

# **Department of Education**

**Annual Report and Accounts  
For the year ended 31 March 2025**



**Department of Education**

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

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on 4 November 2025



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## PERFORMANCE REPORT

### 1. Overview

This section outlines the Department of Education's ("the Department's") purpose, key objectives and key risks, and how the Department performed during the year.

#### 1.1 Statement from the Permanent Secretary

I am pleased to present the Department of Education's Annual Report and Accounts for the 2024-25 financial year; and to use this opportunity to outline how the Department has performed during what has been a challenging year for the Education Sector in Northern Ireland.

During the year the Department has been focused on, amongst other things, the following key Ministerial priorities:

- resolving industrial action by teachers and support staff;
- investing in a far-reaching programme to provide facilities for children with special educational needs;
- securing Executive funding to deliver the Strule Shared Education Campus (SSEC);
- prioritising early learning and childcare; and
- developing an evidence-based approach facilitating the improvement of our education system through a focus on core areas such as curriculum, assessment, qualifications, school improvement, tackling educational disadvantage and teacher professional learning.

The Department was pleased to publish the Minister's response to the Independent Review of Education; and welcomed the publication of the Executive's Programme for Government in February 2025. The Department was also pleased to publish the Minister's Special Educational Needs Reform Agenda and five-year Delivery Plan and TransformED – A Strategy for Educational Excellence in Northern Ireland.

- [Response by the Department of Education to the Independent Review of Education](#);
- [SEN Reform Agenda 2025](#) and [SEN Reform Agenda - Delivery Plan 2025](#)
- [Programme for Government 2024-2027](#); and
- [TransformED NI: Transforming Teaching and Learning: A Strategy for Educational Excellence in Northern Ireland](#).

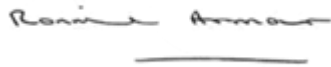
In May 2024 the Minister announced a package of measures for early learning and childcare aimed at supporting child development, improving the affordability of childcare for families and supporting parents (mainly women) to work. The package was underpinned by £25m secured from the Northern Ireland Executive.

Throughout the year our education sector continued to deliver high-quality education against the backdrop of very significant financial challenges. I am

pleased to report that both disputes with teaching and support staff were resolved, with teachers accepting a 5.5% pay increase effective from September 2024.

The Department and the Education Authority (EA) also reacted swiftly and comprehensively to Storm Éowyn in January, with the Department securing additional funding to ensure emergency repair works were undertaken to minimise disruption. I am grateful to those in the Education Authority and to our school leaders who worked tirelessly to ensure schools were able to reopen promptly.

In concluding, can I express my thanks to my colleagues in the Department and across the wider education sector who have worked diligently to address the many challenges and opportunities that we have faced. Can I also put on record my appreciation for the work undertaken by school leaders, teachers and support staff for all they do for children and young people entrusted to their care.



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**Ronnie Armour**  
**Interim Accounting Officer**  
**30 October 2025**

## 1.2 Non-Executive Board Members' (NEBM) Report

### Introduction

First and foremost, on behalf of the Board and the Audit and Risk Assurance Committee (ARAC) I would like to extend our gratitude to all staff for their continued support in helping to address the significant challenges across the education sector against a backdrop of sustained budgetary constraints and the resulting resource/capacity challenges this brings.

The restoration of the Northern Ireland Assembly and Executive including the appointment of a Minister for Education in February 2024 brought a renewed focus during 2024-25 on pushing ahead at pace on a suite of Ministerial priority policy areas.

In May 2024, I welcomed the appointment by the Department of Anna Carragher as a NEBM, bringing us back to full complement of non-executive representatives on both the Departmental Board and ARAC.

### Departmental Board

The Board met in person eight times during 2024-25, receiving regular updates on Finance; Human Resources (HR); progress against the Business Plan; and key issues from the Department's Non-Departmental Public Bodies (NDPBs).

The Board received briefings on key programmes and policies including Shared Education, Area Planning, the SSEC Programme and Special Educational Needs Reform.

The Board also continued to monitor progress against the Corporate Plan 2023-28 "Every CHILD" (Championing, Helping, Inspiring, Learning, Delivering) and was updated on both the Landscape Review of the EA and the Independent Review of Education during the year.

In addition to regular risk management updates, the Board also carried out a review of its approach to risk management and carried out a refresh of the Corporate Risk Register (CRR).

In addition, the Board was updated throughout the year on the overall financial position. The year-end outcome position for the Departmental Group was a small underspend against Resource budget of £1.5m, a small underspend against Capital budget of £1.0m and an Annually Managed Expenditure (AME) underspend of £164m.

However, it is important to highlight that as anticipated, due to years of underfunding and schools' budgets not keeping pace with inflation, schools overspent against their delegated budgets by c£51.1m.

The Board was also kept abreast of the unprecedented financial pressures experienced by the EA due to the impact of inflation, significant additional non-teaching pay awards (i.e. both the annual National Joint Council (NJC) pay settlement and the EA pay and grading review), the increasing Special Education

Needs (SEN) demand and delivery of other statutory services such as school meals and home-to-school transport.

Whilst the EA managed to live within its allocated block grant budget due to exceptional in-year budget allocations, the Board is advised that for 2025-26 Education should not anticipate any additional in-year, let alone sufficient funding to address the present c£300m pressure relating to inescapable funding pressures. To that end, the Department, the EA and the education sector will find it extremely difficult to operate within budget in 2025-26.

### ARAC

The ARAC held four in-person meetings during the year. In addition, as ARAC Chair, I held separate planning meetings with the ARAC secretariat and pre-meetings with Internal Audit. I also met with the Chair of the Northern Ireland Teachers' Pension Board.

NEBMs continued to be supported on the Committee by two Independent Senior Civil Service Members, Gavin Patrick (Department of Finance (DoF)) and Patrick Butler (Department of Justice (DoJ)). In March 2025, Gavin Patrick's term came to an end. The Committee wishes to record its appreciation for his service over these past six years. The Committee welcomed the appointment of Richard Logan (DoJ) and look forward to working with him over the coming years.

During the year the Committee received updates on the status of the SSEC Programme and was pleased to note that the construction contract was awarded in August 2024. The Programme will continue to be a focus of the Committee given its strategic importance and the scale of investment.

The ARAC received an update from the Interim Chief executive of the General Teaching Council for Northern Ireland (GTCNI) and noting the progress achieved, agreed to continue to provide an oversight role as part of the alternative governance arrangements put in place to effectively manage the function in the interim period until decisions can be made on the way forward.

The ARAC concluded a satisfactory assessment of its own effectiveness during the year through the self-assessment process. The Committee held its annual workshop with DE Arm's Length Bodies (ALBs) ARAC Chairs and ARAC members in Autumn 2024. The event was hosted by the Northern Ireland Audit Office (NIAO) and generated positive feedback.

The workload for ARAC continues to be significant due to the additional oversight it provides for GTCNI and the need to provide effective assurance to the Board on major programmes in an increasingly complex and uncertain environment. The Committee continues to seek assurance around the specific projects highlighted in this report.

The ARAC is grateful to both the Department's Internal Audit team and the NIAO both of which have continued to provide independent assurance throughout the year. The Committee would also record its appreciation for the support provided by the ARAC secretariat.

Looking Ahead

The focus for the year ahead for the Board and ARAC will undoubtedly be the significant financial pressures on the Department and its ALBs, and the difficult decisions that lie ahead around the funding of services and protecting our most vulnerable children and young people.

The SSEC Programme remains the Department's single biggest financial commitment and will require continued scrutiny to ensure effective governance supports decision-making.

In addition, regular updates on the implementation of the recommendations from the Report of the Independent Review of Education and progressing the 10-point plan to Transform Teaching and Learning as set-out in the TransformED NI Report are expected.

**Paul Corrigan**  
**Non-Executive Board Member**

### 1.3 Purpose, objectives and strategy

#### Purpose and Objectives

The Department is responsible for setting policy, strategy and for the central administration of education and related services in Northern Ireland. The Minister's vision for education is *a modern, forward-looking education system, scaffolded by a sustainable funding model, guided by robust evidence and evaluation and informed by learning from international best practice.*

The Department, supported by its NDPBs, performs a wide and complex range of functions, affecting all aspects of a child's education and wellbeing. The Department is responsible and accountable for the delivery of high-quality education across grant-aided schools, youth organisations and early years' providers. The Department also has lead responsibility for oversight of the Executive's Children and Young People's Strategy (CYPS) and development of an Executive Early Learning and Childcare Strategy.

The EA is the Department's largest NDPB and is responsible for securing adequate provision for primary and secondary education; and for recreational, social, physical, cultural and youth service activities for grant-aided schools and other grant-aided educational establishments. The Department is supported by a number of other NDPBs, mainly representing sectoral interests.

#### Strategy

The Northern Ireland Executive published a [Programme for Government 2024-2027](#) in March 2025, which outlined its key priorities for the remainder of the current mandate. The Department of Education has two immediate priorities within the Programme for Government (PfG): a Reform Agenda to provide better support for children and young people with Special Educational Needs, leading to improved outcomes for children, their families and the education workforce who support them; and an Early Learning and Childcare Strategy to deliver more affordable, accessible, high-quality early learning and childcare.

In March 2025 the Minister of Education published [TransformED NI: Transforming Teaching and Learning: A Strategy for Educational Excellence in Northern Ireland](#). This strategy focuses on teaching and learning, setting out in detail the Department's plans for a renewed focus on core classroom priorities notably curriculum, assessment, qualifications, school improvement and tackling educational disadvantage. It delivers on a number of the key recommendations set out in the [Independent Review of Education \(2023\)](#). The Department also commenced the implementation of a number of other recommendations in the Independent Review, which are contained in the Performance Analysis section (paragraph 2.3).

The Department also continued to deliver on its responsibilities under [A Fair Start – Final Report & Action Plan](#). The associated action plan for A Fair Start spans a number of departments and NDPBs, involving collaboration across the public sector to deliver actions spanning through to 2026-27 and beyond.

In October 2023, the Department published [Every CHILD](#), its Corporate Plan for education for the period 2023-28. Every CHILD is structured around five Strategic Priorities for education, as follows:

- **CHAMPIONING** the needs and aspirations of all children and young people and the positive impact of education;
- **HELPING** all children and young people by supporting their well-being and learning;
- **INSPIRING** all children and young people to make a positive contribution to society;
- Meeting the **LEARNING** needs of children and young people and developing their knowledge and skills, enabling them to fulfil their potential; and
- **DELIVERING** an effective, child-first, collaborative and high-quality education system.

Every CHILD is underpinned by annual business plans across the Department and its NDPBs.

Further details on the 2024-25 Business Plan and performance are at Section 1.10 (Performance Summary) and Section 2 (Performance Analysis).

#### 1.4 Key Activities

The Department's main areas of responsibility relate to:

- The Executive Children and Young People's Strategy 2020-2030;
- Curriculum and learning;
- Pupils and parents;
- Teaching and non-teaching staff;
- Schools and infrastructure;
- Special Educational Needs;
- Area planning;
- Youth services;
- Early years' provision;
- The Executive Early Learning and Childcare Strategy;
- Statistics and research; and
- Good relations and social change.

The key activities of the Department, which enable it to address these responsibilities, are supported by a clearly defined structure which operates at every level of the Department.

The Department is ultimately accountable, through the Minister, to the Northern Ireland Assembly for the effective delivery of its commitments and goals and for the effective use of the public funds for which it is responsible. The Permanent Secretary is the Minister's principal adviser, the administrative head of the Department and the Accounting Officer.

The Permanent Secretary is supported by three Deputy Secretaries and the Chief Inspector of the Education and Training Inspectorate (ETI).

In addition to the ETI, the Department has sixteen Directorates. These fall under three Groups; Education Policy and Children's Services; Resources, Governance and Early Years; and Sustainability and Infrastructure, each headed by a Deputy Secretary.

### **Education Policy and Children's Services Group**

- Curriculum and Youth
- SEN Reform & Inclusion Development
- SEN Strategic Policy & Legislation
- Teaching and Learning Excellence
- Qualifications, 14-19 Strategy and Statistics & Research
- Raising Aspirations & Supporting Learning
- Early Years, Childcare & Children & Young People's Strategy

### **Resources, Governance and Early Years Group**

- Education Workforce
- Finance

### **Sustainability and Infrastructure Group**

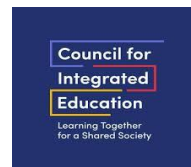
- Transport and Food in Schools
- Investment and Infrastructure
- Collaboration and Climate Change
- Sustainable Schools Policy and Planning
- Strule Shared Education Programme
- Corporate Services and Education Governance
- Communications

The Departmental Board operates as a collegiate forum, under the leadership of the Permanent Secretary, to manage the running of the Department. It operates within a wider [Corporate Governance Framework](#).

The Department's governance arrangements reflect the guidance set out by DoF on [Governance and Risk | Department of Finance \(finance-ni.gov.uk\)](#) including the key principles in [Corporate governance in central government departments: Code of good practice \(2025\)](#).

Details of key risks managed by NDPBs during 2024-25 are set out within their respective Governance Statements which can be located within each of their Annual Report and Accounts for 2024-25.

DE's NDPBs are:



## 1.5 Key issues and risks

The Departmental group has adhered to [The Orange Book: Management of Risk-Principles and Concepts \(His Majesty's \(HM\) Treasury: 2023\)](#). The Risk Management Framework (RMF) sets out the Department's approach to risk and the mechanisms through which potential risks to the achievement of Departmental objectives are identified and evaluated. Risk management is applied in a consistent way in the Department, the EA and across the other NDPBs.

The Departmental Board oversees the development and management of the CRR. This is an ongoing process throughout the year but with a particular focus given to the Department's risk profile when agreeing the annual Business Plan, whereby any new or existing risks associated with delivery are identified and assessed and, if appropriate, are included in the CRR.

Throughout the year, any risks significant to the Department's delivery of its core business, including new risks arising, are considered and monitored by both the ARAC and the Departmental Board.

The risks contained in the CRR link to the Department's Strategic Priorities.

As the Department is dependent on its NDPBs (for the most part) for delivery of policy and services, and allocates the majority of its budget through them, there is a need for NDPBs to provide assurances that risk is being managed and escalated appropriately. The RMF sets out how the Department obtains these assurances, including through risk management being a standing item at formal Governance and Accountability Review (GAR) meetings.

## 1.6 Key risks in 2024-25

During 2024-25, the Department's CRR contained the following six corporate risks:

- **Risk 1 - Financial:** The Department's budget is insufficient, not aligned to delivering on the Department's Strategic Priorities and/or is managed ineffectively;
- **Risk 2 - Alignment and Delivery:** The development, design and delivery of strategies, policies, operations and systems do not contribute effectively to giving children and young people the best start in life;
- **Risk 3 - Relationships:** Ineffective partnerships with NDPBs, other Departments and stakeholders impact negatively on the delivery of education services;
- **Risk 4 - Safeguarding:** The Safeguarding and Child Protection framework fails to protect children and young people and particularly the most vulnerable;
- **Risk 5 - People:** Ineffective management of the education workforce inhibits the delivery of positive outcomes for children and young people; and
- **Risk 6 - Programme:** Infrastructure, including SSEC and Information and Communication Technology (ICT), is not adequately funded, planned, delivered and maintained to support delivery of education and provide a safe and secure environment for all.

These risks remained in place throughout 2024-25, although mitigating actions and risk scores were routinely subject to ongoing (at least quarterly) review and update to reflect changes during the course of the year.

The Department's CRR and RMF were shared with DE's NDPBs to promote a joined up understanding of risk across the Departmental Group. The Department also carried out an annual alignment exercise during 2024 which again confirmed that there was good alignment between the key Departmental risks and those in the Risk Registers of all its NDPBs.

## 1.7 Key issues impacting on the Department in 2024-25

During 2024-25, the Department managed a number of significant issues which are detailed in the Governance Statement (Section 3.3).

## 1.8 Future issues which may impact on performance

The Department's resource allocation in the year ahead will again be significantly less than what is required, leaving a considerable shortfall across the Education sector. This means that for the third year in a row demand-led, statutory pressures will go unfunded. This will have an extremely damaging impact on the education system, with children with special education needs facing the most significant impact.

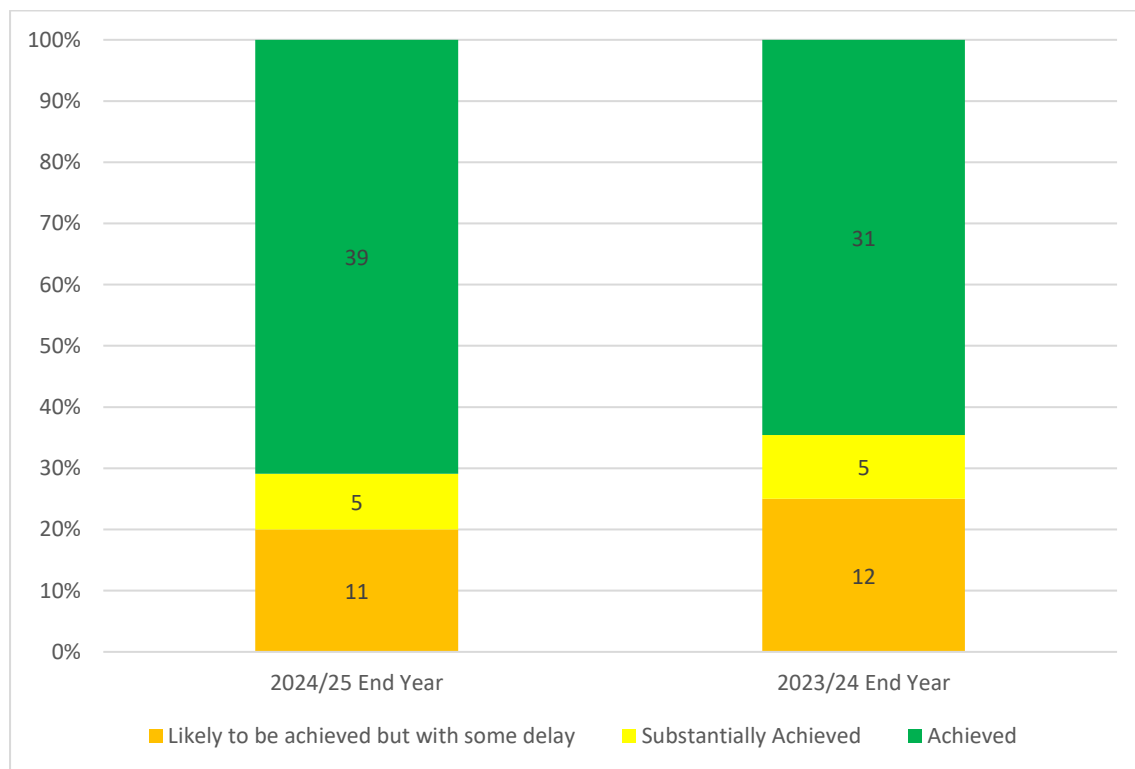
Aside from the difficulty presented by working within a significantly constrained budget, the extent and impact of other key challenges in the coming year(s) will be highly dependent upon the delivery of the Department’s priorities within PFG and the pace and extent of delivery of the Minister of Education’s key priorities.

