82,198

Balances for cash and cash equivalents are disclosed in the Statement of Financial Position as follows:

Current Assets	43,011	106,440	43,153	82,759
Current liabilities	(4,071)	(4,071)	(561)	(561)
Total	38,940	102,369	42,592	82,198

11 Trade receivables and other current assets

	2023-24		2022-23	
	£000 Core Department & Agency	£000 Departmental Group	£000 Core Department & Agency	£000 Departmental Group
Amounts falling due within one year:				
Trade receivables	8,680	8,680	8,699	8,699
Other receivables	7,306	7,349	6,180	6,194
VAT recoverable	4,867	4,867	4,036	4,036
Prepayments	20,609	20,885	18,839	19,082
Accrued income	19,292	19,292	18,889	18,889
Accrued EU income -SEUPB	-	33,014	-	35,379
Amounts due from EU commission	5,258	11,902	3,474	9,832
Amounts due from the Consolidated Fund in respect of supply	3,296	3,296	-	-
	69,308	109,285	60,117	102,111
Amounts falling due after more than one year:				
Trade receivables	2,435	2,435	3,183	3,183
Amounts due from EU commission	-	2,493	-	1,872
	2,435	4,928	3,183	5,055
Total	71,743	114,213	63,300	107,166

Included within prepayments and accrued income is £194k (2022-23:£NIL) that will be due to the Consolidated Fund once the debts are collected.

The following table shows the provision for bad debt included in trade receivables in the table above at the period end:

	2023-24		2022-23	
	£000 Core Department & Agency	£000 Departmental Group	£000 Core Department & Agency	£000 Departmental Group
Balance at 1 April	(6,530)	(6,530)	(6,832)	(6,832)
Impairment losses (recognised)/derecognised in receivables	(414)	(414)	(386)	(386)
Amounts written off as uncollectable	600	600	688	688
Balance at 31 March	(6,344)	(6,344)	(6,530)	(6,530)

In determining the recoverability of a trade receivable, the Department considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the reporting date. No interest is charged on the trade receivables. The Department has provided fully for all receivables where there is evidence to suggest the debt is not recoverable.

The following table shows the aging of trade debts past due but not impaired; no provision has been made where there has not been a significant change in credit quality and the Department believes that the amounts are still fully recoverable:

	2023-24		2022-23	
	£000	£000	£000	£000
	Core Department & Agency	Departmental Group	Core Department & Agency	Departmental Group
Neither past due nor impaired trade receivables	6,649	6,649	7,602	7,602
1-30 days	589	589	171	171
31-60 days	612	612	369	369
61-90 days	353	353	64	64
91-180 days	300	300	411	411
181-360 days	293	293	345	345
361 days plus	4,933	4,933	5,418	5,418
Gross carrying value	13,729	13,729	14,380	14,380
Less: impairment	(2,614)	(2,614)	(2,498)	(2,498)
Net carrying value	11,115	11,115	11,882	11,882

12 Trade payables and other current liabilities

	2023-24		Restated 2022-23	
	£000	£000	£000	£000
	Core Department & Agency	Departmental Group	Core Department & Agency	Departmental Group
Amounts falling due within one year:				
Other taxation and social security	18,477	18,477	18,772	18,772
Trade payables	271	423	649	801
Other payables	23,574	23,648	23,454	23,454
Accruals	37,020	36,644	31,770	32,222
Capital Accruals	5,105	5,105	3,466	3,466
Deferred income	4,703	4,703	5,785	5,785
Deferred EU income	-	44,435	-	44,219
Amounts owed to accountable Departments /EU Commission	-	17,310	-	27,572
Current part of finance leases	13,426	13,426	13,210	13,210
Amounts issued from CF for supply but not spent at year end	-	-	1,391	1,391
Consolidated Fund Extra Receipts due to be paid to the CF Fund:				
CFER – received	1,593	1,593	362	362
CFER – receivable	194	194	-	-
	104,363	165,958	98,859	171,254
Amounts falling due after more than one year:				
Finance leases	56,289	56,289	69,677	69,677
Amounts owed to Accountable Department/EU commission	-	44,487	-	10,993
	56,289	100,776	69,677	80,670
Total	160,652	266,734	168,536	251,924

13 Provisions for liabilities and charges

	£000	2023-24 £000	£000	2022-23 £000
	Core Department & Agency	Departmental Group	Core Department & Agency	Departmental Group
Balance at 1 April	15,697	22,603	2,205	15,125
Provided in the year*	1,191	1,517	15,471	16,566
Provisions not required written back	(4,186)	(4,222)	(819)	(815)
Provisions utilised in year	(2,834)	(2,911)	(1,160)	(1,220)
Actuarial (gain)/loss	-	(1,154)	-	(7,292)
Borrowing costs	-	317	-	239
Balance at 31 March	9,868	16,150	15,697	22,603

*Includes dilapidations that are capitalised in respect of right of use assets. See table below.