**1.9 Going concern**

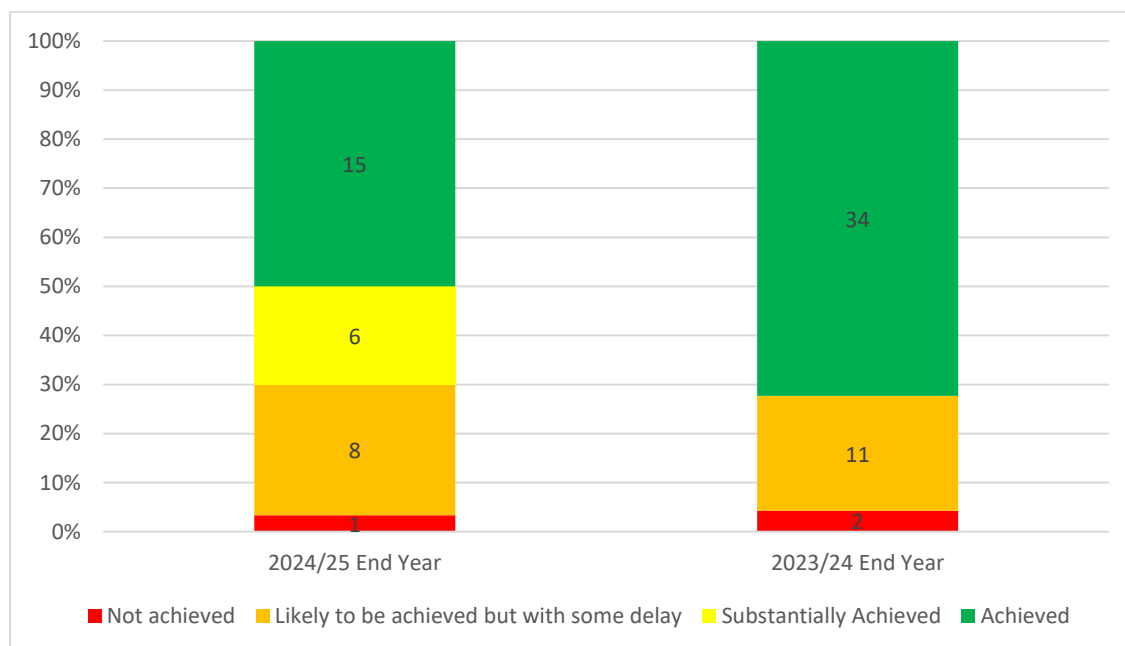
For the Core Department, the Statement of Financial Position at 31 March 2025 shows negative taxpayers’ equity of £1.7m. It is considered appropriate to adopt a “going concern” basis for the preparation of the financial statements as the Department is Supply financed and draws its funding from the Consolidated Fund. There is, therefore, no liquidity risk in respect of the liabilities due in future years.

**1.10 Performance summary**

The Department’s 2024-25 Business Plan set out the 55 actions that it undertook to deliver on its Strategic Priorities. The chart below is a summary of performance against Business Plan actions:



The chart below is a summary of the EA’s performance against Business Plan actions:



As with DE and other education partners, the EA oversaw implementation and delivery of a number of key priorities during 2024-25.

Full details of the EA’s performance against the priorities set out in the EA’s 2024-25 Business Plan are contained within the EA’s Annual Report and Accounts for 2024-25 which can be accessed at the [EA’s website](#).

Ongoing resource constraints across the public sector continued to impact on the EA’s ability to deliver services due to internal pressures and competing priorities, although it was able to balance its resource and capital budgets.

Across DE’s other six operational NDPBs, overall performance was positive, with Business Plan actions achieved, or substantially achieved during 2024-25 ranging from 84.5% to 100%.

### 1.11 Significant issues

During 2024-25, the Departmental Group managed a number of significant issues which are listed and detailed within the Governance Statement (Section 3.3) and the EA’s Annual Report and Accounts for 2024-25 which can be accessed at [EA’s website](#).

At the commencement of the 2024-25 financial year, prior to the agreement of a Final Opening Budget by the Northern Ireland Executive and before additional teaching and non-teaching pay awards for 2024-25 were factored in, the EA was facing an unprecedented funding gap in excess of c£497m. Given the scale of the financial challenge and the fact that over 80% of the education budget is spent on staffing in schools and services to schools, coupled with the policy and legislative change required to deliver spend reductions of this magnitude, the EA was on

track to overspend against its 2024-25 budget allocation without significant additional funding.

The EA considered every opportunity to realise efficiencies and savings and delivered in-year savings of c£28.3m. However, were it not for the additional funding, due to unprecedented levels of Barnett Consequentials, received by the Northern Ireland Block, the EA would have significantly exceeded its budget allocation in 2024-25. This additional in-year funding, in excess of c£577m, enabled the EA to operate within its 2024-25 budget.

In addition, there were several pay award issues that significantly impacted the Department's financial position during 2024-25 which were ultimately resolved and included:

- EA Pay and Grading Review in respect of non-teaching staff for which an additional £43.7m was allocated to the EA to settle the Stage One payment;
- NJC non-teaching pay award which equated to £1,290 on all NJC pay points for which an additional c£46.3m was allocated; and
- Non-Contractual Teachers' Pay Award for September 2024 at 5.5% for which a further £48.5m was allocated.

Given that there are c20k teaching and c25k non-teaching staff employed across the EA and schools, these pay awards have had a significant impact on the Department's budget and will have a significant recurring impact in 2025-26.

## PERFORMANCE ANALYSIS

### 2. Overview

This section outlines the Departmental Group's performance against targets, corporate goals and commitments.

#### 2.1 Performance management arrangements

The Department published [Every CHILD](#), its Corporate Plan 2023-28, in October 2023. Every CHILD set out the Department's key priorities as at that stage and provided a focus for everyone working within the education sector to deliver positive outcomes for children and young people. The five Strategic Priorities, which underpin Every CHILD are set out at Section 1.3.

The publication of Every CHILD pre-dated the return of the Northern Ireland Executive and appointment of the Minister of Education in February 2024. While its Strategic Priorities remain extant, the activities set out within Every CHILD have been superseded and updated to fully reflect and support the Minister's and Executive's objectives for the remainder of the current Northern Ireland Assembly mandate. The revised and updated activities are set out in the annual Business Plans.

Throughout 2024-25, Departmental officials monitored progress against Business Plan actions and reported quarterly to the Departmental Board. The end-year progress report was published on the Department's website.

NDPBs prepared their Business Plans, which were subject to consideration and agreement by their respective Boards/Councils, and scrutiny and approval by the Department. In particular, the Department ensured that the Department and NDPB Plans were in full alignment and that all plans were delivering on the Strategic Priorities in Every CHILD.

The Department commissioned quarterly progress reports of NDPB Business Plans and once received, provided constructive feedback. This helped ensure that the Department and its NDPBs remained focused on delivering successful outcomes for all children and young people.

#### 2.2 Analysis of educational performance against targets

The most recent statistical bulletin in respect of School Leavers can be accessed at [School Leavers 2023-24](#).

#### 2.3 Analysis of 2024-25 performance against corporate goals and commitments

A summary of how the Department and the EA performed in relation to delivering on their 2024-25 Business Plan actions is provided at Section 1.10. This performance was underpinned by a range of activities delivered by the Department during the year.

In particular, the [Response by the Department of Education to the Independent Review of Education](#), published in October 2024, set out the Minister's priorities to take forward key recommendations over the coming years to transform the

education system. As a result, in March 2025 the Department published [TransformED NI: Transforming Teaching and Learning: A Strategy for Educational Excellence in Northern Ireland](#) which sets out a ten point plan for a renewed focus on core classroom priorities notably curriculum, assessment, qualifications, school improvement and tackling educational disadvantage, all underpinned by significantly increased investment in high-quality teacher professional development.

The [Programme for Government 2024-2027](#) was also published in March 2025. It contained two immediate priorities for education, as follows:

- [Better Support for Children and Young People with Special Educational Needs](#)

The Minister announced his priorities for SEN transformation in January 2025. Subsequently, the SEN Reform Agenda and Delivery Plan were published on 4 March 2025. A SEN Reform Delivery Team has been set up in the Department and operationalisation of the five-year Delivery Plan has commenced. The Department was successful in securing £27.5m of funding from the Public Sector Transformation Board. Early actions from within the plan are already in train and co-design has commenced on those transformative actions funded through the Transformation Board.

- [Deliver More Affordable, Accessible, High-Quality Early Learning and Childcare.](#)

The Northern Ireland Childcare Subsidy Scheme was launched in September 2024 and at 31 March 2025, 15,246 children were registered for the scheme. It is estimated that the scheme will have provided approximately £8m in savings for working families in the first 7 months of its operation. When combined with tax-free childcare, it is estimated that these working families will have saved nearly £17m over this period.

An additional £10m was invested during 2024-25 to stabilise and expand a range of core early years and childcare services such as the Pre-school Education Programme (non-statutory providers), Sure Start, the Pathway Fund, Toybox and the Bookstart Baby Programme. Funding was also allocated to a number of pilot schemes such as the Special Education Needs (SEN) Early Years Inclusion Support Fund and the Department of Health's Fair Play Grant Scheme. Many of these programmes target children and families facing multiple disadvantage; those who stand to benefit most from quality early years provision and children with additional needs and/or disabilities who often struggle to access mainstream services.

Other actions were taken in 2024-25 to deliver on Independent Review of Education recommendations, which included:

- A public consultation on proposals for all learners to participate in education, apprenticeship or training until age 18 was developed. The consultation launched in April 2025.

- The [RAISE Programme](#), which aims to reduce educational disadvantage was launched, with the first tranche of Shared Island funding received from DE (Ireland) in December 2024.
- Statutory Key Stage assessment arrangements through teacher assessment of component areas of Communication and Using Mathematics were re-introduced.
- Executive agreement to £150m of additional funding was secured for the SSEC in Omagh.
- A public consultation on a revised Integrated Education Strategy and Action Plan was launched in March 2025.

In addition:

- The long running pay and grading dispute by education support staff was ended by the acceptance of the terms of a Pay and Grading Review. This agreement provided relief to school support staff through a significant investment in pay along with restructured pay scales to improve the recruitment and retention of staff in the future. On 4 April 2025 a pay settlement was agreed by the Teachers' Negotiating Committee. This agreement included a pay increase of 5.5% along with a series of joint commitments to address teachers' workload concerns.
- DE published guidance to limit the use of mobile phones in schools, announced that all schools would be provided with a defibrillator, and announced the provision of extra funding to schools for play equipment and Physical Education facilities.
- The first report on the operation of the Children's Services Co-operation Act (NI) 2015 was published by the Northern Ireland Executive in July 2024.
- The School Uniforms (Guidelines and Allowances) Bill was Introduced to the Northern Ireland Assembly in February 2025.
- The Minister decided that the GTCNI should be retained and legislation made to enable it to deliver all of its statutory functions.
- The Northern Ireland Civil Service Policy Statement on Participation and associated policy principles was circulated by the Minister to Executive colleagues in February 2025.

## EA Performance

The EA structured its Corporate Business Plan around the following five headings and supporting objectives setting out what the EA aimed to achieve in 2024-25:

- Children and Young People
- Processes
- People
- Finance and Assurance
- Quality of Service Delivery

The EA's achievement against these objectives is shown in the Performance Summary, section 1.10. The EA faced significant challenges during 2024-25 but there were also notable successes. Full details of the EA's performance against its

objectives and analysis are contained within the EA's Annual Report and Accounts for 2024-25 which can be accessed at [EA's website](#).

Details of the individual performance of the Departments remaining ALBs are detailed in full within their own Annual report and Accounts. These are all published and can be accessed on the ALBs websites.

## 2.4 Summary of financial performance

### Consolidated Statement of Comprehensive Net Expenditure (SOCNE)

A summary of the Consolidated SOCNE for the year to 31 March 2025 is set out below:

	2024-25 £m	2023-24 £m	Variance £m	Variance %
Net expenditure including notional costs for the year ended 31 March	3,378	3,087	291	9.4

Income was mainly received for catering operations (£40.8m), recoupment of costs (£21.7m), Co-funded ALBs (£12.3m), European funds (£8.4m) and sale of property by NDPBs (£2.5m).

Total staff costs in 2024-25 amounted to £2,193m (£1,982m in 2023-24) of which £10.6m (£10.6m in 2023-24) was capitalised. Total staff costs have increased by £211m (10.6%) corresponding to increased staff numbers and pay awards/pay increases. Of this increase, £114.8m related to increases in teaching costs (a result of the implementation of backdated pay awards from 2021-22 onwards) and £96.2m in non-teaching costs (a result of in-year pay awards and implementation of new pay scales for EA senior management following a pay and grading review).

Purchase of goods and services amounted to £500m in 2024-25 compared to £479m in 2023-24, an increase of £21m, due to a £3.2m increase in food purchases (caused by increases in the cost of living), an increase of £4.9m in the purchase of furniture, fittings, equipment and ICT (the capital threshold was increased to £3k in the prior financial year and these costs would previously have been capitalised), and an increase of £12.8m in transport costs (attributable to increased charges from Translink and private operators).

Depreciation, amortisation and impairment charges amounted to £166m in 2024-25 compared to £127m in 2023-24. Assets under construction which were completed towards the end of 2023-24 and during 2024-25 contributed to the increased depreciation and amortisation charges in 2024-25.

Other operating expenditure increased in line with increased grants payable to Voluntary Grammar (VG) schools, Grant Maintained Integrated (GMI) schools and Pre-School Settings.

Consolidated Statement of Financial Position (SoFP)

A summary of the Consolidated SoFP for the year to 31 March 2025 is set out below.

	<b>31 March 2025 £m</b>	<b>31 March 2024 £m</b>	<b>Variance £m</b>	<b>Variance %</b>
Total assets less total liabilities	4,522	3,693	829	2.2

Property, plant and equipment increased by £168m from £3,920m at 31 March 2024 to £4,088m at 31 March 2025 due to:

- additions of £264m including £162m for land and buildings, £4m for transport equipment, £10m for Information Technology, £14m for plant and machinery and £74m for assets under construction;
- an increase of £49m as a result indexation;
- less disposals and transfer to assets held for sale of £1m;
- less depreciation of £144m.

Intangible assets decreased by £5m from £61m at 31 March 2024 to £56m at 31 March 2025 due to additions of £16m less depreciation of £21m.

The Group Pension Asset has increased by £511m from £288m at 31 March 2024 to £799m at 31 March 2025. The value has increased significantly over the past three financial years from a liability of £691m at 31 March 2022. Factors including unprecedented inflationary rates, increased membership and a funding surplus contributed to the increased value.

Trade and other payables due within one year have decreased by £137m from £573m at 31 March 2024 to £436m at 31 March 2025 mainly due to the payment of backdated and in year pay awards.

## 2.5 Commentary on significant variances between Estimates and Outturn

### Budgeting Framework

DoF is responsible for management of the Northern Ireland Budget process in line with a budgetary framework set by HM 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)

HM 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 HM Treasury.

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

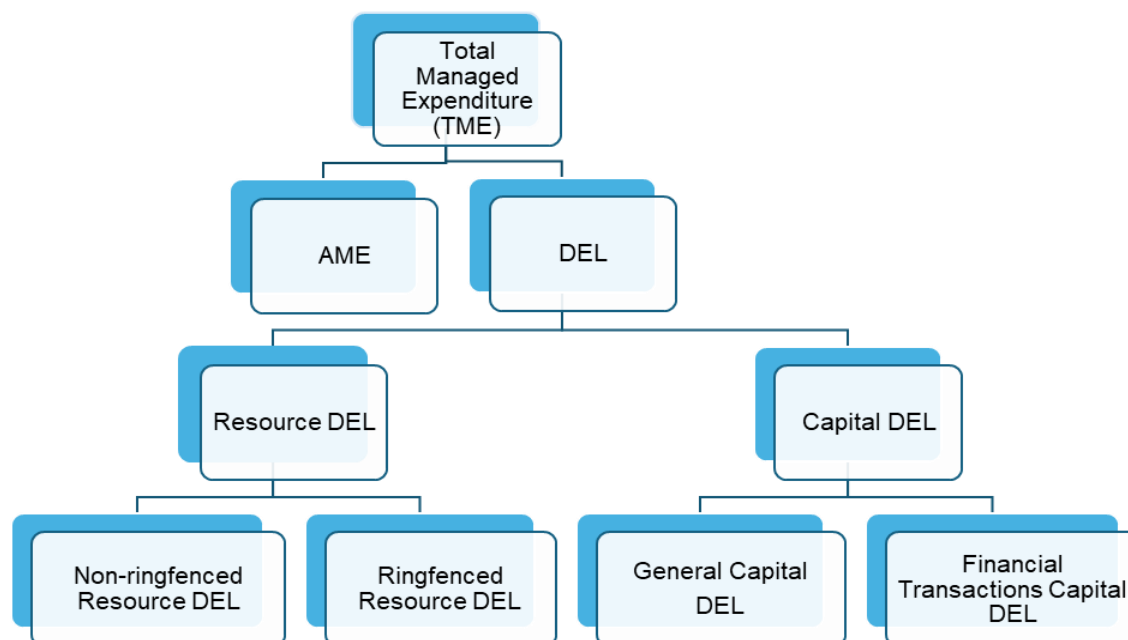
DEL budgets are classified into resource and capital.

- 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, and student loan impairment.
- Capital DEL is split into 'Financial Transactions Capital (FTC)' which can only be used for loans or equity investments in private sector organisations; and 'general' Capital for spending on the purchase and/or acquisition of assets.

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

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

## Budget Structure



## Budgetary Performance

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

	Final Budget 2024-25 £000	Provisional Outturn 2024-25 £000	Underspend / (Overspend) £000
<b>Resource DEL</b>	<b>3,152,331</b>	<b>3,150,843</b>	<b>1,488</b>
<i>including</i>			
<i>Non-ringfenced</i>	3,149,354	3,148,127	1,227
<i>Ringfenced D/I</i>	2,977	2,716	261
<b>Capital DEL</b>	<b>336,706</b>	<b>335,684</b>	<b>1,022</b>
<i>including</i>			
<i>General Capital</i>	336,706	335,684	1,022
<i>FTC</i>	-	-	-
<b>Total DEL</b>	<b>3,489,037</b>	<b>3,486,527</b>	<b>2,510</b>
<b>AME</b>	<b>319,402</b>	<b>155,071</b>	<b>164,331</b>
<i>including</i>			
<i>AME Resource</i>	319,314	154,984	164,330
<i>AME Capital</i>	88	87	1
<b>Total Managed Expenditure</b>	<b>3,808,439</b>	<b>3,641,598</b>	<b>166,841</b>

## Explanation of Variances

### Resource DEL underspend

The Resource DEL underspend does not consist of any significant items but rather is made up of a number of small over/under spends netting to an underspend of £1.5m. This underspend is well within the 1% tolerance set out in the Departmental business plan.

### Capital DEL underspend

The Capital DEL underspend does not consist of any significant items but rather is made up from a number of over/under spends netting to an overall underspend of £1.0m, which falls well within the Departmental target of achieving 98% of Capital Spend against budget.

### AME Underspend

The AME underspend includes an underspend of approximately £164m in relation to Northern Ireland Local Government Officers' Superannuation Committee Scheme pension adjustments in respect of actuarial valuations, an underspend of c£5m in respect of movement in provisions, and an overspend of c£6m in respect of higher than anticipated depreciation and impairment charges for the period.

## Estimates

Supply estimates are the means by which Assembly authority is secured for most government expenditure. Supply is granted on an annual basis, voted in the Main and Spring Supplementary Estimates and in the Budget Acts in Northern Ireland.

## Reconciliation of Budget to Estimates

	Final Budget 2024-25 £000	Provisional Outturn 2024-25 £000	Underspend / (Overspend) £000
<b>Total Managed Expenditure</b>	<b>3,808,439</b>	<b>3,641,598</b>	<b>166,841</b>
Headroom built into the Estimate	15,000	-	15,000
<b>Total per Statement of Assembly Supply</b>	<b>3,823,439</b>	<b>3,641,598</b>	<b>181,841</b>

A detailed analysis of Outturn against Budgets/Estimate by function can be found in the Statement of Outturn against Assembly Supply (SOAS) and notes SOAS 1.1 and SOAS 1.2 within the Accountability Report.

A further key control is the net cash requirement (note SOAS 3 in the Accountability Report) which is summarised in the table below.

	<b>2024-25 Estimate £000</b>	<b>2024-25 Outturn £000</b>	<b>Estimate vs Outturn, saving/ (excess) £000</b>
Net Cash Requirement	3,822,697	3,642,398	180,299

The Net Cash Requirement shows a variance of £180m (5%) against the Estimate for the year.

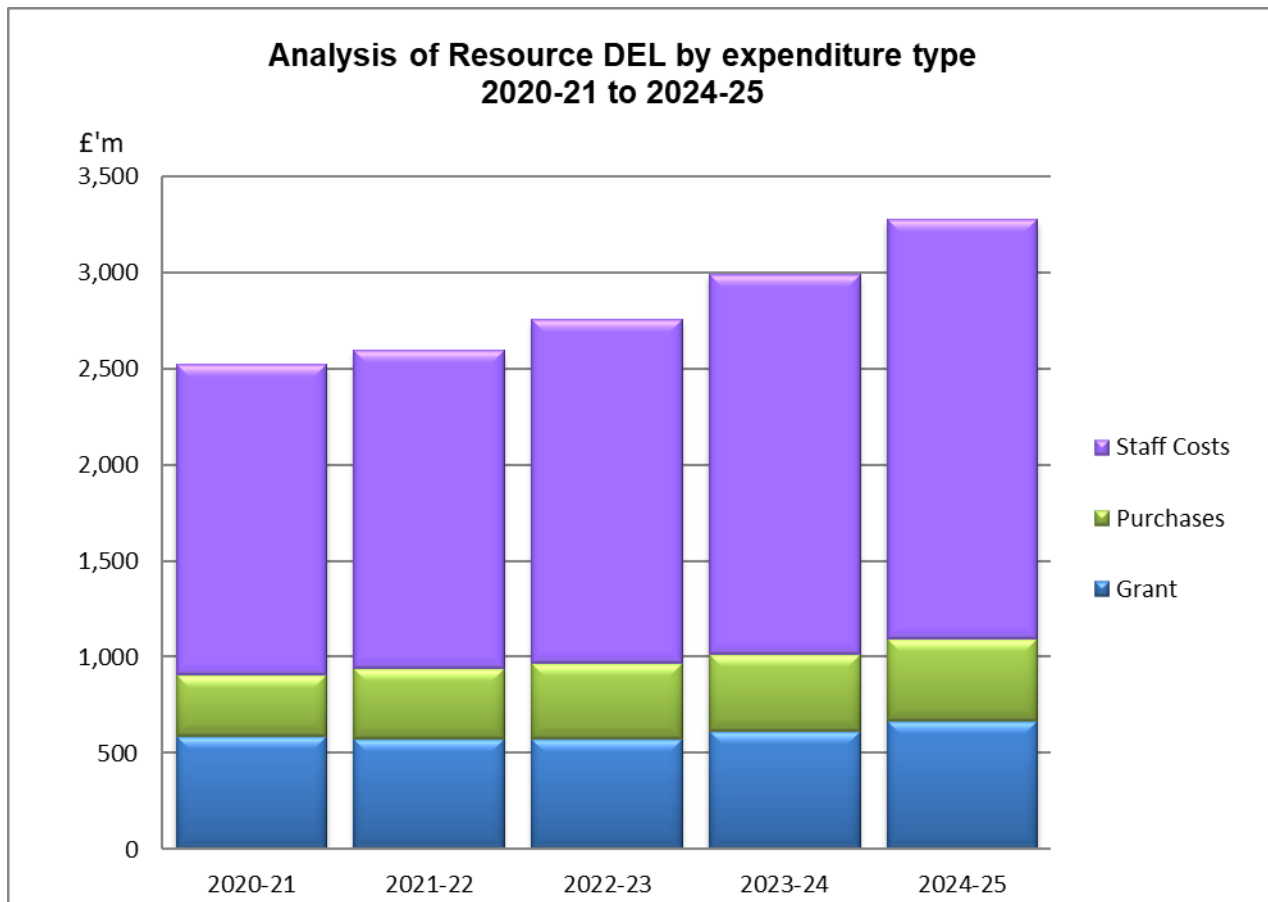
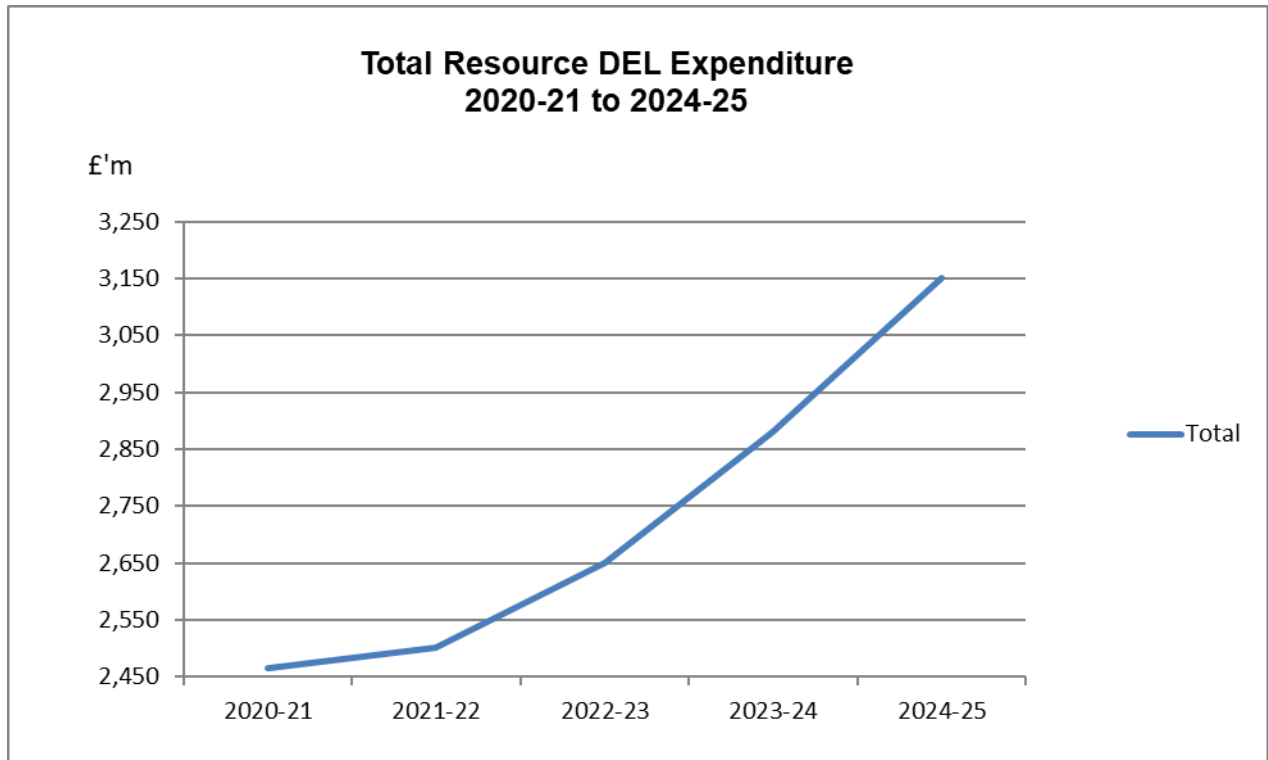
Cash grant-in-aid was £153m less than the Estimate. The Estimate figure each year includes the best forecast of grant-in-aid i.e. the cash required by the Department and its NDPBs, when the Estimates were prepared. As cash is only drawn down as required, this variance reflects the difference between the estimated cash requirement and the actual amount of cash required in-year. The variance between the Estimate and the net cash requirement does not represent an under-spend against the Department's budget.

Changes in working capital balances were less than the Estimate by £27m largely due to a lower than expected decrease in "trade payables" due to the timing of payments.

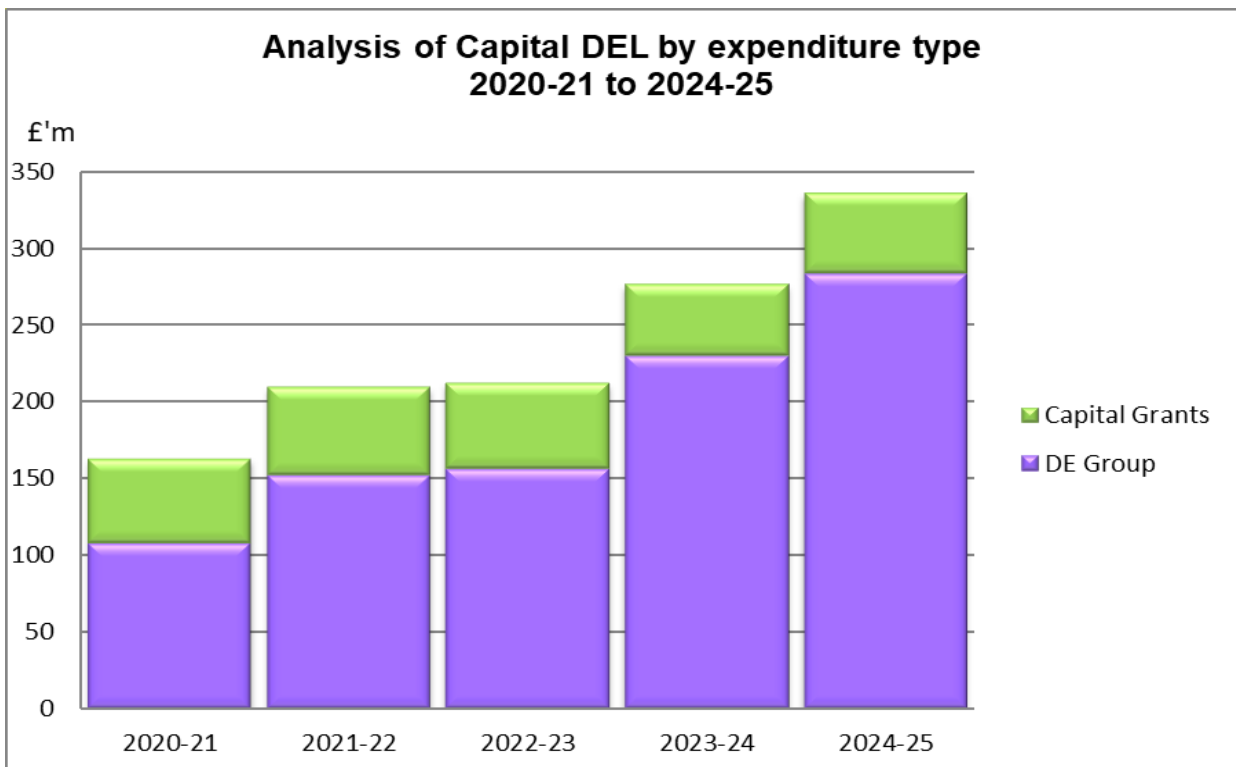
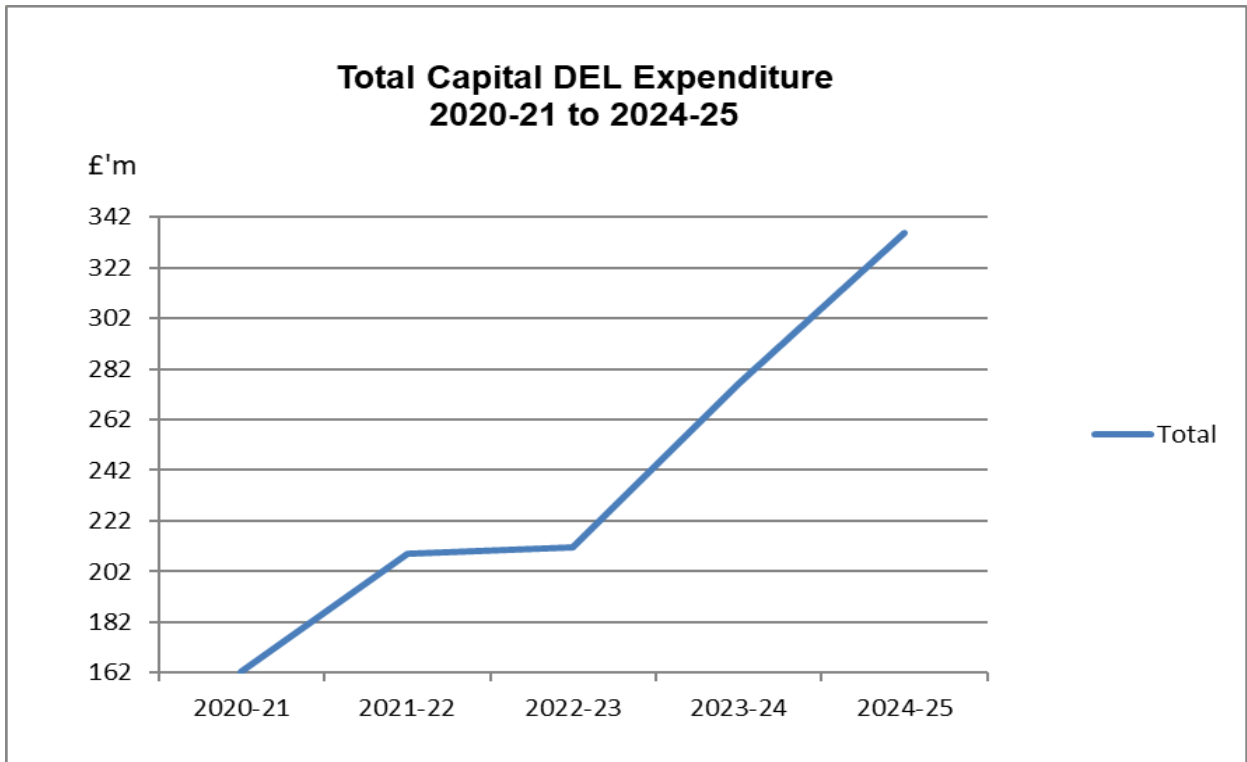
## 2.6 Long term expenditure trends

The graphs below show 5 years of outturn data in relation to the Group's spending. The detailed data is shown in the long term expenditure table at the end of this section.

Resource DEL Expenditure



Capital DEL Expenditure



## Long term expenditure tables

	2020-21 £000	2021-22 £000	2022-23 £000	2023-24 £000	2024-25 £000
<b>Total Resource DEL</b>	<b>2,464,039</b>	<b>2,501,440</b>	<b>2,649,847</b>	<b>2,880,600</b>	<b>3,150,843</b>
<i>Of which:</i>					
Staff costs	1,616,945	1,649,545	1,788,030	1,971,898	2,182,557
Purchases	315,880	367,884	392,042	400,994	426,385
Depreciation	884	1,190	1,931	2,621	2,291
Grant	587,743	573,754	572,454	613,408	663,932
Income	(57,413)	(90,933)	(104,610)	(108,321)	(124,322)
<b>Total Resource AME</b>	<b>199,638</b>	<b>260,221</b>	<b>289,681</b>	<b>135,369</b>	<b>154,984</b>
<i>Of which:</i>					
Provisions	91,229	152,547	154,643	11,118	(9,226)
Depreciation & Impairments	108,473	108,304	135,792	124,502	163,854
Other AME	(64)	(630)	(754)	(251)	356
<b>Total Resource DEL and AME</b>	<b>2,663,677</b>	<b>2,761,661</b>	<b>2,939,528</b>	<b>3,015,969</b>	<b>3,305,827</b>
<i>Of which:</i>					
Staff costs	1,616,945	1,649,545	1,788,030	1,971,898	2,182,557
Purchases	315,880	367,884	392,042	400,994	426,385
Depreciation & Impairments	109,357	109,494	137,723	127,123	166,145
Grant	587,743	573,754	572,454	613,408	663,932
Income	(57,413)	(90,933)	(104,610)	(108,321)	(124,322)
Provisions	91,229	152,547	154,643	11,118	(9,226)
Other AME	(64)	(630)	(754)	(251)	356
<b>Total Capital DEL</b>	<b>162,621</b>	<b>209,166</b>	<b>211,804</b>	<b>276,357</b>	<b>335,684</b>
<i>Of which:</i>					
Departmental Group capital	107,614	151,611	155,965	229,570	283,213
Capital Grants	55,007	57,555	55,839	46,787	52,471
<b>Total Capital AME</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>87</b>
<b>Total Capital DEL and AME</b>	<b>162,621</b>	<b>209,166</b>	<b>211,804</b>	<b>276,357</b>	<b>335,771</b>

	2020-21 £000	2021-22 £000	2022-23 £000	2023-24 £000	2024-25 £000
<b>Total DEL and AME</b>	<b>2,826,298</b>	<b>2,970,827</b>	<b>3,151,332</b>	<b>3,292,326</b>	<b>3,641,598</b>

*Of which:*

Total DEL	2,626,660	2,710,606	2,861,651	3,156,957	3,486,527
Total AME	199,638	260,221	289,681	135,369	155,071

## 2.7 Future development and performance

Moving forward, the Department's key focus will be on the delivery of the Minister's key priorities as outlined in the PfG, the [TransformED Delivery Plan](#) published in April 2025, other activities arising from the Independent Review of Education, alongside the CYPS. These in turn will deliver associated outcomes (described in the respective documents) and to help ensure these outcomes are realised, the Department and its delivery partners will work in partnership with schools, youth services and a wide range of others, most importantly of all children and young people.

NDPBs are also developing Strategic/Corporate Plans (or reviewing plans they may already have in place) to align with PfG, Ministerial and Departmental priorities. These will be subject to consideration and approval by the Department.

## 2.8 Social, community and human rights

When preparing or revising policies/decisions, consideration is given to any impact on equality (in accordance with Section 75 of the Northern Ireland Act 1998) and human rights (the Human Rights Act 1998 and United Nations conventions).

The Department has responsibility for coordinating the United Nations Convention on the Rights of the Child (UNCRC) matters on behalf of the Northern Ireland Executive.

The Executive's CYPS 2020-2030, agreed on 10 December 2020, is the main strategic instrument through which all nine Departments will work together to improve the wellbeing of children and young people and it will ensure that due regard is given to the rights of children and young people.

The Strategy sits within the context of the United Nations international human rights conventions including the UNCRC.

The Strategy outlines how the Executive will work collaboratively to improve the wellbeing of children and young people and the outcomes it seeks to achieve across eight key areas of physical and mental health; play and leisure; learning and achievement; safety and stability; economic and environmental wellbeing; positive contribution to society; respect for their rights; and good relations and equality of opportunity.

The Department has policy responsibility for the development of the Executive's Early Learning and Childcare Strategy which will promote children's rights and reflect the main guiding principles of the UNCRC.

### Rural Needs Act (Northern Ireland) 2016

In line with obligations under Section 1 of the Rural Needs Act (Northern Ireland) 2016, eight Rural Needs Impact Assessments were completed across the Department during the 2024-25 year. These assessments will be listed within the Rural Needs Annual Monitoring Report 2024-25, published by the Department for Agriculture, Environment and Rural Affairs (DAERA).

Further information on Rural Needs can be located within the EA Annual Report and Accounts for 2024-25 which can be accessed at [EA's website](#).

## **2.9 Other matters**

### Environmental issues

Construction and Procurement Delivery (CPD) is responsible for managing the Northern Ireland Civil Service office estate which, for the Department, relates to Rathgael House and Waterside House (until January 2025) and Orchard House (from February 2025).

The Department continues to work closely with colleagues in CPD to review our accommodation requirements and we are actively involved with CPD in a project to reduce the amount of car parking spaces within our headquarters building in Rathgael House. DE staff in Waterside House relocated to a repurposed multi-occupancy building, Orchard House. Both projects have further reduced the Department's footprint within the office estate. The installation of modern efficient boilers and other energy saving technologies, in the buildings we occupy, will help us to reduce consumption.

The Department onboarded onto CPD's collaborative frameworks for 100% renewable (green) electricity in 2024. CPD and its Clients are committed to the [Energy Management Strategy | Strategic Investment Board](#).

### Sustainability

The Department is committed to the achievement of sustainability in construction procurement. This concerns the procurement and delivery of building, engineering and refurbishment projects that promote environmental, social and economic gains now and for the future. All school projects that receive capital funding from the Department are expected to comply with the requirements detailed in Guidance Notes on sustainability issued by CPD within DoF.

All school building contracts include overarching requirements in respect of energy, water and low carbon design to ensure the accommodation is sustainable and energy efficient. Cycle shelters may also be incorporated into school design to encourage active travel to school. The Department works with the Department for Infrastructure (DfI) and the Public Health Agency in support of their Active

School Travel Programme, which aims to encourage more pupils to walk, cycle, or scoot to school.

Building Research Establishment Environmental Assessment Method (BREEAM) is used to assess the environmental performance of new and existing buildings. Where possible, the Department requires all Major Works for schools to achieve a BREEAM rating of 'excellent' in new school builds and 'very good' for refurbishment projects. The Department's building handbooks are designed to support the achievement of the appropriate BREEAM rating, within the affordability envelope for each project. Where appropriate, renewable energy sources are employed for heating and power generation in schools.