Analysis of expected timing of discounted flows

	£000	2023-24 £000	£000	2022-23 £000
	Core Department & Agency	Departmental Group	Core Department & Agency	Departmental Group
Not later than one year	713	713	6,582	6,582
Later than one year and not later than five years	5,181	5,181	5,141	5,141
Later than five years	3,974	10,256	3,974	10,880
Balance at 31 March	9,868	16,150	15,697	22,603

	£000	£000	£000	£000	£000
	Legal Claims	Pensions	Right of Use Asset – Dilapidations	Other	Total
Not later than one year	671	-	-	42	713
Later than one year and not later than five years	805	-	4,376	-	5,181
Later than five years	-	6,282	3,974	-	10,256
Balance at 31 March	1,476	6,282	8,350	42	16,150

13.1 Legal claims

This represents public liability, employer liability, contract and compensation claims and dilapidations as advised by the business areas within the Department.

Public liability claims include personal injury claims. Employer liability claims include legal costs that will have to be borne by the Department and relate to accidents or injury caused due to faults in the fabric of a Departmental building and other damages including fair employment and industrial tribunal cases.

Contract claims are associated with claims made by contractors for unforeseen delays in the completion of projects or cost over-runs, which are outside of their control. The provisions details are based on evaluations made by qualified professional and technical personnel employed by DoF.

A discount rate has not been applied on any of the provisions as the time value of money is not significant.

13.2 Other legal issues

The Court of Appeal (CoA) judgment from 17 June 2019 (PSNI v Agnew) determined that claims for Holiday Pay shortfall can be taken back to 1998. However, the PSNI has appealed the CoA judgment to the Supreme Court. The Supreme Court hearing was scheduled for the December 2022 and the judgment was delivered on 4 October 2023. The 2023-24 Holiday Pay provision has been estimated by HR and covers the period from November 1998 to 31 March 2020. There are still some significant elements of uncertainty around this estimate for a number of reasons:

1. Outstanding legal advice now required following the Supreme Court judgment;
2. Lack of accessible data for years previous to 2011; and
3. Ongoing negotiations with Trade Union and their legal representatives.

13.3 Pensions

Pension liabilities represents the present value of future SEUPB pension payments earned by staff to date. The North/South Pension Scheme is a multi-employer defined benefit scheme, operating within the approvals of the North South Ministerial Council (NSMC). More information about this can be found in the accounts of the SEUPB.

13.4 Right of Use Asset Dilapidations

IFRS 16 requires dilapidation provisions to be capitalised as part of the cost of the right-of-use assets. These dilapidation provisions should be treated as provisions in respect of capital expenditure and are calculated based on the net internal area times the cost per square foot of the building.

14 Contingent liabilities disclosed under IAS 37

The Department has entered into the following unquantifiable contingent liabilities:

14.1 Legal issues

There are currently 3 judicial review cases (2022-23: 5 cases) pending.

There is an ongoing Contractor legal case pending against the Department. A legal hearing took place on 30 May 2024, with a full Court hearing likely to take place in November. Until there is further clarity a reliable estimate of liability cannot be provided.

14.2 Public/employer liability cases

There are currently 17 cases (2022-23: 17 cases) pending against the Department. The maximum that will be payable cannot be accurately estimated.

14.3 Industrial tribunal cases

There are currently no industrial tribunal cases (2022-23: NIL cases) pending.

14.4 Public Sector Pensions – Injury to Feelings Claims

The Department is a name Respondent in a class action affecting employers across the public sector and is managing claims on behalf of the Northern Ireland Civil Service (NICS) Departments. This is an extremely complex case and may have significant implications for the NICS and wider public sector. However the cases are at a very early stage of proceedings and until there is further clarity on potential scope and impact, a reliable estimate of liability cannot be provided.

15 Leases

The Department's lease contracts comprise of operational land and buildings, information technology relating to a PFI arrangement for the design, implementation and management of the IT infrastructure for land registration systems, and plant & machinery which includes motor vehicles and an aircraft.

With the exception of short-term leases and lease of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and as lease liability.