The Department has previously undertaken a pilot project across five Major Capital Schemes. The project considered the costs and benefits realised from designing and constructing these new schools to enhanced energy efficiency standards. The Department announced the pilot schools in 2020 and as these are long-term projects, it may be up to six years before construction of the schools is completed, the benefits are realised and the pilot can be fully assessed.

In addition, the Department has set minimum requirements for all new school buildings to reduce carbon emissions and achieve Net Zero in Operation and this target has been adopted by the recently appointed ICTs for the new major capital works projects announced in 2022 and Special schools announced in 2024.

An assessment of the impact of construction on ecology and biodiversity is undertaken as part of the BREEAM rating. The Schools' Building Handbook specifies that outside space should satisfy the Department's policy on biodiversity e.g. habitat replacement, bird boxes and bat boxes.

The Department has fully engaged and onboarded to CPD's waste management and recycling contracts. These services are delivered in accordance with the Sustainable Development Strategy for Northern Ireland. The Department is committed to diverting as much waste as possible from landfill.

The Department, in partnership with colleagues in DAERA and DoF, has removed all unnecessary single-use plastics from premises.

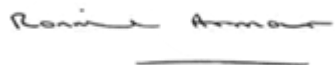
The Climate Change Act (Northern Ireland) 2022 places in law the requirement for Northern Ireland net greenhouse gas emissions to be at least 100% lower than the baseline i.e. a total net zero position by 2050.

DAERA is the lead Department for the Act, coordinating input to the first Northern Ireland Climate Action Plan, which sets out the targets for emission reduction across areas of the economy, known as sectoral plans including energy, transport, waste etc.

The Department is represented on DAERA's governance structures including the Green Growth Strategic Oversight Group and the Technical Advisory Group. The Department continues to engage as a draft Climate Action Plan is prepared for public consultation.

Further information on the EA's Sustainability can be found in the EA's Annual Report and Accounts 2024-25 which can be accessed at [EA's website](#).

**This Performance Report is approved and signed.**



*Ronnie Armour*

**Ronnie Armour  
Interim Accounting Officer  
30 October 2025**

## ACCOUNTABILITY REPORT

### 3. CORPORATE GOVERNANCE REPORT

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

#### 3.1 Department Directors' report

##### Ministerial responsibility

Paul Givan MLA was Minister with responsibility for Education for the 2024-25 year.

##### Senior officers

The Department is headed by the Minister of Education, supported by the Permanent Secretary, three Deputy Secretaries, a Chief Inspector, the Finance Director, the Department's Strategic HR Business Partner and two independent NEBMs. The composition of the Departmental Board during the year was as follows:

Mark Browne	Permanent Secretary (until November 2024)
Ronnie Armour	Deputy Secretary (until November 2024) Interim Permanent Secretary (from December 2024)
Linsey Farrell	Deputy Secretary
Heather Cousins	Deputy Secretary
Faustina Graham	Chief Inspector, ETI
Neil Palmer	Finance Director (on Temporary Promotion basis until 15 December 2024 and substantively from 16 December 2024).
Marcella Phillips	Departmental Strategic HR Business Partner

##### **Non-Executive Board Members**

Paul Corrigan  
Anna Carragher (with effect from 1 May 2024)

### Pension liabilities

Treatment of pension liabilities is disclosed in accounting policy note 1.13 and in the Remuneration and Staff Report.

### Financial instruments

Financial instruments are not material for the assessment of the assets, liabilities, financial position and net expenditure of the Department and the Group (see note 9 in the Financial Statements section).

### Company directorships

There are no company directorships or significant interests held by any of the senior management team members which conflict with their management responsibilities. The [Register of Interests](#) includes details of interests held by the senior management team and the ARAC.

### Auditor

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

The audit of the financial statements for 2024-25 resulted in a notional audit fee of £109k for the Department and the Northern Ireland Teachers' Pension Scheme, which is included in the administration costs in the SOCNE and notional audit fees of £228k for the Department's NDPBs, which are included in the programme costs in the SOCNE.

### Equality statement

The Department, in carrying out its functions, has a statutory responsibility to have due regard to the need to promote equality of opportunity:

- between persons of different religious belief, political opinion, racial group, age, marital status or sexual orientation;
- between men and women generally;
- between persons with disability and persons without; and
- between persons with dependants and persons without.

In addition, without prejudice to the above obligation, in carrying out its functions, the Department is required to have regard to the desirability of promoting good relations between persons of different religious belief, political opinion or racial group.

### Complaints handling

Details of the Department's complaints procedure is available on the Department's website at [Department of Education Complaints Procedure](#).

In 2024-25, 46 complaints were received under the procedure (however one was withdrawn by the complainant, and three were treated as correspondence cases), compared to 27 in the previous year. Five of the remaining 42 complaints were escalations of previous complaints.

All complaints are analysed and lessons learned compiled into a year-end report which is considered by the Departmental Board. Complaints are centrally monitored for any emerging trends. Any such issues identified are raised with senior management for consideration and resolution.

Further information on the EA's Complaints Handling can be found in the EA's Annual Report and Accounts 2024-25 which can be accessed at [EA's website](#). Information on the number of complaints received by the Department's other NDPBs can be found in the respective Annual Report and Accounts for that organisation.

### Personal data related incidents

In line with the requirements of the Data Protection Act 2018/United Kingdom (UK) General Data Protection Regulation, the Department has a data breach, internal reporting and investigation policy and process in place, which is published on the Department's Intranet site for staff. The Department has a duty to report certain types of personal data breach to the Information Commissioner's Office (ICO) within 72 hours. In addition, if a breach is likely to result in a high risk of adversely affecting individuals' rights and freedoms, those individuals must be notified too.

In 2024-25, the Department reported two personal data breaches to the ICO and data subjects. The ICO considered both incidents and reported back to DE and the Department has taken account of the ICO's recommendations.

During 2024-25, the EA reported two personal data breaches to the ICO. Further information on the EA's Personal data related incidents can be found in the EA's Annual Report and Accounts 2024-25 which can be accessed at [EA's website](#). There were no data breaches reported within the Department's other NDPBs.

### Events occurring since the end of the financial year

Events after the reporting period relating to the 2024-25 financial year have been disclosed in note 25 in the Financial Statements.

### Payment of suppliers

The Department is committed to the prompt payment of bills for goods and services received, in accordance with the Better Payment Practice Code. Unless otherwise stated in the contract, payment is due within 30 days of the receipt of the goods or services, or presentation of a valid invoice or similar demand, whichever is later.

As part of the Northern Ireland Assembly's efforts to support businesses during the current economic circumstances, Accounting Officers were asked to support a commitment to paying invoices within 10 working days.

During 2024-25, 97.12% (2023-24: 94.57%) of the Department's invoices were paid within 10 days and 99.20% (2023-24: 98.04%) of invoices were paid within 30 days.

The Department's performance both in terms of paying invoices within 10 days and 30 days in comparison to other Departments can be viewed on the Account Northern Ireland website: [Northern Ireland Civil Service Prompt Payment Dashboard 2024-2025](#).

Information on the Department's NDPB's Prompt Payment performance can be found at the following link: [Prompt payment performance](#).

No interest was paid by the Department under the Late Payment of Commercial Debts (Interest) Act 1998.

### Disclosure of information to auditors

As far as the Accounting Officer is aware, there is no relevant audit information of which the Department's auditors are unaware, and the Accounting Officer has taken all steps that he ought to have taken to make himself aware of any relevant audit information and to establish that the Department's auditors are aware of that information.

### **EA Director's Report**

A copy of the EA Director's report is provided in the EA Annual Report and Accounts for 2024-25 which can be accessed at [EA's website](#).

### 3.2 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 and other arm's length public bodies designated by order made under the GRAANI by Statutory Rule 2024 No. 114, as amended by Statutory Rule 2024 No.217, (together known as the 'Departmental group', consisting of the Department and sponsored bodies listed at note 24 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 of the Department is required to comply with the requirements of the Government Financial Reporting Manual and in particular to:

- observe the Accounts Direction issued by DoF, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- ensure that the Department has in place appropriate and reliable systems and procedures to carry out the consolidation process;
- make judgements and estimates on a reasonable basis, including those judgements involved in consolidating the accounting information provided by Non-Departmental and other arm's length public bodies;
- state whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the accounts;
- prepare the accounts on a going concern basis; and
- confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable and take personal responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced and understandable.

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

The Accounting Officer of the Department has also appointed the Chief Executives or equivalents of its sponsored Non-Departmental and other arm's length public bodies as Accounting Officers of those bodies. The Accounting Officer of the Department is responsible for ensuring that appropriate systems and controls are in place to ensure that any grants that the Department makes to its sponsored bodies are applied for the purposes intended and that such expenditure and the other income and expenditure of the sponsored bodies are properly accounted for, for the purposes of consolidation within the resource accounts. Under their terms of appointment, the Accounting Officers of the sponsored bodies are accountable for the use, including the regularity and

propriety, of the grants received and the other income and expenditure of the sponsored bodies.

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

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

### **3.3 GOVERNANCE STATEMENT**

#### **3.3.1 Introduction**

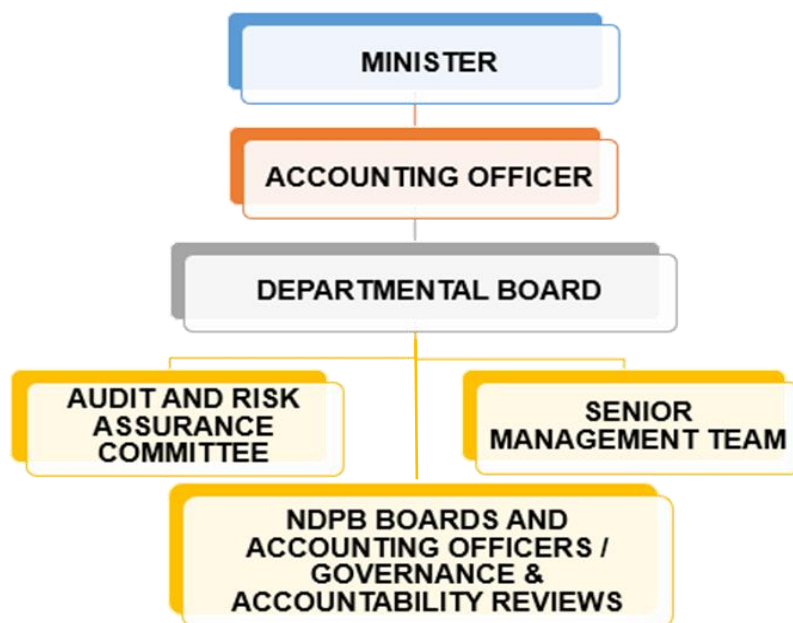
This Governance Statement is a key feature of the Department's Annual Report and Accounts. It provides details of how I, as the Accounting Officer, have ensured effective management and control of resources during the 2024-25 year, and of the action taken to ensure effective risk management and a high standard of corporate governance.

The following statement represents the position of the Departmental Group during 2024-25 (the Department and its eight sponsored NDPBs). As the Permanent Secretary, and the Principal Accounting Officer for the Group, I have responsibility for reviewing the effectiveness of the Group's systems of internal control. The review was informed by the senior management team (including NDPB Accounting Officers, who have responsibility for the development and maintenance of their internal control frameworks, and who provide an equivalent statement within its published report and accounts) and comments made by the Northern Ireland Audit Office in its management letter and other reports.

#### **3.3.2 Department of Education's Governance framework**

The Department operates under the direction and control of the Minister of Education who is the Head of the Department. The Minister leads the Department and is responsible and accountable to the Northern Ireland Assembly for the policies, programmes and actions of the Department. As Permanent Secretary, I am the Minister's principal adviser, the administrative head of the Department and the Accounting Officer. As the Accounting Officer, I am personally responsible and accountable to the Minister and to the Northern Ireland Assembly for the effective management and organisation of the Department, including the use of public money and the stewardship of its assets.

The Department operates a detailed governance and accountability framework designed to help it oversee and hold to account the NDPBs which it sponsors. This is described more fully in Section 3.3.9 below. In my role as the Accounting Officer, I function with the support of the Departmental Board, its ARAC and my Senior Management Team. This structure is outlined below:



**The Departmental Board**

The Department is managed by a Departmental Board which, within the strategic framework set by the Minister, supports me as Permanent Secretary in discharging my role.

The Departmental Board is chaired by me and during 2024-25 comprised the two Deputy Secretaries (one Deputy Secretary position was vacant upon my designation as Interim Permanent Secretary); the Chief Inspector of ETI; the Finance Director; Departmental Strategic HR Business Partner; and two independent NEBMs. The role of the independent board members is to: provide an independent and external perspective on the work of the Departmental Board; bring some specific expertise to its discussions; and provide a constructive challenge across the Departmental Board’s business. Other Departmental Directors have been invited to attend meetings where agenda items relevant to their business areas required their attendance to inform discussion. The Departmental Board’s work is guided by a Corporate Governance Framework. During 2024-25, the Departmental Board met on eight occasions.

## Departmental Board Membership and Attendance 2024-25

A list of members is provided below along with details of their individual attendance records:

<b>Board Member</b>	<b>Meetings Attended</b>	<b>Out of a possible</b>
<b>Dr Mark Browne</b> (Permanent Secretary (Chair) until November 2024)	3	6
<b>Ronnie Armour</b> (Deputy Secretary until November 2024 / Interim Permanent Secretary (Chair) from December 2024)	8	8
<b>Faustina Graham</b> (Chief Inspector, ETI)	6	8
<b>Linsey Farrell</b> (Deputy Secretary)	7	8
<b>Heather Cousins</b> (Deputy Secretary)	3	5
<b>James Hutchinson*</b>	2	2
<b>Suzanne Kingon*</b>	1	1
<b>Neil Palmer</b> (Finance Director)	6	8
<b>Paul Corrigan</b> Non-Executive Board Member and Chairperson of ARAC	6	8
<b>Anna Carragher</b> Non-Executive Board Member and Member of ARAC (Appointed May 2024)	6	7
<b>Marcella Phillips</b> (Northern Ireland Civil Service HR Strategic Human Resource Business Partner)	6	8

\*Deputised for Heather Cousins (rotating temporary promotion)

The Departmental Board's role is set out in the Department's [Corporate Governance Framework](#).

During 2024-25, there were five categories of routine Board business. These reflected the areas set out in the Corporate Governance Framework:

- financial matters and allocations;
- business planning;
- policy and strategy;
- management including HR; and
- risk management and internal controls.

## Conflicts of Interest

Every six months, members of the Departmental Board are asked to sign a Declaration of Interest. Declarations are reviewed by the Accounting Officer and placed on the Department's website at [Department of Education Register Interests](#). An explanation of how any actual or potential conflicts will be managed is included.

Annually, all staff are asked to read the Conflicts of Interest guidance and disclose any actual, perceived or potential conflicts of interest in line with the Guidance and record such interests on the Department's register of interests. Staff are reminded that the register of interests is a 'live' document, and as such, changes should be notified as and when they occur.

A signed Declaration of Interest was provided by the Special Adviser on 8 May 2024.

In compliance with Business Appointment rules, the Northern Ireland Civil Service (and by extension the Department), is transparent in the advice provided to individual applications for senior staff, including special advisers through the Northern Ireland Civil Service HR Policy. Advice regarding specific business appointments is available in the HR Handbook ([6.01 Standards of Conduct](#)); all former senior staff who have left the Northern Ireland Civil Service are required to complete a declaration, 'Application to accept an outside appointment after leaving the Northern Ireland Civil Service', which is held by HR Connect on the Department's behalf.

## Departmental Board sub-committee

During 2024-25 the Departmental Board was supported by the ARAC.

The ARAC is an independent advisory committee with no executive functions. Further information on its roles and responsibilities can be found at [DAO \(DoF\) 03/18 ARAC handbook](#).

The Department's ARAC normally comprises of four independent members. Two members are NEBMs, one of whom serves as the ARAC Chairperson. During 2024-25, Mr Paul Corrigan served as NEBM and ARAC Chairperson. Mr Paul Corrigan accepted the role of ARAC Chairperson from March 2024 after acting as Interim Chairperson since December 2023. Mrs Anna Carragher was appointed NEBM and ARAC member from 1 May 2024. The remaining two members are serving Senior Civil Servants (SCS). During 2024-25, Gavin Patrick (Director of Finance, DoF) and Patrick Butler (Head of Legacy Inquest Unit/Senior Legal Advisor to Coroners, DoJ) supported the ARAC as independent members. Gavin Patrick's term came to an end on 18 March 2025, he was replaced by Mr Richard Logan (Finance Director, DoJ) who accepted the position from 10 March 2025.

Throughout the year the Committee considered the findings from internal and external audit activity, including updates on whistleblowing and fraud cases along with the outcomes of key governance processes such as risk management, GAR meetings and the biannual NDPB governance statements. In addition, the

Committee invited various risk owners (Directors) to attend and provide assurance on their areas of responsibility.

### Attendance 2024-25

Name	Meetings Attended	Out of a possible
Paul Corrigan (Chairperson)	4	4
Anna Carragher	3	4
Gavin Patrick	4	4
Patrick Butler	4	4
Richard Logan	1	1

### 3.3.3 Departmental Board Performance

I consider that the Departmental Board operated effectively during 2024-25, meeting regularly and considering relevant issues at the appropriate time. The Departmental Board fulfilled its role as set out at Section 3.3.2 above.

#### 2024-25 Review of Board Effectiveness

Revised structures for the meetings of the DE Board were developed across 2024-25 and agreed by the Permanent Secretary and Grade 3 Resources and Governance. The annual evaluation of the Departmental Board's effectiveness was therefore delayed to enable a consideration of the revised structures. A questionnaire was issued to Board members in March 2025 seeking their views on the operation, support and structures for the Board. A report was provided for consideration by the Board at its meeting in August 2025. The Board noted the contents of the report and the Chair will undertake follow-up discussions on issues raised with the Board's NEBMs.

### 3.3.4 Highlights of Board committee reports

This section provides information on key areas progressed by the Departmental Board's ARAC.

The ARAC meet four times during the year, reporting at each subsequent Board meeting on the key issues discussed, and the full minutes were circulated to Departmental Board members when finalised.

The Chairperson met with the Head of Internal Audit in advance of each meeting to discuss current and emerging risks and issues. During ARAC meetings, the Committee received updates on priority Departmental issues. The ARAC continued to seek to understand and keep abreast of the main challenges facing the Department's NDPBs throughout the year and received regular high-level updates on significant risks. Additionally, the Department's ARAC has continued

to provide additional oversight and approval of the General Teaching Council for Northern Ireland's improved governance arrangements and approval of the Annual Report and Accounts.

The ARAC Annual Report for 2024-25 will be presented to the Departmental Board in August 2025. This report summarises the work of the committee and provides its opinion on the comprehensiveness and reliability of the assurances available to support the Departmental Board and, particularly, to support the Department's Accounting Officer in his accountability obligations.

The independent ARAC members' annual self-assessment for 2024-25 took place in April. It includes a review of the recommendations from the previous two years and the identification of the key areas on which to focus their attention in 2025-26.

### **3.3.5 Corporate Governance**

As noted above, the Department has in place a Corporate Governance Framework which aligns with the Corporate Governance in Central Government Departments: Code of Practice Northern Ireland 2025.

Subsidiary Governance Statements were prepared and signed by all Directors and have been used to prepare the Governance Statement. Directorates were asked to confirm that no significant lapses of security took place during 2024-25. Two DE data breaches were reported to the Information Commissioners Office.

#### Head of Internal Audit Assurance

The Head of Internal Audit has provided me with a report on internal audit activity within the Department during the year and a satisfactory opinion on the Department's governance, risk management and internal control system. However, there have been two limited audit opinions awarded in respect of the reviews of "Addressing Bullying in Schools" and "Business Continuity Planning". In addition, four limited opinions remain after consideration of follow up reviews in respect of "School Governance", "Health and Safety – New Way of Working", "Additional Educational Needs Team" and "the Use of Supply Teachers".