15.1 Quantitative disclosures around right-of-use assets

	Land	Buildings	Information Technology	Plant & Machinery	Total
	£000	£000	£000	£000	£000
As at 1 April 2023	8,688	61,073	12,542	125	82,428
Additions	-	99	1,378	32	1,509
Revaluations	-	(909)	832	-	(77)
Depreciation expense	-	(10,250)	(4,872)	(132)	(15,254)
At 31 March 2024	8,688	50,013	9,880	25	68,606

15.2 Quantitative disclosures around lease liabilities

Maturity Analysis	2023-24		Restated 2022-23	
	Core Department & Agency £000	Departmental Group £000	Core Department & Agency £000	Departmental Group £000
Land and Buildings:				
Not later than one year	(9,481)	(9,481)	(9,882)	(9,882)
Later than one year and not later than five years	(24,347)	(24,347)	(29,449)	(29,449)
Later than five years	(19,537)	(19,537)	(24,522)	(24,522)
	(53,365)	(53,365)	(63,853)	(63,853)
<i>Less</i> interest element	1,911	1,911	2,446	2,446
Present value of obligations	(51,454)	(51,454)	(61,407)	(61,407)
Other:				
Not later than one year	(4,532)	(4,532)	(4,044)	(4,044)
Later than one year and not later than five years	(5,894)	(5,894)	(9,659)	(9,659)
Later than five years	(12,733)	(12,733)	(12,864)	(12,864)
	(23,159)	(23,159)	(26,567)	(26,567)
<i>Less</i> interest element	4,898	4,898	5,087	5,087
Present value of obligations	(18,261)	(18,261)	(21,480)	(21,480)
Total present value of obligation	(69,715)	(69,715)	(82,887)	(82,887)
Current portion	(13,426)	(13,426)	(13,210)	(13,210)
Non – current position	(56,289)	(56,289)	(69,677)	(69,677)

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

	2023-24		2022-23	
	Core Department & Agency	Departmental Group	Core Department & Agency	Departmental Group
	£000	£000	£000	£000
Expense related to short-term leases	147	147	1,021	1,021
Expenses related to low-value assets leases (excluding short-term leases)	5	5	7	116
	152	152	1,028	1,137

15.4 Quantitative disclosures around cash outflows for leases

	2023-24		2022-23	
	Core Department & Agency	Departmental Group	Core Department & Agency	Departmental Group
	£000	£000	£000	£000
Total cash outflow for leases	(13,916)	(13,916)	(12,658)	(12,658)

16 Commitments under PFI and other service concession arrangements

16.1 On-balance sheet (SoFP)

The *FReM* requires that service concession arrangements should be accounted for in accordance with IFRIC 12 where the government body controls the use of the asset and the residual interest in the asset at the end of the arrangement.

The Department therefore recognises assets that fall within this definition as non-current assets together with a liability to pay for them. The services received under the contract are recorded as operating expenses. The Department's only contract which is classified as a service concession agreement was awarded to BT in June 2006. This contract ran for 12 years and expired in March 2018. It was initially extended to March 2020, then to March 2022, and thereafter March 2023, availing of a flexed plus one-year option. A further contract variation 11 was signed with BT on 6 April 2022, to award a three-year fixed contract extension to March 2026, with the option to avail of a further 2 flexed years, if required.

16.2 Charge to the Statement of Comprehensive Net Expenditure and future commitments

The total amount charged in the Statement of Comprehensive Net Expenditure in respect of the service element of on-balance sheet (SoFP) PFI and other service concession transactions is £4.0m (2022-23: £3.9m).

The service element due in future periods is:

	2023-24		Restated 2022-23	
	£000 Core Department & Agency	£000 Departmental Group	£000 Core Department & Agency	£000 Departmental Group
Not later than one year	4,375	4,375	3,850	3,850
Later than one year and not later than five years	4,725	4,725	8,638	8,638
Later than five years	-	-	-	-
Total	9,100	9,100	12,488	12,488

17 Capital and Other Commitments

	2023-24		2022-23	
	£000 Core Department & Agency	£000 Departmental Group	£000 Core Department & Agency	£000 Departmental Group
Contracted capital commitments at 31 March not otherwise included in these financial statements				
Property, plant and equipment	2,061	2,061	2,508	2,508
Intangible assets	11,842	11,842	3,708	3,708
	13,903	13,903	6,216	6,216

17.1 Other financial commitments

The Department and its agency have entered into non-cancellable contracts (which are not leases or PFI contracts or other service concession arrangements) for maintenance and construction work to buildings within the NICS estate, for nidirect, the Rating system and for a number of reform projects, including Records NI, Network NI, IPT replacement phone system, HR Shared Services and Data Accommodation. The payments to which the Department and its agency are committed are as follows:

	2023-24		2022-23	
	£000 Core Department & Agency	£000 Departmental Group	£000 Core Department & Agency	£000 Departmental Group
Not later than one year	42,442	42,442	35,057	35,057
Later than one year and not later than five years	78,232	78,232	62,237	62,237
Later than five years	10,760	10,760	9,757	9,757
Total	131,434	131,434	107,051	107,051

In addition to the above, the Departmental Group have other financial commitments in respect of Grants programmes, PEACE IV and INTERREG IVA, following the issue and acceptance of a number of Letter

of Offers to a number of Lead Partners. The 2023-24 Grant payments to which the SEUPB are committed are £74.7m (2022-23: £103.6m).