### **3.3.6 Quality of the data used by the Departmental Board**

The Departmental Board relies on four main sources of data to inform its deliberations. These are:

- statistical information, designated as 'Official Statistics' and some as 'National Statistics'. As such, they are produced in line with the eight principles and three supporting protocols set out in the UK Statistics Authority's Code of Practice for Official Statistics (for example, data related to enrolments, attainment, absence, workforce);
- financial information prepared from internal and external finance systems, which are supported by internal control frameworks and subject to both internal and external audit scrutiny across the education sector (including monitoring reports on capital and resource expenditure);

- HR information, mainly data on absence management sourced from official reports provided by the Northern Ireland Statistics and Research Agency; and
- inspection evidence, mainly data used to compile the Education and Training Inspectorate reports and the annual report to the Departmental Board.

Accordingly, the Departmental Board and its NDPBs consider that it can take assurance regarding the quality of the statistical and financial data it uses to monitor performance and inform decision-making.

### 3.3.7 Ministerial Directions

There were no Ministerial Directions issued during 2024-25.

### 3.3.8 Risk Assessment

The Departmental Board has responsibility for ensuring that an effective risk management process is in place and is regularly reviewed. In discharging this responsibility, it is supported by the ARAC and the Department's Internal Audit Team. NEBMs participate in discussions in relation to Departmental risk at Departmental Board meetings. This arrangement, in conjunction with written and oral updates provided at each ARAC meeting, ensures that the ARAC is kept fully informed of the Department's risk profile to enable it to undertake its responsibilities effectively.

The Departmental RMF sets out the Department's approach to risk and the mechanisms through which potential risks to the achievement of the Departmental objectives are identified and evaluated. The RMF is subject to annual review and any amendments are approved by the Departmental Board. It was updated and amendments approved by the Board in April 2024 and again in April 2025.

#### Risk Management

The Departmental Board agrees the risks to be included in the Department's CRR and agrees ownership of each risk. The risk management process is integrated with normal management processes and informs the annual business planning cycle in order to link risk management and internal control with the Department's ability to fulfil its business objectives. Risk is managed in the Department by way of an on-line Risk Management Application, which hosts all risk registers at Corporate, Directorate, Programme/Project and Team levels.

During 2024-25 the CRR contained six risks under the following broad headings:

1. Financial;
2. Alignment and delivery;
3. Relationships;
4. Safeguarding;
5. People; and
6. Programme.

The six risks remained in place throughout the 2024-25 year and were subject to ongoing (quarterly) review and update. The CRR opening review for 2025-26 continued with the extant risks.

Each Directorate/business area was required by the Departmental Board to have in place appropriate arrangements for managing risk at a lower level.

The Department is dependent on its ALBs for the delivery of policies and services. The Department needs to be assured that risk is being managed effectively by all of its ALBs, and they must in turn provide assurance to the Department on risk management, governance and internal control.

With this in mind, ALB Risk Registers and a sample of Directorate Risk Registers were examined during 2024-25 and findings were reported to the Board and ARAC in relation to:

- a) the alignment of risks to those in the Department's CRR; and
- b) the standard of risk registers and their adherence to the principles of risk management contained in the Department's RMF and the ALBs' own risk management policies.

The Comhairle na Gaelscolaíochta (CnaG) Risk Register was not included in the exercise as it did not maintain one during the course of 2024-25, mainly due to staff shortages at management level. The Sponsor Team (Irish Medium Integrated Education Team) subsequently worked with CnaG to make arrangements for a Risk Register to be put in place as soon as possible.

### **Significant issues arising during 2024-25**

During 2024-25 the Department managed a number of significant issues in relation to:

- 2024-25 Budget
- EA 2024-25 Financial Position
- Industrial action by Teacher Unions
- Support staff Pay & Grading Review
- Independent Review of Education
- UK COVID Public Inquiry
- EA Landscape Review Action Plan
- EA Special Educational Needs and Disability (SEND) Transformation Programme and End-to-End (E2E) Review of SEN
- Middletown Centre for Autism
- End-to-End (E2E) Review of School Improvement
- Major EA IT Projects
- Council for the Curriculum, Examinations and Assessment (CCEA) Personnel and Governance Issues
- Continuing operational oversight of General Teaching Council for Northern Ireland
- Safeguarding and Child Protection
- Fraud Prevention and Whistleblowing

- Department of Education staff vacancies and absences
- Irregular Expenditure
- Data Breaches

## 2024-25 Budget

The 2024-25 Resource Budget for Education was agreed by the Executive on 25 April 2024. The Department received a Resource DEL allocation of £2,874.4m.

The Northern Ireland Budget (No. 2) Act 2024, which received Royal Assent on 18 October 2024, provided the statutory authority for the 2024-25 Northern Ireland Budget.

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

Based on this initial budget allocation there remained an estimated funding gap for the Department in 2024-25 in the region of £223m in respect of inescapable demand-led and pay pressures only. In addition, the Department faced over £250m of other key pressures, including c£180m in respect of the EA Pay and Grading Review, and c£52m of high-priority pressures.

Throughout the 2024-25 period the Department received £201m of additional Resource DEL funding to help address pressures. In addition, £43.7m was provided to fund stage one of the EA Pay & Grading Review, £25m was provided to implement the Executive's Early Learning & Childcare Strategy, and £3m of funding was provided to help address pressures arising from Storm Éowyn damage.

Due to a combination of this additional funding as well as a number of one-off savings delivered by the EA, the Department was able to deliver a balanced budget for 2024-25, reporting a small Resource underspend of £1.2m (0.04%) at Provisional Outturn, a significant portion of which related to ring-fenced funds which could not be diverted to fund other activities.

The Department's final opening Resource Budget for 2025-26 of £3,227.3m was agreed by the Executive on 3 April 2025. The budget outcome is significantly less than what is required and will again leave a considerable shortfall across the Education sector of c£310m in respect of inescapable and pre-committed pressures only. In the absence of significant additional funding in-year, given the scale of pressures facing the sector, there is a real danger the Department will not be able to deliver basic statutory services or in doing so may overspend against the current budget allocation.

The Executive has also indicated its continued support for a Childcare Strategy and has set aside £55m in 2025-26, to be allocated to the Department at a later date.

The Department also faced unprecedented pressures on capital funding in 2024-25 partly as a result of escalating price inflation but also due to the need to create large numbers of additional Special Educational Needs places. The capital spend on Special Educational Needs placement projects (both in Special Schools and specialist provision in mainstream schools) in 2024-25 was c.£50.5m. The high level of pre-existing contractual commitments at the beginning of the financial year also limited flexibility.

The Department's capital budget strategy for 2024-25 was based on three fundamental elements: (i) to meet existing contractual requirements; (ii) Statutory/remedial/emergency works; (iii) SEN Capital Investment Programme; (iv) Launch of the Curriculum-led programme; (v) progressing a small number of major works and School Enhancement Programme projects to construction; and (vi) Delivery of the flagship Strule Shared Education Campus.

Due to a shortfall in the initial capital budget allocation against capital needs in 2024-25, many of the difficult decisions made, such as the decision to pause projects, continued with 21 of the projects announced to advance in planning in 2022 remaining paused.

Surveys continued through the year to identify the presence of Reinforced Autoclaved Aerated Concrete (RAAC) in school buildings. To date only one school has been identified with RAAC and was dealt with, but any further cases will place considerable pressure on an already overstretched capital budget.

The Department continued to face significant capital pressures throughout 2024-25. However, additional capital secured during in-year monitoring exercises helped address many of the most pressing needs.

At Provisional Outturn, the Department reported a Capital DEL underspend of £1.0m (0.3%), the majority of which related to ring-fenced funding for the Strule Shared Campus which could not be diverted to fund other projects.

### **EA 2024-25 Financial Position**

The EA's financial position poses a significant financial risk to the Department's budget due to the quantum of the EA's budget. Therefore, the Department continued to constructively and robustly engage with the EA throughout the year in assessing its financial position.

In the absence of an agreed Executive Budget for 2024-25 at the outset of the financial year, the interim Aggregated Schools Budget (ASB) was a roll forward of the opening budget for 2023-24 plus additional funding of c£40.8m for the ASB element of teachers' incremental pay and the NJC pay award allocated during 2023-24. This brought the total opening ASB allocation to £1,430.1m. Schools were notified of their interim opening budgets in March 2024.

In addition, the EA's block grant initial allocation was a roll forward of the 2023-24 opening budget position, plus additional funding of c£37.7m for the block grant element of the teachers' incremental pay and the 2023-24 NJC pay award. This provided the EA with an opening interim block grant allocation of c£869.8m.

Following the agreement of an Executive Budget in April 2024, and the Minister's initial decisions on the 2024-25 education budget, an additional c£111.7m was allocated to the EA's block grant in August 2024. Furthermore, an additional £190.6m of funding was distributed to schools through the Common Funding Formula. This brought the final 2024-25 opening ASB to £1,620.6m. Despite these additional allocations, the EA was forecasting pressures of c£181.4m.

As part of the allocation of the final opening budget, the Department tasked the EA with producing proposals to save a minimum of £15m in 2024-25 to attempt to operate within budget. The EA Board approved savings proposals of c£17.2m, which involved decisions that did not require a Minister-led policy change or a change in legislation. These proposals fell far short of the quantum required to deliver a balanced budget. The EA's ability to deliver significant savings is limited. Many of the EA's services are statutory in nature and thereby would require the direction of the Minister of Education to take forward any significant changes in policy.

Following receipt of significant additional funding in-year by the Department, the EA was allocated c£274.7m to offset its 2024-25 financial pressures, as well as funding to address the NJC and pay & grading award pressures and the September 2024 teachers' pay award (subject to negotiation with the unions). This additional investment enabled the EA to operate within Budget in 2024-25.

Looking ahead to 2025-26, the Department will continue to challenge the EA in relation to the robustness of its assessed forecast pressures. The Department fully expects that the current, constrained budgetary environment will continue to present a significant challenge to schools. The Department continues to make the case each year for additional funding.

### **Industrial Action by Teacher Unions**

At the start of April 2025 Northern Ireland Teachers' Council accepted a pay offer of 5.5% which brought to an end the industrial action by teachers. This pay agreement reflects the pay increase already applied to teachers in England and is also cognisant of the workload issues faced by teachers and school leaders.

Following a series of meetings, it was agreed that an Independent Review of all aspects of workload will be taken forward by a three-member panel, comprising an independent chair appointed by the Minister, a member nominated by the unions and a member nominated by the Teachers' Negotiating Committee Management Side. The independent panel will also monitor the implementation of the suite of workload commitments issued alongside the Management Side pay offer as a Heads of Agreement.

## Support Staff Pay & Grading Review

The EA submitted a Pay & Grading Review to the Department in February 2023 for support staff on NJC terms and conditions. This review aimed to address issues with the current grading structure for non-teaching staff and improve the recruitment and retention of EA employees.

The review is separate to the annual pay award for support staff. The vast majority of support staff (over 95%) have a contractual entitlement to national pay awards as agreed by the NJC. Due to budgetary constraints, it was not possible to fund both the NJC pay award and the Pay & Grading Review without additional funding for education. Support staff unions had initiated industrial action over the delay in implementing the review and this has led to school closures and difficult working conditions. This was having a significant detrimental impact on schools and on the education and wellbeing of children and young people.

Due to competing demands, the Executive could not allocate funding for the Pay & Grading Review as part of the 2024-25 Budget. However, the Executive agreed to seek approval from HM Treasury to reprofile funding provided for future years as part of the financial package to enable discussions on a settlement to take place.

Following intensive negotiations, a potential agreement was reached with trade unions in June 2024, and this was ratified in September 2024. This was a two-stage deal within the context of affordability for the Executive. Stage 1 was implemented in November 2024 at a cost of approximately £52m. This moved staff onto their new pay scales with effect from 1 April 2024. Stage 2 is a non-consolidated payment in lieu of backpay, which was paid in April 2025 at a cost of c£75m.

Implementation of the Pay & Grading agreement ended all industrial action by support staff in Northern Ireland.

## Independent Review of Education

The final report of the Independent Review of Education was published on 13 December 2023. Its title, "Investing in a better future", reflects the Panel's view that spending on education is the greatest investment any society makes in its own future. Key recommendations include the need to prioritise investment in education, promote learners learning together, expand early years education, reconfigure the network of schools, simplify the management of education, reform the curriculum and increase the age of educational participation to 18.

The Department initially considered 12 aspects of the report and carried out internal consultation to inform a way forward – this included discussion with other relevant Departments and ALBs. A paper was subsequently provided to the Minister in September 2024 setting out options for implementation of the recommendations in the report, given the financial and resource constraints under which the Department is currently operating.

In addition to *TransformED*, which outlines a comprehensive strategy for the transformation of teaching and learning in Northern Ireland, work has commenced on legislation to provide for all learners to continue their education, apprenticeship or training until age 18. In addition, in September 2024, the Education Minister announced a taskforce to identify solutions to better support the Controlled Schools sector. The taskforce completed its review in December 2024 and made recommendations on how more effective and equitable support and management could be provided to the sector in both the short and long term. The Minister accepted proposals from the taskforce, including delivery of this over two phases:

- **Phase 1:** A Controlled Schools Unit established within the EA. This is an interim collaborative model designed to facilitate the delivery of tangible improvements for controlled schools in the short to medium term.
- **Phase 2:** A Managing Authority for Controlled Schools: A dedicated body with managing authority responsibilities developed to provide focused governance and strategic leadership for controlled schools.

This work will be progressed during 2025-26 and efforts will be made to bring forward legislation within the current Northern Ireland Assembly Term where possible.

### **UK COVID Public Inquiry**

The commencement of the UK COVID Public Inquiry (the Inquiry) places a legislative duty on the Department and its ALBs to provide written and/or oral evidence to the Public Inquiry upon receipt of a Rule 9 request by the Chair. The Inquiry launched on 21 July 2022 and is chaired by Baroness Hallett, with public hearings due to conclude by summer 2026.

Module 1 of the Covid Inquiry touched on the system of civil emergencies including resourcing, risk management and pandemic readiness. The Department worked alongside all Northern Ireland Civil Service (NICS) departments in response to the Module 1 Inquiry and the Executive's response to the Covid Inquiry Module 1 report and recommendations were agreed and published by the Executive in January 2025.

Since November 2022, the Department and its ALBs have been involved in three modules – Module 2C receiving a Section 9 request for the provision of information in relation to decisions made by the Northern Ireland Executive. The hearing for this Module was held from 30 April – 16 May 2024.

Following the initial Rule 9 request a subsequent request was received in relation to potential loss of data from mobile devices from former Ministers and officials. The Department provided the requested information within the Inquiry's deadlines and has received additional correspondence in relation to clarification of the draft Corporate Statement which has been agreed.

On 14 January 2025 the Department received a Rule 9 request for Module 7 Test Trace and Isolate of the COVID-19 Inquiry relating to Test, Trace and Isolation. The Department replied to the request in March 2025, and the Inquiry accepted

this Statement without any clarification. The Public Hearings for Module 7 were held between 12 May – 30 May 2025, with no witnesses from the Department called or evidence produced to Core participants.

The Covid Inquiry started the formal hearings of Module 8 Children and Young People on 29 September 2025 and finished hearing evidence on 23 October 2025. The Department has complied with the various Rule 9 requests for provision of evidence and Derek Baker former Permanent Secretary provided oral evidence to the hearings on 15 October.

The Department is working closely with the Departmental Solicitors Office and has representatives on a cross departmental working group advising all Departments on the requests received and works in collaboration to ensure that the NICS provides consistent approaches. The Department has established a liaison group consisting of the Department's ALBs.

Former Ministers have been served with Rule 9 requests and have been called to provide witness statements and/or attend hearings to provide evidence. The Department has measures in place to meet any request in line with the Inquiry's directions and is supporting the former Ministers with provision of documents and financial support as per direction by the Head of the Civil Service and in line with current guidance.

### **EA Landscape Review Action Plan**

The EA Landscape Review, published in June 2022, found that although progress had been made in recent years (enhancements to governance; an improved approach to strategic planning and performance; strong alignment with the draft PfG and Departmental priorities), key issues highlighted in the report included the need for the EA to improve communications and responsiveness; to better meet the expectations of the EA's many stakeholders; and the importance of making education services more child-centric.

An Action Plan to collaboratively address the recommendations was agreed in February 2023. The Action Plan, prioritised to take account of the financial context, provided the basis for moving forward with the highest priority areas that would make the greatest difference, including defining the role/function of the EA; an EA People Strategy and Plan; organisational development and communications; a new Partnership Agreement; and end-to-end reviews of major services provided by the EA.

The Action Plan has been progressed under joint, senior oversight governance arrangements between DE and EA. An 'Oversight Group' chaired by the Permanent Secretary was established in April 2023 and met on a quarterly basis. Of the 27 individual actions identified, nine are completed and the remainder are in progress.

Achievements in 2024-25 include publication of "[We are EA - People Plan 2024-2029](#)" in July 2024; the completion of End-to-End Reviews of SEN and School Improvement (see below) and HR services; the development of an EA Customer Excellence programme, and a draft EA Partnership Agreement.

The EA developed a 'Position Paper', with input from DE on specific sections which relate to actions that the Department has taken forward. The 'Position Paper' takes stock of progress to date, and while the Department has some concerns regarding impact, moving forward the Department will continue to seek assurances and monitor progress through the Governance and Accountability Review meetings. Following approval of this approach, the Landscape Review Oversight Meetings were stood down.

### **EA Special Educational Needs and Disability (SEND) Transformation Programme and End-to-End (E2E) Review of SEN**

In response to over 200 recommendations from historical scrutiny reports the Department conducted an End-to-End Review of SEN (which overarched 12 DE-led workstreams and the EA transformation project – Local Integrated Teams or LITS), which concluded in October 2024 within the 12-18 month timescale set.

The EA (as a result of difficulties in recruitment) reconfigured its SEND Transformation Programme to focus on the delivery of LITs by September 2024 to support focus on Stage 2 pupil support services.

The findings and recommendations of the E2E review informed a wide-ranging and ambitious SEN Reform Agenda and associated five-year Delivery Plan which was agreed by the Minister and published on 4 February 2025. Investment of around £570m over five years is required to fully deliver the Agenda. The Department was successful in a bid for NICS Transformation funding of £27.5m over five years, providing additional investment to commence delivery of a number of early actions within the Agenda. Delivery of the Agenda will be key to progressing the new PfG priority 'Better support for children and young people with SEN'.

There were continued significant pressures for special education places to meet increasing need for September 2024. Inclusion Directorate worked closely with EA to create capacity across the education system to address the shortfall in special education places for September 2024; gaining the support of 400 schools in the creation of specialist provision; following joint DE/EA engagement with schools 1,450 new places were created and 99.7% of children with statements had a confirmed place by September 2024.

Working collaboratively with EA, a review of the planning process for placing children with a statement of SEN was completed. A range of actions were included within the SEN Reform Delivery Plan to improve longer term planning and ensure children with SEN receive timely confirmation of a placement which meets their needs. These included publication of 'Operational Plan 2' (2024-26) on 16 January 2025 prioritising planning for special education provision and a planned approach to the removal of the supernumerary status of children with a statement of SEN. On 2 May 2025, an eight week public consultation was launched seeking views on a proposal to change the status of children with a statement of SEN from supernumerary at all times to supernumerary only for the year of admission, or where a change of placement is necessary.

A range of initiatives were taken forward in 2024-25 to support children with emerging special educational needs in the early years, funded through the £25m Early Learning & Childcare Fund. Most notable was the establishment of a Pre-school Education Inclusion Support Fund which provided £1.1m in funding support to almost 300 pre-school settings with children undergoing statutory assessment of their educational needs.

### **Middletown Centre for Autism**

The Department is committed to ensuring that the Middletown Centre for Autism (MCA) is fit for purpose and has capacity for delivering its current work programme and challenges in line with the Minister's published SEN Reform Agenda and five-year Delivery Plan (February 2025) which identifies MCA as a key delivery partner and includes a theme of "Enhancing the role of the Middletown Centre for Autism".