18 Related Party transactions

The Department is the parent of the NI Statistics and Research Agency. This body is regarded as a related party with which the Department has had various material transactions during the year.

The Department has also had a number of transactions with other government departments and other central government bodies.

No minister, board member, key managerial staff or other related parties have undertaken any material transactions with the Department during the year.

19 Third party assets

The Department is responsible for the upkeep of the Ulster Memorial Tower in Thiepval, France and costs incurred on maintenance during 2023-24 totalled £47k (2022-23: £47k). This is not a Departmental asset and is not included in the Statement of Financial Position.

The Department is also a trustee of a number of “Project Bank Accounts” used to make payments to both the main contractor and sub-contractors. Any balance on this account is reported in the financial statements of the main contractor. These are not Departmental assets and are not included in the Statement of Financial Position.

The Department has laser scanning equipment, LiDAR, on loan from Ordnance Survey Ireland. The LiDAR is an aircraft mounted 3D laser scanning instrument. It uses a pulsed laser to measure distances to the ground and to create a point cloud that models the surface of the earth, buildings, et cetera. Under IFRS 16, the aircraft lease is capitalised in the accounts.

20 Entities within the Departmental boundary

The entities within the boundary during 2023-24 were as follows:

DoF Core Directorates

- Construction and Procurement Delivery (CPD);
- Northern Ireland Civil Service Human Resources (NICSHR);
- Finance Division (FD);
- Corporate Services Division (CSD);
- Departmental Solicitor’s Office (DSO);
- Digital, Security and Finance Shared Services (DSF);
- Land and Property Services (LPS);
- People and Organisational Development (P&OD);
- Public Spending Directorate (PSD);
- Strategic Policy and Reform (SPAR);
- Group Internal Audit and Fraud Investigation Service (GIAFIS); and

- Communications and Engagement Division (CAED).

Supply Financed Agency

- Northern Ireland Statistics and Research Agency (NISRA). NISRA publishes its own annual report and accounts.

Sponsored Bodies

- Civil Service Appeals Board (CSAB);
- Fiscal Council;
- Legal Services Oversight Commission (LSOC);
- Northern Ireland Building Regulations Advisory Committee (NIBRAC);
- Northern Ireland Civil Service Pension Board (NICSPB);
- Procurement Board; and
- Statistics Advisory Committee (SAC).

North/South Body

- Special European Union Programmes Body (SEUPB)

Relationships with Other Bodies

The Finance Minister is responsible for making public appointments to the board of the Northern Ireland Authority for Utility Regulation (NIAUR). NIAUR is a non-ministerial body. The Department also provides budget to contribute to the running costs of The International Fund for Ireland (IFI). IFI was established as an independent organisation by the British and Irish Governments in 1986.

21 Events after the reporting period

There are no events after the financial period requiring adjustment to or disclosure in these accounts.

Date of authorisation for issue

The Accounting Officer authorised the issue of these financial statements on 2 July 2024.

Appendix 1: DoF Directorates

Construction and Procurement Delivery (CPD)

CPD has three main areas of responsibility:

1. Procurement:
 - a. Procurement Policy Responsibility;
 - b. Two operational Centres of Procurement Expertise (CoPEs)
 - i. Supplies and Services Division; *and*
 - ii. Construction Division.
2. Properties:
 - a. Properties Division; *and*
 - b. Property Services Division.
3. Projects Delivery/Assurance and Commercial Capability:
 - a. Commercial Delivery Group with responsibility for:
 - i. Centre of Excellence for Programme and Project Management;
 - ii. Project Delivery Profession; *and*
 - iii. Portfolio, Programme and Project Office (P3O).

CPD supports the Procurement Board in all aspects of public procurement policy, including the development of policies approved by the Northern Ireland Executive to be implemented across Northern Ireland Departments, Agencies, NDPBs and public corporations.

CPD provides expert advice and professional services during the procurement lifecycle, from initial concept to completion and realisation of benefits. CPD helps Northern Ireland departments obtain best value for money in the procurement of the supplies, services and construction works that are needed to deliver their objectives, including through appropriate collaboration, engagement on innovative solutions, and effective project management and contract management.