A Landscape Review of MCA is anticipated to commence shortly dependant on budget availability. The Landscape Review would be beneficial to the Department, MCA, the Department of Education and Youth (DEY) (Ireland) and the wider delivery of special educational needs reform in Northern Ireland and the Republic of Ireland.

Work undertaken as part of the 2024-25 Internal Audit programme for MCA identified no governance issues (3 audits were completed with satisfactory assurance) however as MCA terminated the contract with the Internal Audit providers early the annual audit plan was incomplete and there was no overall Annual Head of Internal Audit Opinion was produced. New Internal Audit provision has been in place since end September 2025 with a full audit programme agreed for 2025/26.

The Board of MCA took a precautionary decision, on 5 September 2025, to restrict access to the land and premises at 35 Church Street, Middletown with immediate effect following review of the Department of Finance (DoF), Construction and Procurement Directorate (CPD) Education Advisory Accommodation Condition Report which highlighted that the Victorian bridge which provides the main access to the property needs to be replaced or substantially upgraded to bear vehicular traffic safely and noted specifically that heavy goods vehicles which could collapse the bridge. DE and DEY have commissioned CPD to carry out a scoping visit to risk assess bridge access and to design the specification of a more detailed condition survey. In parallel DE is scoping the government estate to identify potential temporary accommodation for MCA administrative staff during this period of restricted access. MCA business continuity arrangements are operating satisfactorily and the Centre's services remain fully operational across the island of Ireland. Training and advisory outreach programmes are continuing in schools and community settings, and Learning Support and Assessment teams continue to work directly with children, young people, and families off site.

### **End-to-End (E2E) Review of School Improvement**

The Department continues to progress an E2E Review of School Improvement with a core purpose to review and refresh the Department's school improvement policy '[Every School a Good School](#)' which was published in 2009 and consider

how effectively the policy is operationalised. Whilst many of the underlying principles within the current policy are considered to remain relevant, the refreshed policy will take account of wider policy developments and changing contexts, such as pupil diversity and need, since that time.

The Review mapped out the current provision and identified merits, challenges and gaps. Several workstreams were progressed examining specific school improvement levers including the School Development Planning process, the use of Baker Days and School Development Days and school improvement activity stemming from inspection.

The remainder of the workstreams envisaged under the Review are now encompassed within the Department's TransformED NI strategy for teaching and learning excellence which was published in March 2025.

This includes the development of a new school improvement policy with accompanying delivery plan to issue for consultation later this year. Work is also underway to strengthen legislation to protect inspection from any form of obstruction and ensure that the statutory inspection process can operate as intended.

Several other actions in the strategy's 10-point plan will impact on school improvement in its widest sense including the independent Curriculum Review and significant investment in Teacher Professional Learning.

### **Major EA IT Projects**

The Department has a particular interest in EA programmes and projects given the scale, strategic importance and the estimated costs involved.

On 28 September 2023, DoF approval was secured to commit c.£743m of expenditure to deliver the Education Information Solutions (EdIS) programme. EdIS is a replacement ICT service to provide critical systems infrastructure and applications to deliver modernised and integrated ICT services to schools.

Due to ongoing delays to the implementation of the EdIS programme, the EA submitted an addendum business case to seek approval for a further extension via modification to the Education Network (Northern Ireland) contract (also known as the C2k service). A business case for a further extension to the Education Network (Northern Ireland) is required up to March 2027 and was approved by DoF on 7 March 2025 for £72.13m.

The largest of the priority projects, Strategic Partner and School Management System, was awarded on 22 December 2023 at a cost of £485m across the life of the programme. Following the failure to deliver a number of key milestones the strategic partner element of the contract with Fujitsu was terminated by mutual agreement in December 2024.

A two-year extension (31 March 2025 – 31 March 2027) is required to ensure continuity of service provision following the termination of the EdIS Strategic Partner (SP) element of the new SP and Schools Management System and to

allow sufficient time to procure a new SP. The extension will also include a further two optional extensions of up to 12 months each. This is included to address the risk of material delays in the procurement of a new SP and/or in the subsequent design and implementation phases of the new strategic partner contract.

The Department has asked the EA to complete a review of its EdIS programme with a clear focus on addressing the Department's concerns around affordability and value for money by bringing projected costs more under control and with due regard to non-monetary measures and risks.

### **CCEA Personnel and Governance Issues**

Following the former Education Minister's appointment of two Assessors to the Council in 2022, the Department continues to oversee the implementation of their recommendations to further enhance the capacity and resilience of CCEA's Senior Management Team and Council. A new Chairperson and five new Council members were appointed in 2024-25. Departmental oversight has enhanced governance and accountability within the organisation.

The current Chief Executive Officer (CEO) was appointed in March 2023. A Director of Qualifications and a Director of Finance and Corporate Services were appointed in August 2025 and September 2025, respectively. The recruitment process for a Director of Curriculum and Assessment is underway. Consideration is also being given currently to a landscape review of CCEA.

### **Continuing Operational oversight of General Teaching Council for Northern Ireland**

Work undertaken as part of the 2024-25 Internal Audit programme for GTCNI has identified no governance issues and IA has confirmed the closure of a significant number of historical audit concerns. Internal Audit provided a Limited audit opinion for 2024-25. This opinion solely reflects GTCNI's inability, while operating without a Council and Committees, to adhere to normal NDPB governance and reporting arrangements.

GTCNI's governance and operational performance remains strong and, as a direct result, the Departmental ARAC, in December 2024, agreed to a further relaxation of GTCNI's interim governance arrangements.

Current governance arrangements now include: two Oversight Meetings per year; two Governance Assurance Meetings per year; bi-weekly meetings between the Head of Sponsor Branch and Interim CEO; and monthly position tables submitted by the General Teaching Council for Northern Ireland to the Sponsor Branch. These arrangements continue to prove effective, as are the General Teaching Council for Northern Ireland's internal controls.

Work remains ongoing to bring forward legislation to secure an effective professional body for teachers in Northern Ireland; and the Department anticipates securing Executive approval for its policy proposals in the near future.

## Safeguarding and Child Protection

The Department continued to engage with the EA, and other managing authorities as required, throughout the year on child safeguarding and protection issues, including an updated process on ETI follow-up inspection findings due to Action Short of Strike and internal audit reports. Officials continue to review on an annual basis the Safeguarding & Child Protection in Schools Guidance with an updated version and circular issued to schools in September 2024.

An internal audit of the Northern Ireland Supply Teacher Register (NISTR) was undertaken with some concerns around individuals' ability to change data on the system included within the scope of the audit. The EA has confirmed that the NISTR system has been updated, and the fields have been locked down. The audit report has been finalised.

Recent reports and Northern Ireland Assembly Questions highlighted the issue of outstanding Access NI checks for support staff working in regulated activities in the education sector. This situation has arisen as the current guidance allows for staff to be appointed in emergency situations before their check is complete. In such circumstances, the school principal is required to complete a risk assessment and take all necessary steps to ensure the safeguarding of children and young people. This includes arranging for staff without an Access NI check to be supervised at all times by someone who is vetted to work in regulated activity.

There is also an expectation that the school will ensure that the Access NI check is completed for the emergency appointee as soon as possible. However, despite reminders from the EA, in a significant number of instances the Access NI process is not being properly adhered to.

In February 2025, the EA conducted an urgent review of the Access NI process and introduced robust actions to address the issue of outstanding checks. New employees are now required to provide all the documentation necessary for checks before they receive their first payment. This should prevent any future build-up of outstanding vetting checks associated with temporary engagement.

In addition, the Department has conducted an urgent review of DE Circular 2024/10 Pre-Employment/Access NI Check Requirements and Safer Recruitment Practices for Staff and Volunteers Working in or Providing a Service for Schools/Education Settings. The proposed changes include the introduction of a requirement for Access NI documentation to be submitted to the EA on day one of employment where an individual is appointed via the emergency recruitment process. It is also proposed that the school leader will be required to seek a reference from a previous employer, which focuses on safeguarding and child protection.

## Fraud Prevention and Whistleblowing

The Department's fraud and whistleblowing arrangements were reviewed as part of the 2023-24 Internal Audit Plan, and it was concluded that they are compliant with current best practice.

Fraud monitoring and reporting arrangements have been effectively maintained throughout the year. In addition, the Department participates in the National Fraud Initiative (NFI). The NFI is a major data matching exercise that is undertaken every two years across public bodies for the purposes of identifying fraud and error. The NFI Exercise for 2024-25 has identified a number of potential fraud cases which are currently under investigation by the NICS Fraud Investigation Service. The total value of these cases is approximately £360k.

During 2024-25, the Department continued to work closely with the EA on their investigation of a serious fraud relating to a number of schools' compliance with the Voluntary Exit Scheme criteria. The Department has sought regular updates and assurances on wider issues and continues to review the relevant policy and guidance.

There were no other significant areas of fraud and whistleblowing identified from the ALB 2024-25 Governance Statements. In September 2025, the Department was notified of a fraud relating to pay or pay related allowances in CCMS. CCMS are currently undertaking an investigation into the matter but have implemented controls to reduce the risk of similar cases arising.

### **Department of Education staff vacancies and absences**

As of 31 March 2025, the Department's headcount was 498 full time equivalent staff who play an important role in the delivery of services to the Minister, education sector and citizens. However, the Department is also carrying a number of vacancies (109 approved as of 31 March 2025) the impact of which is being felt across a number of Directorates.

Top Management Group are completing a review of their business areas to assess where staffing resources can be allocated to remain within budget whilst delivering on key priorities and providing essential services. Significant resource constraints, both on staffing levels and more generally, present a growing concern for the advancement of the Department's vision and objectives going forward into 2025-26. As a result, the Department is undertaking a review of resources which will help to rationalise staffing across the Department.

The most recently validated information from the Northern Ireland Statistics and Research Agency indicated that the Department recorded 11.6 days lost per full time equivalent member of staff for 2023-24, which is an increase from 10.2 days lost in 2022-23. The sickness absence for Northern Ireland Civil Service overall in 2023-24 was 13.8 days lost per full time equivalent member of staff.

The results of the (biannual) 2025 Northern Ireland Civil Service People Survey indicate that the Department's Engagement Index, a key indicator of staff satisfaction, has fallen by 5% to 54%, which is now the joint lowest for all NICS departments, and DE's lowest performance since 2018. The Survey indicates that DE has performed relatively well to the NICS average with higher-than-average scores in a number of areas, however scores have fallen across most themes. The Survey identifies a number of key areas to be addressed across the Department and these will be considered within the context of the new NICS People Strategy.

## Irregular Expenditure

### ResourceLink Contract (Zellis)

As previously reported, the Department of Finance informed the Department that it was not willing to grant retrospective approval for the extension of the EA's ResourceLink contract (Zellis) citing the excessive delay in submitting the business case to DoF for approval and subsequently notified the Northern Ireland Audit Office of this irregular spend.

The EA has declared £100k of irregular expenditure in relation to the legacy payroll element of this contract which was incurred during 2024-25.

### Clann Eireann Youth Club Capital Build

DoF approved expenditure of £2,047,038 on 30 December 2015. This original business case outlined the proposal to construct a new facility on the existing car park site.

However, there were several changes to the project compared to the original business case for which revised approval from DoF should have been sought.

On 26 January 2022, an addendum was submitted to DoF, seeking revised expenditure approval. From an initial review, DoF determined that the conditions of approval had been breached. DoF has advised that due to these breaches, 100% of the costs incurred to date are classified as irregular expenditure.

DoF has also advised that it may consider retrospective approval if it would have approved the spend had it been approached at the correct time, and if appropriate steps have been taken to prevent recurrence of irregular spend. Work is ongoing by the EA and the Department on the development of a revised business case with the aim of regularising this expenditure.

## Data Breaches

On 17 June 2024 the Department reported a data breach to the ICO, resulting from information identifying 52 individuals being included in an answer provided by the Department to a written Northern Ireland Assembly Question (AQ) from May 2021. A combination of names/initials and youth centres included in the information could potentially identify the individuals in question.

The information included in the answer to the AQ had been obtained from the EA but was not checked for personal information by either the EA or the Department before it was used and published by the Northern Ireland Assembly Library.

When this was brought to the Department's attention in June by an individual identified in the answer in May 2021, it was reported to the ICO. The ICO's investigation decided not to pursue the matter further but in line with the ICO's recommendations, both the Department and the EA have advised staff to review their pre-publication checks to mitigate a similar breach reoccurring. DE have received one challenge in relation to the data breach and it is currently being considered.

On 1 August 2024, a spreadsheet containing information relating to 392 individuals who had expressed interest in attending the End-to-End Review of SEN workshops was attached in error to email correspondence issued by the Department to 174 recipients.

Following the data breach, the Department's Data Protection Officer completed an investigation to identify lessons that could be learned and potential changes to practice that will reduce the risk of a breach reoccurring.

The Department's Internal Audit undertook a separate investigation, and the Department implemented the recommendations raised by the Department's Internal Audit investigation, issuing a range of guidance documents aimed at raising data protection awareness among all staff and delivering training to Information Asset Owners.

The breach was reported to the ICO on 2 August and following their investigation, the ICO decided not to pursue the matter further, with the remedial steps taken by the Department in light of this incident, noted in its report. The Department has received 31 pre-action protocol letters in relation to the data breach and these are currently with the Departmental Solicitor's Office to respond.

### **Update on prior-year significant issues**

The following issues identified within the 2023-24 Governance Statement were resolved and either closed off, or subsumed within business-as-usual activity, during 2024-25:

- **ETI inspections and Evaluations**

From April 2024, inspection activity resumed in schools and continued across a wide range of education and training settings/services. Inspection activity ranged from full organisational inspections, follow-up inspections and thematic evaluations, through to District Inspector visits. ETI undertook over 158 inspections during this period and published a range of reports and evaluations. From February 2025, a number of primary and post-primary school inspections were impacted by non-cooperation with inspection in the context of Action Short of Strike. Northern Ireland is the only jurisdiction in the UK without legislation to support and protect the inspection process in such circumstances.

During 2024-25, ETI led a range of professional learning for impact activities to ensure the education sector is aware of and understands the changes to inspection. The feedback from participants was extremely positive and encouraging. ETI will continue its engagement with the wider education and training system to communicate the changes to the inspection process.

The new 'Empowering Improvement' model of inspection, implemented from September 2024, has received affirmation from senior leaders and teachers who have direct experience of it, seeing it as a catalyst to school improvement.

- **Strule Shared Education Campus**

On 18 July 2024, the Northern Ireland Executive reviewed the completed Full Business Case and agreed it should immediately proceed to contract award. Work is progressing at pace across the SSEC Programme. Following a mobilisation period, the Main Works Contract formally began on 23 September 2024 with construction work beginning on site early February 2025.

- **Strategic Area Plans**

Operational Plan 2 (2024-2026) was published on 16 January 2025. Within Operational Plan 2, the emphasis is on SEN and strategically planning to meet the future needs of children with SEN.

- **Northern Ireland Teachers' Pay and Pensions Statements delays and McCloud Remedy**

The Department continues to make progress in addressing the backlogs in processing the Northern Ireland Teacher's Pension Scheme Annual Statements. Based on current planning assumptions all outstanding annual reports and accounts will be brought up to date in the 2025-26 Financial Year.

The McCloud Remedy addresses the difference in treatment that occurred between 1 April 2015 to 31 March 2022. Affected members will have the option to take pension built up during this "remedy period" on either a final salary or career average benefits basis.

The McCloud Team, based in Orchard House, has implemented phase one of the Remedy (implementation for deferred choice members) from April 2024 and this has now been embedded in normal processing, with phase two (implementation for immediate choice members) ongoing with Remediable Service Statements being issued to relevant members.

- **Update on Irregular Expenditure reported in 2023-24**

A Business Case seeking retrospective approval for Middletown Centre for Autism Commercial Insurance was approved by DoF on 7 November 2024.

Approval was granted on 14 April 2025 for the business case to permit St Columbanus' College Capital Project to progress to the second stage of the School Enhancement Programme 2. This included retrospective approval for £14,863 in respect of professional fees.

### **3.3.9 NDPB Governance Framework**

The Chief Executive of each of the Department's NDPBs is designated by the Departmental Accounting Officer as the Accounting Officer for his or her organisation. The allocation of accounting officer responsibilities is set out at Section 3.2 above.

During 2024-25, the Department adopted a robust framework for ensuring effective governance within its existing NDPBs and to provide the Accounting

Officer with assurance that designated accounting officers were fulfilling their responsibilities. Key features of this framework included:

- a requirement to ensure compliance with statute and with the body's Management Statement and Financial Memorandum or Partnership Agreement (as appropriate);
- arrangements to ensure that NDPB business plans reflected and supported the delivery of the Minister of Education's strategic priorities, particularly those related to raising standards and closing the attainment gap;
- monitoring of progress in delivering agreed business plan targets;
- regular, formal Governance and Accountability Review meetings chaired by the Permanent Secretary and attended by the respective chief executives and chairs;
- the completion of mid-year governance statements which provided confirmation (and, where necessary, evidence) that required processes were being followed;
- regular engagement between Directors and senior NDPB counterparts; and
- the regular attendance of a senior member of staff as an observer at meetings of each NDPB's audit committee, and routine and timely feedback from these meetings.

In adherence to the NIAO's review of ALB oversight arrangements, the Department's Sponsorship Manual 'Governance and Accountability Arrangements for the Oversight of ALBs' is reviewed on an annual basis. This was reviewed in March 2025 to reflect organisational changes within the Department, as well as improvements to the oversight arrangements in place for NDPBs. The governance arrangements for each NDPB are set out within their respective Governance Statements (see below).

### **NDPB Governance Statements**

The Departmental Governance Statement reflects, and is informed by, the content of the Governance Statements of the NDPBs for which the Department is accountable. Accordingly, the Department requested sight of the draft Governance Statements from all of its executive NDPBs by 7 March 2025. All draft Governance Statements were received within prescribed deadlines with the exception of the CCEA which was received on 13 March. These have been reviewed by the Department, taking into account guidance on compliance and content contained in Annex 3.1 of Managing Public Money Northern Ireland, the related fact sheet provided by the Northern Ireland Audit Office, and previous feedback provided by the Department.

Bodies were asked to submit their final statements by 25 April. Finalised Governance Statements were received from the majority of the ALBs by this date with the General Teaching Council for Northern Ireland's Statement being received on 28 April, Comhairle na Gaelscolaíochta's on 30 April and the EA's on 12 May. A subsequent analysis indicated that the feedback provided had largely been taken account of by the bodies prior to submitting the final Statements. The

Department also used its analysis of the draft Governance Statements to ensure that its own statement captures all relevant significant issues, with key/significant issues within NDPBs that impacted upon the wider Departmental Group detailed at Section 3.3.8 above.

Details of NDPB Final Governance Statements can be accessed on their respective websites as published.

### **3.3.10 Conclusion**

In conclusion, it is my assessment that the Department operates an appropriately rigorous system of governance and accountability which I can rely on as the Accounting Officer to provide assurance that the public funds and other resources for which I am accountable are deployed effectively and appropriately. Where significant issues have arisen that could affect the principles of regularity, propriety or value for money I am satisfied that appropriate action is being taken to address these.

## 4. REMUNERATION AND STAFF REPORT

The Remuneration and Staff Report sets out the Department's remuneration policy for Ministers and the Departmental Board, reports on how that policy has been implemented and sets out the amounts awarded to them and, where relevant, the link between performance and remuneration. In addition, the report provides details on remuneration and staff that the Northern Ireland Assembly and other users see as key to accountability.

### Remuneration Report

#### Remuneration policy

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

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

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

#### Service contracts

The Civil Service Commissioners (Northern Ireland) 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](#)).