There are nine Centres of Procurement Expertise (CoPEs) in NI. CPD currently has responsibility for two of these CoPEs, which are operational:

1. Supplies and Services Division; *and*
2. Construction Division

CPD has responsibility for the provision of central government office accommodation and services throughout NI and their associated refurbishment and maintenance works. Additionally, CPD provides technical and professional advice and delivery of a range of property maintenance services and refurbishment works across Northern Ireland Departments, agencies and NDPBs. CPD also manages the Stormont Estate grounds.

CPD maintains DoF's policy and legislation responsibilities for:

- Building Regulations; *and*
- Energy Performance of Buildings (Certificates & Inspections).

Northern Ireland Civil Service Human Resources (NICSHR)

NICSHR provides operational HR advice and services to help support the NICS Board and the nine Executive departments, in its commitment to make NICS a well-led, high performing civil service, which is focused on a Programme for Government. NICSHR delivers the HR Operations Shared Service for all government departments along with developing and delivering a significant Service Improvement Agenda.

NICSHR has a number of key responsibilities, including:

- Resourcing;
- Employee Relations;
- Occupational Health Services and Wellbeing;
- HR business partnering with NICS Departments and participating bodies;
- Learning and Development;
- The overall policy, legislation, management and administration of the NICS Pension Schemes. In addition, it provides overarching public service pensions policy, primary legislation and directions for cost control for the wider Public Sector in NI; *and*
- Managing the contract for the delivery of outsourced HR and payroll services (HR Connect).

Finance Division (FD)

FD provides financial and corporate services to the Department including:

- The management, monitoring and reporting of the Department's budget;
- Corporate Governance across the Department, including risk, fraud prevention, business case assessment and providing assurance on adherence to the Governance Framework;
- Financial accounting, budgeting and advice to business areas through the network of finance business partners; *and*
- The Audit Authority which is an independent assurance function providing an opinion on the legality and regularity of expenditure declared under the Peace & INTERREG VA Programmes in addition to whether the management and control system for the Programmes functions properly.

Departmental Solicitor's Office (DSO)

DSO provides legal advice and counsel to the Northern Ireland Executive, Ministers, Departments, their Agencies and NDPBs; represents Departments and other clients in litigation and in property and commercial transactions; and develops proposals for civil law reform.

Digital, Security and Finance Shared Services (DSF)

DSF provides a range of shared services, including Finance, Information Technology, Digital and Security Services, to the NICS and a number of services are also provided to the wider public sector. The Integr8 programme (supporting the transformation of how Finance, HR and payroll services are delivered across Central Government) is managed by DSF.

- Digital Security and Engagement (DSE) provides a diverse range of digital security and engagement shared services, including the provision of expert and technical security advice to the NICS and wider stakeholders, working closely with the Cabinet Office, NCSC, and other security experts, as well as advising and providing guidance on Information Governance for the NICS. DSE also delivers a number of citizen-facing services, including the NI Direct Contact Centre and website and leads a range of cross-cutting transformation initiatives.
- NI Cyber Security Centre assists in making NI cyber safe, secure and resilient for its citizens and businesses, providing guidance to society and the business community on how to better protect their technology, systems and data from cyber-attacks. NICSC is a key advocate for cyber security in NI and works with public, private, third sector organisations to improve their ability to defend against cyber-attacks, increase their knowledge of cyber threats, and become more cyber resilient.
- Digital Operations is the Shared Services IT service for the NICS and wider public sector. It comprises IT Assist and Enterprise Digital Development (EDD). IT Assist provides common IT systems and services to all NICS Departments, and over 40 Agencies and other bodies equating to 28,000+ customers. EDD develop products and services that directly support the ambition to transform and deliver digital shared services both on the front line and in the back office.
- Finance Shared Services (Account NI) provides standardised financial transaction and reporting services to the nine Government Departments, the Northern Ireland Office (NIO) and Public Prosecution Service (PPS) and a number of their Agencies and other bodies. Finance Shared Services continues to be critical to the economy through payment of financial support, ensuring prompt payment to suppliers and funding Public Bodies and Government bank accounts.
- The Integr8 Programme has been established to enable the transformation of Finance and HR (including Payroll) services for Central Government, including the implementation of new technology solutions to replace the current systems.
- The Network and Information Systems (NIS) Regulator is responsible for the oversight and enforcement of the NIS regulations within Northern Ireland. As the Competent Authority for the region, the Regulator works with Operators in the Energy, Transport, Drinking Water and Health sectors to ensure a high level of security in systems that support the delivery of essential services that are deemed vital to our economy and society.

Land & Property Services (LPS)

- Provides Ordnance Survey mapping services for NI which are used widely across public and private sectors, informing policy development and enhancing service delivery.
- Maintains the four Land Registers: Land Registry (which provides a state guarantee of title), Registry of Deeds, Statutory Charges Register, Ground Rents Register and provides land information services relating to those Registers for conveyancing purposes.
- Carries out the statutory responsibility to maintain the Valuation Lists and carry out frequent revaluations, which underpins the collection of rates.
- Delivers property valuations, estate management and property data services to the public sector (asset valuations and advice and Client Services work, road scheme compensation).
- Has responsibility for the Government Land and Property Register programme to identify and collate information on public sector land and property assets.
- Collects rates to fund important public services provided by central and local government.

-
- Administers domestic property rate reliefs to help citizens in need of support to pay their rates, these include Lone Pensioner Allowance and Disabled Person's Allowance to owner occupiers, and the Rate Rebate Scheme for all working age claimants in receipt of Universal Credit.
 - Administers business related rate reliefs to provide assistance to non-domestic ratepayers, these include Small Business Rate Relief, relief for non-domestic vacant properties and Back in Business Rate Support to encourage businesses to open new and develop existing businesses in long term vacant properties.
 - Provides policy advice to the Minister of Finance on the rating system, and support payments, and ensures that policy implementation is supported by the necessary legislation.

People and Organisational Development (P&OD)

People & Organisational Development has responsibility for the design of HR initiatives needed to deliver Civil Services Renewal and defining policy frameworks and collective agreements in relation to all NICS HR policy (including pay and conditions) to ensure legislative compliance and to support the changing business needs of the NICS.

As such it:

- develops workforce strategy for a high performing, well led NICS that is focused on outcomes;
- provides advice and strategic direction to the Departments and the NICS Board and on the full range of HR policies issues; *and*
- leads on all Trades Unions negotiation and engagement on HR policy, pay, conditions and industrial relations issues;

People and Organisational Development also delivers the following HR services ensuring compliance with HR policies and guidance:

- Workforce Strategy, Data & Analytics;
- SCS resourcing;
- Job grading and evaluation;
- Pay and conditions of service;
- Strategic litigation unit; *and*
- Diversity and inclusion.

Public Spending Directorate (PSD)

PSD is responsible for the effective management of public expenditure in NI promoting accountability and good governance while maximising value for money and ensuring no breach of Treasury budget controls. This includes supporting decisions on the allocation of resources to departments in line with Executive's priorities and monitoring of in-year expenditure to support the effective use of available resources.

PSD is also responsible for ensuring that Budget legislation is in place to allow departments to deliver public services and providing cash to departments, from the NI Consolidated Fund (NICF), to fund those services. PSD supports departments in ensuring regularity, propriety and value for money and the production of high-quality financial reports by providing departments with a framework of delegations, guidance and support. PSD supports the Public Audit process working in partnership with the Public Accounts Committee. PSD staff also lead on recruitment of Accountants and a number of other exercises

in support of the Finance Profession. PSD also liaises with the Fiscal Council on access to Budget information.

The City and Growth Deals Division within PSD centrally manages the delivery of NI's four City and Growth Deals, including the strategic direction and policy, governance and funding. The initiative equates to £1.3bn capital investment over the next 15-20 years. The Deals are developed at a local level with the aim of delivering accelerated investment in local areas, boosting jobs and productivity.

Strategic Policy and Reform Directorate (SPaR)

SPaR is responsible for strategic finance, taxation and climate policy within the Department of Finance (DoF), alongside providing a range of shared innovation and consultancy services and leading on the departmental response to the UK Covid-19 Inquiry.

- Deliver briefing, analysis, advice and services in support of economic, fiscal and strategic policy issues.
- Lead on the development and implementation of a new fiscal framework for Northern Ireland.
- Agree and implement an interim plan for NI public service transformation.
- Sponsorship of the independent NI Fiscal Council and developing and progressing legislation to put it on a statutory footing.
- Provide advice on and review key expenditure proposals (including relating to public sector pay) across the public sector; develop and publish guidance and where appropriate arrange training relating to these areas.
- Management of the NICS Economist Profession.
- Carry out the Member State role for current EU Structural Funds, the Third Country role for PEACE PLUS and manages the European Structural & Investment Fund Database.
- NI Sponsor Department for the Special EU Programmes Body, working in partnership with Department of Public Expenditure, National Development Plan, Delivery Reform (DPER) in overseeing the delivery and closure of the 2014-20 PEACE IV & INTERREG VA EU Programmes and the implementation of the 2021-27 PEACE PLUS Programme.
- Lead on and manages the departmental response to EU Exit & managing divergence including the response to the aspects of the Protocol and Windsor Framework that are within the Department's remit.
- Lead the cross-departmental engagement on future funding and finance policy including the loss and replacement of EU Funding and engagement on funding streams under the UKG Levelling Up Agenda.
- Lead on the departmental response to the UK Covid-19 Inquiry, ensuring the Department meets its statutory responsibilities in responding to the Inquiry.
- Lead on departmental input to the Green Growth agenda and Climate Action Plan, providing strategic economic policy advice to stakeholders on meeting our obligations under the Climate Change Act (Northern Ireland) 2022.
- Provide a range of professional consultancy and innovation services to support public sector reform and transformation.
- Provide a comprehensive shared Library services for all NICS Departments, through the NICS e-Library and physical collections in Dundonald House and Lanyon Plaza.