#### 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 (Audited)

## Remuneration and pension entitlements – Ministers (Audited)

Minister	Salary (£)		Benefits in kind (to nearest £100)		Pension Benefits* (to nearest £1,000)		Total (to nearest £1,000)	
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
Paul Givan MLA (from 4 February 2024)	38,000	6,006	-	-	12	8	50	14

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

## Remuneration and pension entitlements – Officials (Audited)

Officials	Salary (£000)		Pension Benefits* (to nearest £1,000)		Total (£000)	
	2024-25	2023-24	2024-25	2023-24 **	2024-25	2023-24
Dr Mark Browne <i>Permanent Secretary to 29 November 2024</i>	90-95 (135-140 full year equivalent)	125-130	82	(27)**	170-175	100-105
Mr Ronnie Armour <i>Interim Permanent Secretary from 2 December 2024 Deputy Secretary from 3 July 2023 to 1 December 2024</i>	120-125 (130-135 full year equivalent)	75-80 (105-110 full year equivalent)	123	(26)**	245-250	50-55
Mrs Linsey Farrell <i>Deputy Secretary</i>	105-110	95-100	77	3	180-185	100-105
Mrs Faustina Graham <i>Chief Inspector</i>	105-110	100-105	103	(25)**	210-215	75-80
Ms Heather Cousins <i>Deputy Secretary From 17 July 2023</i>	115-120	75-80 (105-110 full year equivalent)	70	(4)**	185-190	70-75
Mr Neil Palmer <i>Finance Director From 2 January 2024</i>	80-85	15-20 (75-80 full year equivalent)	107	20	185-190	35-40
Mr James Hutchinson <i>Deputy Secretary From 1 April to 30 April 2024 and 1 June to 30 June 2024</i>	15-20 (100-105 full year equivalent)	5-10 (95-100 full year equivalent)	13	9	30-35	15-20
Dr Suzanne Kingon <i>Deputy Secretary From 1 May to 31 May 2024 and 1 July to 31 July 2024</i>	15-20 (100-105 full year equivalent)	5-10 (95-100 full year equivalent)	12	10	25-30	15-20

Officials	Salary (£000)		Pension Benefits* (to nearest £1,000)		Total (£000)	
	2024-25	2023-24	2024-25	2023-24 **	2024-25	2023-24
Mr Gary Fair <i>Finance Director</i> <i>To 2 January 2024</i>	-	60-65 (80-85 full year equivalent)	-	(12)**	-	50-55
Mr John Smith <i>Deputy Secretary</i> <i>To 3 July 2023</i>	-	25-30 (105-110 full year equivalent)	-	45	-	70-75
Mrs Lianne Patterson <i>Deputy Secretary</i> <i>To 7 July 2023</i>	-	25-30 (100-105 full year equivalent)	-	(116)**	-	(85-90)
Mrs Joan McEwan*** <i>Non-executive Director</i> <i>To 30 November 2023</i>	-	5-10 (5-10 full year equivalent)	-	-	-	5-10 (5-10 full year equivalent)
Mr Paul Corrigan*** <i>Non-executive Director</i>	5-10	5-10	-	-	5-10	5-10
Mrs Anna Carragher*** <i>Non-executive Director</i> <i>From 1 May 2024</i>	5-10 (5-10 full year equivalent)	-	-	-	5-10	-

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

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

\*\*\*The Department and non-executive directors may terminate the appointment by giving three months' notice in writing.

As per the Accountability Report, Marcella Phillips is listed as a Senior Officer within the Department. However, details of her remuneration have not been disclosed as it was paid by another Department.

## 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 Department was under the direction and control of Paul Givan MLA during the financial year. His 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 as a taxable emolument. There were no such benefits in kind made in 2024-25 or 2023-24.

## Fair Pay Disclosures

### Pay Ratios (Audited)

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

The banded remuneration of the highest-paid Director in the Department in the financial year 2024-25 was £130,000 - £135,000 (2023-24: £125,000 - £130,000). The relationship between the mid-point of this band and the remuneration of the organisation's workforce is disclosed below.

<b><u>2024-25</u></b>	<b>25<sup>th</sup> percentile</b>	<b>Median</b>	<b>75<sup>th</sup> percentile</b>
Total remuneration (£)	29,689	36,617	46,851
Pay ratio	4.5:1	3.6:1	2.8:1

<b><u>2023-24</u></b>	<b>25<sup>th</sup> percentile</b>	<b>Median</b>	<b>75<sup>th</sup> percentile</b>
Total remuneration (£)	26,847	34,011	43,191
Pay ratio	4.8:1	3.8:1	3.0:1

Total remuneration includes salary, non-consolidated pay, and benefits-in-kind. It does not include severance payments, employer pension contributions and the Cash Equivalent Transfer Value (CETV) of pensions.

The values for the salary component of remuneration for the 25<sup>th</sup> percentile, median and 75<sup>th</sup> percentile were £28,189 (2023-24: £26,847), £35,117 (2023-24: £34,011) and £45,351 (2023-24: £43,191) respectively.

In 2024-25 and 2023-24 no employees received remuneration in excess of the highest paid director.

Remuneration ranged from £10,000 to £132,500 (2023-24: £10,000 to £127,500).

### 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:	2024-25 v 2023-24	2023-24 v 2022-23
Average employee salary and allowances	4.7%	2.2%
Highest paid director's salary and allowances	3.9%	4.1%

No performance pay or bonuses were payable in these years.

### Pension Entitlements (Audited)

#### Pension Entitlements – Ministers (Audited)

	Accrued pension at pension age as at 31/3/25 £000	Real increase in pension at pension age £000	CETV at 31/3/25 £000	CETV at 31/3/24 £000	Real increase in CETV £000
Paul Givan MLA (from 4 February 2024)	0-5	0-2.5	52	43	5

### 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 and rename the panel, although started, was not completed before the dissolution of the Assembly on 28 March 2022. Following the election in May 2022, as no Speaker was elected, full Assembly Business could not re-commence. Therefore, progress on the legislation and the appointment of a new Panel was further delayed. The Assembly Members (Remuneration Board) Bill was introduced in the Assembly on 4 February 2025 and is currently being considered at the Committee stage of the legislative process.

In April 2016 the Independent Financial Review Panel issued The Assembly Members (Pensions) Determination (Northern Ireland) 2016 which introduced a Career Average

Revalued Earnings (CARE) scheme for new and existing members. The scheme is named Assembly Members' Pension Scheme (Northern Ireland) 2016.

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

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

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

### **The Cash Equivalent Transfer Value (CETV)**

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

### The real increase in the value of the CETV

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

### Pension Entitlements – Officials (Audited)

	Accrued pension at pension age as at 31/3/25 and related lump sum £000	Real increase/ (decrease) in pension and related lump sum at pension age £000	CETV at 31/3/25* £000	CETV at 31/3/24** £000	Real increase/ (decrease) in CETV in CETV £000	Employer contribution to partnership pension account (nearest £100)
Dr Mark Browne <i>Permanent Secretary To 29 November 2024</i>	70-75 plus a lump sum of 185-190	2.5-5 plus a lump sum of 5-7.5	1,486	1,210	73	-
Mr Ronnie Armour <i>Interim Permanent Secretary from 2 December 2024 Deputy Secretary from 3 July 2023 to 1 December 2024</i>	60-65 plus a lump sum of 175-180	5-7.5 plus a lump sum of 15-17.5	1,547	1,356	133	-
Mrs Linsey Farrell <i>Deputy Secretary</i>	40-45	2.5-5	653	573	51	-
Mrs Faustina Graham <i>Chief Inspector</i>	55-60 plus a lump sum of 150-155	5-7.5 plus a lump sum of 7.5-10	1,262	1,164	96	-
Ms Heather Cousins <i>Deputy Secretary From 17 July 2023</i>	40-45 plus a lump sum of 95-100	2.5-5 plus a lump sum of 2.5-5	900	824	61	-
Mr Neil Palmer <i>Finance Director From 2 January 2024</i>	25-30	5-7.5	468	366	82	-
Mr James Hutchinson <i>Deputy Secretary From 1 April to 30 April 2024 and 1 June to 30 June 2024</i>	30-35 plus a lump sum of 85-90	0-2.5 plus a lump sum of 0-2.5	724	641	12	-
Dr Suzanne Kingon <i>Deputy Secretary From 1 May to 31 May 2024 and 1 July to 31 July 2024</i>	25-30	0-2.5	435	377	9	-
Mr Gary Fair <i>Finance Director To 2 January 2024</i>	-	-	-	959	-	-
Mr John Smith <i>Deputy Secretary To 3 July 2023</i>	-	-	-	731	-	-

	Accrued pension at pension age as at 31/3/25 and related lump sum £000	Real increase/ (decrease) in pension and related lump sum at pension age £000	CETV at 31/3/25* £000	CETV at 31/3/24** £000	Real increase/ (decrease) in CETV £000	Employer contribution to partnership pension account (nearest £100)
Mrs Lianne Patterson <i>Deputy Secretary To 7 July 2023</i>	-	-	-	679	-	-
Mrs Joan McEwan <i>Non-executive director To 30 November 2023</i>	-	-	-	-	-	-
Mr Paul Corrigan <i>Non-executive director</i>	-	-	-	-	-	-
Mrs Anna Carragher <i>Non-executive director From 1 May 2024</i>	-	-	-	-	-	-

Note: The pension benefits of any members affected by the [Public Service Pensions Remedy](#) which were reported in 2022-23 based on **alpha** membership for the period between 1 April 2015 and 31 March 2022 have been reported since 2023-24 based on PCSPS(NI) membership for the same period.

\* CETV at 31 March 2025 or date of leaving the board, if earlier.

\*\* CETV at 31 March 2024 or date of joining the board, if later.

## Northern Ireland Civil Service Pension Schemes

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

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

### McCloud Judgment and 2015 Remedy

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

DoF 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 Northern Ireland Civil Service 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.

DoF 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. For those members who already have pension benefits in payment in relation to the Remedy Period, they will receive an Immediate Choice. There are a significant number of Immediate Choice Remediable Service Statement packs to issue. This process involves complex calculations to provide members with individually tailored statements. Due to the complexity of the calculations and some prolonged work to finalise policy elements of the remedy, not all Immediate Choice packs will issue by 31 March 2025 as originally planned. The legislation for the 2015 Remedy provides discretion which allows the Scheme Manager to extend beyond this date so it has become necessary to engage this discretion.

At this stage, allowance has not yet been made within CETVs for this remedy. Further information on the remedy will be included in the Northern Ireland Civil Service pension scheme accounts which, once published, are available at [Northern Ireland Civil Service Pension Scheme Accounts](#).

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

### Alpha

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

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

#### Information on the PCSPS(NI) – Closed Scheme

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

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

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

#### Partnership Pension Account

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

#### Annual Benefit Statements

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

Pension increases

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

Employee Contribution Rates

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

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

**Cash Equivalent Transfer Values**

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

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

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

HM Treasury provides the assumptions for discount rates for calculating CETVs payable from the public service pension schemes. On 27 April 2023, HM Treasury published

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

### **Real increase in CETV**

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

### **Compensation for loss of office (Audited)**

The Department incurred no compensation for loss of office in 2024-25 or 2023-24.

## Staff Report

### Staff costs (Audited)

Staff costs comprise:

	Permanently employed staff* £000	Others £000	Ministers £000	2024-25 Departmental Group Total £000	2023-24 Departmental Group Total £000
Wages and salaries	1,210,811	438,043	38	1,648,892	1,550,287
Social security costs	126,861	34,035	5	160,901	131,780
Other pension costs	298,028	85,605	6	383,639	300,786
<b>Sub-total</b>	<b>1,635,700</b>	<b>557,683</b>	<b>49</b>	<b>2,193,432</b>	<b>1,982,853</b>
Less: recoveries in respect of outward secondments	(274)	-	-	(274)	(369)
<b>Total net costs**</b>	<b>1,635,426</b>	<b>557,683</b>	<b>49</b>	<b>2,193,158</b>	<b>1,982,484</b>

Of which:

Analysed as:	Charged to Administration £000	Charged to Programme £000	Capitalised £000	2024-25 Total £000	2023-24 Total £000
Core department	19,099	14,231	832	34,162	33,549
Other designated bodies	-	2,149,227	9,769	2,158,996	1,948,935
<b>Total net costs**</b>	<b>19,099</b>	<b>2,163,458</b>	<b>10,601</b>	<b>2,193,158</b>	<b>1,982,484</b>

\* Permanently employed staff includes the cost of the Department's Special Adviser who was paid in the pay band £73,185 - £84,674 (2023-24: £73,185 - £84,674).

\*\*Of the total, £10,601k has been charged to capital.

Employees of entities included in these accounts benefit from a range of pension scheme arrangements. The key schemes for the Departmental Group are disclosed below. Further information about the Group's pension schemes can be found in the accounts of the consolidated entities.

### Civil Service pension schemes

The Northern Ireland Civil Service main pension schemes are unfunded multi-employer defined benefit schemes but the Department 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 were 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 Northern Ireland Civil Service) 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 Northern Ireland Civil Service 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 DoF to consult on changes to the scheme. Further information can be found on the DoF website [Northern Ireland Civil Service Pension Scheme Valuations](#).

For 2024-25, employers' contributions of £7,328,684.77 were payable to the NICS pension arrangements at a flat rate of 34.25% of pensionable pay, for all salaries (2023-24: £6,313,120.17 at one of three rates in the range 28.7% to 34.2%).

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. Employers' contributions of £nil (2023-24: £3,396.91) were paid to one or more of the panel of two appointed stakeholder pension providers. Employer contributions are age-related and range from 8% to 14.75% (2023-24: 8% to 14.75%) of pensionable pay.

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

Employer contributions of £nil, 0.5% (2023-24: £nil, 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.

Two people (2023-24: no-one) retired early on ill-health grounds; the total additional accrued pension liabilities in the year amounted to £11,718.09 (2023-24: £nil).

## Other pension schemes

Staff employed by the Group's NDPBs benefit from the Northern Ireland Teachers' Pension Scheme, the Northern Ireland Local Government Officers' Superannuation Committee Scheme and The National Employment Savings Trust (NEST). The Northern Ireland Teachers' Pension Scheme is used by the EA, CCEA, Council for Catholic Maintained Schools (CCMS) and MCA. The Northern Ireland Local Government Officers' Superannuation Committee Scheme is used by all the Group's NDPBs and NEST is used by CCEA.

### The Northern Ireland Teachers' Pension Scheme

The Northern Ireland Teachers' Pension Scheme is an unfunded contributory scheme administered by the Department. The current regulations under which the scheme operates are the Teachers' Superannuation Regulations (Northern Ireland) 1998 (as amended), and the Teachers' Pension Scheme regulations (Northern Ireland) 2014.

A separate set of Annual Scheme Statements are prepared for the Northern Ireland Teachers' Pension Scheme.

Employee contributions for 2024-25 are variable, depending on salary, ranging from 7.4% to 11.7% (2023-24: 7.4% to 11.7%) of pensionable earnings.

The rate of the employer's contribution is determined by the Government actuary. For 2024-25, employer's contributions of £246,526k (2023-24: £184,599k) were payable to the Northern Ireland Teachers' Pension Scheme at a rate of 29.1% (2023-24: 25.1%) of pensionable pay.

### Northern Ireland Local Government Officers' Superannuation Committee Scheme

The Northern Ireland Local Government Officers' Superannuation Committee Scheme is a 'multi-employer', defined benefit scheme, which provides members of participating employers with the benefits related to pay and services at rates which are defined under statutory regulations. To finance these benefits, assets are accumulated in the scheme and are held separately from the assets of the employers. The scheme is funded by employers participating in the Northern Ireland Local Government Officers' Superannuation Committee Scheme who pay contributions at rates determined by an independent, professionally qualified actuary on the basis of regular valuations. The most recent valuation was conducted at 31 March 2022. The next valuation will take place as at 31 March 2025 with the results expected a year later.

For 2024-25, employer's contributions of £129,736k (2023-24: £109,641k) were payable to the Northern Ireland Local Government Officers' Superannuation Committee Scheme at a rate of 19.0% (2023-24: 19.7%) of pensionable pay.

### NEST

NEST is a defined contribution pension scheme established by law to support the introduction of auto enrolment, which meets the criteria for a 'qualifying' scheme as set out in the Pensions Act 2008.

In 2024-25 the employee contribution rate was 5% (2023-24: 5%) of pensionable pay, and the employer contribution rate was 3% (2023-24: 3%).

For 2024-25, employer’s contributions of £35k (2023-24: £33k) were payable to the NEST scheme.

**Average number of persons employed (Audited)**

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 other bodies included within the consolidated Departmental accounts.

Activity	Permanently employed staff Number	Others Number	Ministers Number	Special advisers Number	2024-25 Departmental Group Total Number	2023-24 Departmental Group Total Number
Core Department	477	76	1	1	555	572
Other designated bodies (NDPBs)	29,491	15,542	-	-	45,033	45,357
Staff engaged on capital projects	196	-	-	-	196	210
<b>Total</b>	<b>30,164</b>	<b>15,618</b>	<b>1</b>	<b>1</b>	<b>45,784</b>	<b>46,139</b>

**Number of Senior Civil Service (SCS) staff by grade (Audited)**

The number of SCS staff employed by the Core Department as at 31 March 2025 was as follows:

Grade (including Analogous Grades)*	Number
Grade 5 and above	18

*\*staff are shown at their substantive grade*

The breakdown of SCS staff by pay band (based on a full year equivalent) is as follows:

Pay band (£)*	Number
75,000 - 80,000	1
80,000 - 85,000	5
85,000 - 90,000	7
105,000 - 110,000	2
110,000 - 115,000	2
135,000 – 140,000	1

\*salary figures are shown based on staff at their substantive grade

### Staff composition - breakdown of employees by gender (Audited)

The analysis of the Core Department's employees by gender at 31 March 2025 was as follows:

	Male	Male %	Female	Female %	Total	Total %
Executive						
Directors	2	40	3	60	5	100
Non-executive						
Directors	1	50	1	50	2	100
Total Directors*	3	42.9	4	57.1	7	100
Senior Managers**	5	41.7	7	58.3	12	100
Other employees	193	38.4	310	61.6	503	100
<b>Total ***</b>	<b>201</b>	<b>38.5</b>	<b>321</b>	<b>61.5</b>	<b>522</b>	<b>100</b>

\*Directors include members of the DE Board as at 31 March 2025.

\*\*Senior managers include members of staff at SCS level.

Note: this table is based on the number of staff in post rather than full time equivalents and excludes 6 staff on career break.

\*\*\* The paragraph on the Average Number of Persons Employed shows the average number of staff employed by the Group (on a whole time equivalents basis) during the financial year. The table above reports the actual number of staff employed by the Core Department at 31 March 2025.

### Staff turnover percentage

The Staff Turnover percentage for the Core Department (the number of people that have left the Department but have moved within the Northern Ireland Civil Service) for 2024-25 is 5.7% (2023-24: 8.0%), and the general turnover percentage (the people who have left the Department and have not gone elsewhere in the Northern Ireland Civil Service) is 4.0% (2023-24: 4.9%). This has been calculated by Northern Ireland Civil Service Human Resources based on the Cabinet Office Guidance on calculations for Turnover in the Civil Service.

## Reporting of compensation and exit packages for all staff (Audited)

## Core Department

Exit package cost band	2024-25 Number of compulsory redundancies	2023-24 Number of compulsory redundancies	2024-25 Number of other departures agreed	2023-24 Number of other departures agreed	2024-25 Total number of exit packages by cost band	2023-24 Total number of exit packages by cost band
Less than £10,000	-	-	-	1	-	1
<b>Total number of exit packages</b>	-	-	-	1	-	1
<b>Total cost/£000</b>	-	-	-	*	-	*

\*The cost has not been disclosed as publication could result in identification of the individual.

Redundancy and other departure costs are 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. No such exit costs were paid in 2024-25, the year of departure (2023-24: £nil). Where the Department has agreed early retirements, the additional costs are met by the Department and not by the CSP scheme. Ill-health retirement costs would be met by the pension scheme.

## Departmental Group

Exit package cost band	2024-25 Number of compulsory redundancies	2023-24 Number of compulsory redundancies	2024-25 Number of other departures agreed	2023-24 Number of other departures agreed	2024-25 Total number of exit packages by cost band	2023-24 Total number of exit packages by cost band
Less than £10,000	-	-	41	24	41	24
£10,000 - £25,000	-	-	26	13	26	13
£25,000-£50,000	-	-	16	18	16	18
£50,000-£100,000	-	-	9	3	9	3
£100,000 - £150,000	-	-	1	-	1	-
<b>Total number of exit packages</b>	-	-	93	58	93	58
<b>Total cost/£000</b>	-	-	1,944	1,145*	1,944	1,145*

\*The cost for the Core Department has not been disclosed as publication could result in identification of the individual.