Northern Ireland Civil Service Internal Audit Services (NICS IAS)

A centralised NICS Internal Audit Services has been established as a separate division within DoF. The NICS IAS provides specialist internal audit and fraud investigation services to NICS departments, Executive Agencies and Arm's Length Bodies.

The overall Services are managed by the Group Head who has strategic responsibility for the provision of internal audit and fraud investigation services to the relevant bodies and in doing so has line management responsibility for internal audit and fraud investigation staff.

While the NICS IAS is located in DoF, the Group Service is accountable to individual departmental/organisational Accounting Officers. Any fraud investigations or audit activity undertaken by the NICS IAS is undertaken on behalf of and reported to the relevant department/organisation – there is no reporting line on these matters to DoF.

Departments are hard charged for the services provided by the NICS IAS.

Communications and Engagement Division (CAED)

The Communications and Engagement Division is responsible for the effective running of the Ministerial and Permanent Secretary's Private Offices, strategic external and internal communications, staff engagement, open government and transparency.

Corporate Services Division

Corporate Services Division seeks to ensure that the Department of Finance is being well run, in accordance with good practice reflected in up-to-date corporate policies. This includes promoting and demonstrating good practice and providing the Permanent Secretary and the DB with appropriate levels of assurance.

We are responsible for the application of policies covering:

- information management;
- health and safety;
- physical and personnel security;
- public appointments;
- handling complaints and concerns;
- equality; *and*
- emergency response and resilience.

We work with the Department's HR business partner to coordinate Departmental people functions, we are responsible for the development of the Department's role as a service-delivery function, and we coordinate the Department's engagement with cross-departmental working groups.

We are also responsible for advising the Minister on matters relating to the regulation of the legal profession and the NI Executive's commitments in respect of Open Government.

EXECUTIVE AGENCY**Northern Ireland Statistics and Research Agency (NISRA)**

The Northern Ireland Statistics and Research Agency (NISRA), which incorporates the General Register Office (GRO), is an executive agency within the Department of Finance (NI) and was established on 1 April 1996.

The administration of the marriage and civil partnership law in Northern Ireland is the responsibility of GRO, along with the registration of births, deaths, adoptions and gender recognition. GRO is also responsible for the maintenance of registration records and the production of certificates in relation to these events on request.

The Agency is the principal source of Official Statistics and social research on Northern Ireland. These statistics and research not only inform public policy but also academic and private sector research and contribute to debate in the wider community. We provide our services to a wide range of Government Departments and Non-Departmental Public Bodies to assist the policy development process and the delivery of their business objectives.

NISRA conducts the Census of Population, which the Northern Ireland population are required to complete. It is used by central and local government, health and education authorities and other organisations to allocate funding and to plan and provide future services. The latest Census took place on 21 March 2021.

NORTH/SOUTH BODY**Special European Union Programmes Body (SEUPB)**

The SEUPB is a North South Implementation Body sponsored by DoF in Northern Ireland and Department of Public Expenditure and Reform (DPER) in Ireland. The SEUPB was established on 2 December 1999 under the Good Friday Agreement 1998 and the British- Irish Agreement 1998 establishing implementation bodies, which is underpinned by the North South Co-Operation (Implementation Bodies) (Northern Ireland) Order 1999 and the British – Irish Agreement Act 1999.

Reporting to the North/South Ministerial Council, the SEUPB's principal functions are to administer certain EU Structural Funds such as the 2014-20 PEACE IVA and INTERREG VA Programmes and the 2021-27 PEACE PLUS Programme, and thereby to support a range of development and regeneration programmes in Northern Ireland, the Border Region of Ireland, and Western Scotland (for INTERREG VA).

Appendix 2: Acronyms

Acronym	Details
£k, £000	represents thousands of pounds
£m	represents millions of pounds
ALBs	Arm's Length Bodies
AME	Annually Managed Expenditure
AMPS	Assembly Members' Pension (NI) 2016
ABI	Annual Business Inquiry
ARC	Audit Risk Committee
BCS	Business Consultancy Service
BI	Business Intelligence
BESES	Broad Economy Sales and Exports Statistics
bn	Billion
BSO	Business Services Organisation
CAED	Communication and Engagement Division
CAL	Centre for Applied Learning
CARE	Career Average Revalued Earnings
CD	Competitive Procedure Negotiation
CGD	Commercial Delivery Group
CETV	Cash Equivalent Transfer Value
CFER	Consolidated Fund Extra Receipt
CFN	CPD, FCSD and NISRA as a collective group
CPD	Construction and Procurement Delivery
CPN	Competitive Dialogue
CPI	Consumer Prices Index
CSD	Corporate Services Division
DAC	Direct Award Contract
DAO	Dear Accounting Officer
DARC	Departmental Audit and Risk Committee
DAERA	Department of Agriculture, Environment and Rural Affairs
DEL	Department Expenditure Limits
DfC	Department for Communities
DfE	Department for the Economy
DfI	Department for Infrastructure
DE	Department of Education
DoF	Department of Finance
DoH	Department of Health
DoJ	Department of Justice
DLUHC	Department of Levelling Up, Housing and Communities
DPER	Department of Public Expenditure and Reform
DPHC	Data Protection Health Check

Acronym	Details
DSE	Digital Security and Engagement
DSF	Digital, Security and Finance Shared Services
DSO	Departmental Solicitor's Office
DSS	Digital Shared Services
DWP	Department for Working Pensions
ERDF	European Regional Development Fund
ERP	Enterprise Resource Planning
EU	European Union
EUD	European Union Division
FD	Finance Division
FReM	Financial Reporting Manual
GDPR	General Data Processing Regulations
GIAFIS	Group Internal Audit and Fraud Investigation Service
GRAANI	Government Resources and Accounts (Northern Ireland) Act 2001
GRO	General Registers Office
HB	Housing Benefit
HIA	Head of Internal Audit
HM	His Majesty
HMRC	His Majesty Revenue and Customs
HMT	His Majesty's Treasury
HR	Human Resources
IAO	Information Asset Owner
IAS	International Accounting Standards
IASB	International Accounting Standards Board
ICT	Information and Communications Technology
IFRIC	International Financial Reporting Interpretations Committee
IFRP	International Financial Review Panel
IFRS	International Financial Reporting Standards
IT	Information Technology
JO	Judicial Office
LCM	Legislative Consent Motion
LPS	Land and Property Services
LPIS	Land Parcel Identification System
LRSS	Localised Restrictions Support Scheme
MEP	Member of the European Parliament
MHCLG	Ministry for Housing Communities and Local Government
MLA	Member of the Legislative Assembly
MP	Member of Parliament
MPMNI	Managing Public Money Northern Ireland
NDNA	New Decade, New Approach

Acronym	Details
NDPB	Non-Departmental Public Body
NEBM	Non-Executive Board Member
NFI	National Fraud Initiative
NAO	National Audit Office
NIAO	Northern Ireland Audit Office
NIAUR	Northern Ireland Authority for Utility Regulation
NICS	Northern Ireland Civil Service
NICSHR	Northern Ireland Civil Service Human Resources
NIO	Northern Ireland Office
NIS	Network Information Security
NISRA	Northern Ireland Statistics and Research Agency
NSMC	North South Ministerial Council
OHS	Occupational Health Service
ONS	Office for National Statistics
OSR	Office for Statistics Regulation
PAC	Public Accounts Committee
PD	Properties Division
PfG	Programme for Government
PFI	Public Finance Initiatives
P&OD	People and Organisational Development
PPA	Prior Period Adjustment
PPE	Personal Protective Equipment
PSD	Public Spending Directorate
PSDLG	PSD, LPS, DSO and GIAFIS as a collective group
PSD	Public Spending Directorate
PSP	Public Service Pension
PSSSP	Public Sector Shared Services Programme
RAG	Red, Amber or Green
RHI	Renewable Heat Incentive
RfRs	Request for Resources
RPI	Retail Prices Index
RPM	Reform of Property Management
SAU	Standard Assurance Unit
SCS	Senior Civil Service
SEUPB	Special European Union Programmes Body Expenditure
SIRO	Senior Information Risk Owner
SOAS	Statement of Outturn Against Assembly Supply
SOFP	Statement of Financial Position
SpAd	Special Adviser
SPAR	Strategic Policy and Reform Directorate

Acronym	Details
SPF	Shared Prosperity Fund
TEO	The Executive Office
TME	Total Managed Expenditure
TNLCF	The National Lottery Community Fund
UC	Universal Credit
UK	United Kingdom
UKG	United Kingdom Government
VAT	Value Added Tax
VES	Voluntary Exit Scheme
VFM	Value for Money