Redundancy and other departure costs have been paid in accordance with the provisions of the following:

- the CSCS (NI), a statutory scheme made under the Superannuation (Northern Ireland) Order 1972;
- The Local Government (Early Termination of Employment) (Discretionary Compensation) Regulations (Northern Ireland) 2007 as amended; and
- the Teachers Premature Retirement Compensation Scheme relevant for 2024-25.

The table above shows the total cost of exit packages agreed and accounted for in 2024-25 and 2023-24. £1,982k (2023-24: £742k) exit costs were paid in 2024-25, the year of departure.

Where the Group has agreed early retirements, the additional costs are met by the Group and not by the pension scheme. Ill-health retirement costs are met by the pension scheme and are not included in the table.

### **Sickness absence**

The Core Department had an overall sickness absence rate of 11.6 days lost per employee in 2023-24. Annual sickness absence figures can be found in the “Sickness Absence in the Northern Ireland Civil Service 2023-24” report at [Sickness Absence in the Northern Ireland Civil Service 2023-24 | Northern Ireland Statistics and Research Agency \(nisra.gov.uk\)](https://www.nisra.gov.uk). The 2024-25 sickness absence data is not currently available and will be published later this year.

### **Staff policies**

At 31 March 2025, the Core Department has 500 full time equivalent staff (which includes 2 Non-Executive Board Members) who play an important role in the development of policy and delivery of services to support the draft PfG outcome: ‘We give our children and young people the best start in life.’

The 2024-26 Staff Engagement Forum was constituted in May 2024 and is made up of representatives across all grades and directorates in the Department.

Having considered issues raised in the 2023 Northern Ireland Civil Service People Survey, together with any legacy issues from the previous People Plan, the Forum identified the following priorities for the People Plan 2024-26:

- Accommodation and People; and
- Staff Development.

The Core Department People Plan 2024-26, and associated Action Plan, based on the two priority areas was approved by the Core Department Board at its meeting in November 2024.

### **Staff engagement scores**

In 2025, the NICS People Survey was conducted by the Northern Ireland Statistics and Research Agency across the nine NICS ministerial Departments as well as the Public Prosecution Service and the Health & Safety Executive for Northern Ireland. All staff working in these organisations were invited to take part in the survey. For the Core Department there were 569 (2023: 577) staff invited to complete the survey, of which 262 (2023: 336) participated, a response rate of 46.0% (2023: 56.7%). The Employee Engagement Index is the weighted average of the responses to the five employee engagement questions, and it ranges from 0% to 100%. The Core Department responses indicated an Employee Engagement Index of 54% (2023: 59%), compared to the NICS

average of 56% (2023: 54%). The full survey can be accessed at [DoF Northern Ireland Civil Service People Survey Results](#).

### Equal opportunities

The Core Department is an Equal Opportunity employer and fully endorses the Northern Ireland Civil Service Equal Opportunities Policy Statement.

The policy statement is that all eligible persons shall have equal opportunity for employment and advancement in the Northern Ireland Civil Service on the basis of their ability, qualifications and aptitude for the work. Everyone has a right to equality of opportunity and to a good and harmonious working environment and atmosphere in which all workers are encouraged to apply their diverse talents and in which no worker feels under threat or intimidated. This right is protected in many instances by legislation.

The Department aims to foster a culture that encourages every member of staff to develop their full potential and which rewards achievement. Creating a working environment where individual differences are valued and respected enables all staff to give of their best and helps us to respond more effectively to the needs of the people we serve.

### Employment, training and advancement of disabled persons

The Northern Ireland Civil Service is a lead partner of Employers for Disability Northern Ireland and is an accredited [Disability Positive](#) employer.

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

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

To encourage job applications from disabled people, positive action advertising and targeted advertising alongside a programme of outreach are used. The Northern Ireland Civil Service operates a Guaranteed Interview Scheme 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 [Northern Ireland Civil Service recruit website](#).

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

### Health and safety

To comply with the Health and Safety at Work (Northern Ireland) Order 1978, the Core Department has a duty to ensure the health, safety and welfare of its employees. The Department is fully committed to the pursuit of its obligations in this area.

### **Other Employee Matters**

#### Equality, Diversity and Inclusion

The Northern Ireland Civil Service values and welcomes diversity and is committed to creating a truly inclusive workplace for all.

The Northern Ireland Civil Service 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 Northern Ireland Civil Service corporate HR function, People and Organisational Development, developed and delivered a [Northern Ireland Civil Service Diversity Action Plan 2024-25](#), which set out priorities for action by diversity and inclusion theme and cross-cutting priorities.

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

As part of the Northern Ireland Civil Service's efforts to ensure equality of opportunity, the Northern Ireland Civil Service 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's website](#).

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

The Northern Ireland Civil Service 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 Northern Ireland Civil Service 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: [Equality | Department of Education \(education-ni.gov.uk\)](https://www.education-ni.gov.uk/equality).

### Learning and Development

The Northern Ireland Civil Service 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 Northern Ireland Civil Service HR. 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 Northern Ireland Civil Service Competency Framework.

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

A new Northern Ireland Civil Service HR Learning and Development (L&D) Portfolio is now available showing the comprehensive range of learning available, grouped under six core product areas:

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

Leadership development is a key priority within the Northern Ireland Civil Service and Northern Ireland Civil Service HR L&D offer a suite of products aimed at leadership from EO2 to SCS grades. Development of four new leadership products commenced this year, with 2025-26 launch dates. Topics will cover Inclusive Leadership, Entrepreneurial Leadership, Collective and Compassionate Leadership and Digital Leadership. During 2024-25 a Grade 3 Senior Leadership programme was developed and launched in collaboration with Ulster University, Queen's University Belfast and the William J. Clinton Leadership Institute.

Northern Ireland Civil Service HR continues to develop further leadership products, including a Grade 5 Alumni programme, with events and further resources available within the Leadership Toolkit on [LInKS](#).

### Application of Business Appointment Rules (BARs)

The Northern Ireland Civil Service 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 they leave the Northern Ireland 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](#).

No applications were received regarding specific business appointments in respect of applications from SCS Grade 5 and above, including equivalent grades, and Special Advisors during 2024-25.

### Employee Consultation and Trade Union Relationships

The Department of Finance is responsible for the Northern Ireland Civil Service Trade Union Arrangements Policy. People & Organisational Development consults and/or negotiates with the Northern Ireland Civil Service recognised trade unions on matters such as pay, promotion, and annual leave which are relevant across the Northern Ireland Civil Service. Local issues relevant only to a particular office or area of work is handled by local managers, and branch trade union representatives, through agreed Local Whitley procedures/constitutions. Each department will have their own Departmental Whitley structure, to consider matters unique to individual departments and their agencies across business areas. Business areas may also have a Whitley arrangement in place dealing with issues specific to that business area.

### **Expenditure on consultancy**

Consultancy is the provision of objective advice relating to strategy, structure, management or operations of an organisation in pursuit of its purposes and objectives. Such advice is provided outside the 'business-as-usual' environment when in-house skills are not available and will be time-limited. Consultancy may include the identification of options with recommendations, or assistance with (but not the delivery of) the implementation of solutions.

	2024-25 £000	2023-24 £000
Core Department	3	107
NDPBs	-	-
	<b>3</b>	<b>107</b>

### **Temporary staff**

Temporary staff costs are incurred when staff are brought in to supplement the existing workforce, this could be due to a surge in demand, to address a short-term resourcing need or in a temporary capacity for specialist skills.

	2024-25 £000	2023-24 £000
Core Department	3,398	2,666
NDPBs	548,863	460,755
	<b>552,261</b>	<b>463,421</b>

## Off-payroll engagements

### Highly paid off-payroll worker engagements as at 31 March 2025, earning £245 per day or greater

	Core Department	NDPBs	Departmental Group
Number of existing engagements as of 31 March 2025	-	8	8
Of which, number that existed:			
less than one year	-	5	5
for between one and two years	-	2	2
for between two and three years	-	1	1
for between three and four years	-	-	-
for four or more years	-	-	-

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

	Core Department	NDPBs	Departmental Group
Number of temporary off-payroll workers engaged during the year ended 31 March 2025	-	16	16
Of which:			
Not subject to off-payroll legislation	-	14	14
Subject to off-payroll legislation and determined as in-scope of IR35	-	2	2
Subject to off-payroll legislation and determined as out-of-scope of IR35	-	-	-
Number of engagements reassessed for compliance or assurance purposes during the year	-	-	-
Of which: Number of engagements that saw a change to IR35 status following review	-	-	-

### For any off-payroll engagements of board members and/or, senior officials with significant financial responsibility between 1 April 2024 and 31 March 2025

	Core Department	NDPBs	Departmental Group
Number of off-payroll engagements of board members, and/or senior officials with significant financial responsibility, during the financial year.	-	-	-
Total number of individuals on payroll and off-payroll that have been deemed "board members, and/or senior officials with significant financial responsibility", during the financial year. This figure should include both on payroll and off-payroll engagements.	8	33	41

## ASSEMBLY ACCOUNTABILITY AND AUDIT REPORT

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

### STATEMENT OF OUTTURN AGAINST ASSEMBLY SUPPLY (AUDITED)

In addition to the primary statements prepared under International Financial Reporting Standards (IFRS), the Financial Reporting Manual (*FReM*) requires the Department to prepare a SOAS and supporting notes.

The SOAS and related notes are subject to audit, as detailed in the Certificate and Report of the C&AG to the Northern Ireland Assembly.

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

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

The format of the SOAS mirrors the Supply Estimates to enable comparability between what the Assembly approves and the final outturn. The Supply Estimates are voted by the Assembly and published on the DoF website [Northern Ireland Spring Supplementary Estimates 2024-25 \(finance-ni.gov.uk\)](https://www.finance-ni.gov.uk).

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

The supporting notes detail the following: Outturn detailed by Estimate line providing a more detailed breakdown (SOAS 1.1 and SOAS 1.2); a reconciliation of outturn to net operating expenditure in the SOCNE, to tie the SOAS to the financial statements (SOAS 2); a reconciliation of net resource outturn to net cash requirement (SOAS 3); and an analysis of income payable to the Consolidated Fund (SOAS 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 in the Performance Report. Further information on the Public Spending Framework and the reasons why budgeting rules are different to IFRS can also be found in chapter 1 of the Consolidated Budgeting Guidance, available on [GOV.UK](https://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 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 (Audited)

Summary table, 2024-25, all figures presented in £000 (Audited)

Type of spend	Note	Outturn			Estimate			Outturn vs Estimate, saving / (excess)		Prior Year Outturn Total 2023-24
		Voted	Non-Voted	Total	Voted	Non-Voted	Total	Voted	Total	
<b>Departmental Expenditure Limit</b>										
Resource	SOAS 1.1	3,151,804	(961)	3,150,843	3,158,188	(857)	3,157,331	6,384	6,488	2,880,600
Capital	SOAS 1.2	338,191	(2,507)	335,684	349,662	(2,956)	346,706	11,471	11,022	276,357
<b>Total</b>		<b>3,489,995</b>	<b>(3,468)</b>	<b>3,486,527</b>	<b>3,507,850</b>	<b>(3,813)</b>	<b>3,504,037</b>	<b>17,855</b>	<b>17,510</b>	<b>3,156,957</b>
<b>Annually Managed Expenditure</b>										
Resource	SOAS 1.1	154,984	-	154,984	319,314	-	319,314	164,330	164,330	135,369
Capital	SOAS 1.2	87	-	87	88	-	88	1	1	-
<b>Total</b>		<b>155,071</b>	<b>-</b>	<b>155,071</b>	<b>319,402</b>	<b>-</b>	<b>319,402</b>	<b>164,331</b>	<b>164,331</b>	<b>135,369</b>
<b>Total Budget</b>										
Resource	SOAS 1.1	3,306,788	(961)	3,305,827	3,477,502	(857)	3,476,645	170,714	170,818	3,015,969
Capital	SOAS 1.2	338,278	(2,507)	335,771	349,750	(2,956)	346,794	11,472	11,023	276,357
<b>Total Budget Expenditure</b>		<b>3,645,066</b>	<b>(3,468)</b>	<b>3,641,598</b>	<b>3,827,252</b>	<b>(3,813)</b>	<b>3,823,439</b>	<b>182,186</b>	<b>181,841</b>	<b>3,292,326</b>

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

Explanations of the variances between Estimate and Outturn are given in the Performance Report.

**Net Cash Requirement 2024-25, all figures presented in £000 (Audited)**

Item	Note	Outturn	Estimate	Outturn vs Estimate, saving/(excess)	Prior Year Outturn Total 2023-24
<b>Net Cash requirement</b>	<b>SOAS 3</b>	<b>3,642,398</b>	<b>3,822,697</b>	<b>180,299</b>	<b>2,944,885</b>

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

**Administration costs 2024-25, all figures presented in £000 (Audited)**

Type of spend	Note	Outturn	Estimate	Outturn vs Estimate, saving/(excess)	Prior Year Outturn Total 2023-24
<b>Administration costs</b>	<b>SOAS 1.1</b>	<b>20,719</b>	<b>20,186</b>	<b>(533)</b>	<b>20,143</b>

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 SOAS 4 form part of these accounts.

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

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

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

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

Type of spend (Resource)	Resource outturn							Estimate			Outturn vs Estimate (including virements), saving/ (excess)	Prior Year Outturn Total 2023-24
	Administration			Programme			Total	Total	Virements*	Total including virements		
	Gross	Income	Net	Gross	Income	Net						
<b>Spending in Departmental Expenditure Limits (DEL)</b>												
<b>Voted Expenditure</b>												
<b>1 Delegated School Budgets</b>	-	-	-	1,699,682	-	1,699,682	1,699,682	1,676,431	29,079	1,705,510	5,828	1,576,820
<i>Of which</i>												
Budgets delegated to controlled and maintained schools (ALB – Net)	-	-	-	1,281,736	-	1,281,736	1,281,736	1,268,281	19,283	1,287,564	5,828	1,187,977
Budgets delegated to GMI schools (ALB – Net)	-	-	-	97,377	-	97,377	97,377	97,072	305	97,377	-	95,704
Budgets delegated to VG schools (ALB – Net)	-	-	-	320,569	-	320,569	320,569	311,078	9,491	320,569	-	293,139
<b>2 EA Grants</b>	-	-	-	1,175,969	-	1,175,969	1,175,969	1,193,416	(17,447)	1,175,969	-	1,051,371
<i>Of which</i>												
EA special educational needs (ALB Net)	-	-	-	613,110	-	613,110	613,110	624,985	(11,875)	613,110	-	489,316
EA transport (excluding SEN Transport) (ALB – Net)	-	-	-	74,609	-	74,609	74,609	121,109	(46,500)	74,609	-	67,376
EA school meals (ALB – Net)	-	-	-	88,367	-	88,367	88,367	85,048	3,319	88,367	-	79,095
Other EA activities in support of Education (ALB – Net)	-	-	-	399,883	-	399,883	399,883	362,274	37,609	399,883	-	415,584

Type of spend (Resource)	Resource outturn							Estimate			Outturn vs Estimate (including virements), saving/ (excess)	Prior Year Outturn Total 2023-24
	Administration			Programme			Total	Total	Virements*	Total including virements		
	Gross	Income	Net	Gross	Income	Net						
<b>3 EA and Schools Specific Funds</b>	-	-	-	<b>128,027</b>	<b>(16,896)</b>	<b>111,131</b>	<b>111,131</b>	<b>119,745</b>	<b>(8,614)</b>	<b>111,131</b>	-	<b>105,022</b>
<i>Of which</i>												
EA specific funds (ALB – Net)	-	-	-	122,159	-	122,159	122,159	130,984	(8,825)	122,159	-	117,416
Schools' specific funds (ALB – Net)	-	-	-	1,222	-	1,222	1,222	967	255	1,222	-	537
Peace Plus/Peace IV funds	-	-	-	4,646	(3,717)	929	929	929	-	929	-	966
Other External Funding	-	-	-	-	(13,179)	(13,179)	(13,179)	(13,135)	(44)	(13,179)	-	(13,897)
<b>4 Other Education Services</b>	<b>19,890</b>	-	<b>19,890</b>	<b>62,031</b>	<b>(447)</b>	<b>61,584</b>	<b>81,474</b>	<b>83,777</b>	<b>(1,747)</b>	<b>82,030</b>	<b>556</b>	<b>70,613</b>
<i>Of which</i>												
CCEA (ALB – Net)	-	-	-	22,474	-	22,474	22,474	23,065	(591)	22,474	-	22,310
CCMS (ALB – Net)	-	-	-	3,639	-	3,639	3,639	3,687	(48)	3,639	-	3,534
CnaG (ALB – Net)	-	-	-	772	-	772	772	772	-	772	-	779
General Teaching Council for Northern Ireland (ALB – Net)	-	-	-	(113)	-	(113)	(113)	(40)	(73)	(113)	-	61
MCA (ALB – Net)	-	-	-	1,562	-	1,562	1,562	1,620	(58)	1,562	-	1,543
Northern Ireland Council for Integrated Education (ALB – Net)	-	-	-	644	-	644	644	668	(24)	644	-	447
Youth Council for Northern Ireland (ALB – Net)	-	-	-	-	-	-	-	-	-	-	-	-
Other Education Services	19,890	-	19,890	33,053	(447)	32,606	52,496	54,005	(953)	53,052	556	41,939
<b>5 Early Years Provision</b>	-	-	-	<b>37,925</b>	-	<b>37,925</b>	<b>37,925</b>	<b>38,533</b>	<b>(608)</b>	<b>37,925</b>	-	<b>34,621</b>
<b>6 Youth and Community Relations</b>	-	-	-	<b>45,503</b>	<b>(2,978)</b>	<b>42,525</b>	<b>42,525</b>	<b>42,833</b>	<b>(308)</b>	<b>42,525</b>	-	<b>40,257</b>
<i>Of which</i>												
Youth and Community Relations	-	-	-	41,781	-	41,781	41,781	42,089	(308)	41,781	-	40,257

Type of spend (Resource)	Resource outturn							Estimate			Outturn vs Estimate (including virements), saving/ (excess)	Prior Year Outturn Total 2023-24
	Administration			Programme			Total	Total	Virements*	Total including virements		
	Gross	Income	Net	Gross	Income	Net						
Peace Plus/Peace IV funds	-	-	-	3,722	(2,978)	744	744	744	-	744	-	-
<b>7 Capital</b>	<b>928</b>	<b>(99)</b>	<b>829</b>	<b>2,967</b>	<b>(698)</b>	<b>2,269</b>	<b>3,098</b>	<b>3,453</b>	<b>(355)</b>	<b>3,098</b>	-	<b>2,283</b>
<i>Of which</i>												
Other Activities to Support Capital Investment	928	(99)	829	2,967	(698)	2,269	3,098	3,453	(355)	3,098	-	2,283
<b>Total Voted DEL</b>	<b>20,818</b>	<b>(99)</b>	<b>20,719</b>	<b>3,152,104</b>	<b>(21,019)</b>	<b>3,131,085</b>	<b>3,151,804</b>	<b>3,158,188</b>	<b>-</b>	<b>3,158,188</b>	<b>6,384</b>	<b>2,880,987</b>
<b>Non-voted Expenditure</b>												
<b>8 Consolidated Fund Extra Receipts</b>	-	-	-	-	(961)	(961)	(961)	(857)	-	(857)	104	(387)
<b>Total non-voted DEL</b>	-	-	-	-	(961)	(961)	(961)	(857)	-	(857)	104	(387)
<b>Total spending in DEL</b>	<b>20,818</b>	<b>(99)</b>	<b>20,719</b>	<b>3,152,104</b>	<b>(21,980)</b>	<b>3,130,124</b>	<b>3,150,843</b>	<b>3,157,331</b>	<b>-</b>	<b>3,157,331</b>	<b>6,488</b>	<b>2,880,600</b>
<b>Spending in Annually Managed Expenditure (AME)</b>												
<b>Voted Expenditure</b>												
<b>9 Provisions</b>	-	-	-	(9,226)	-	(9,226)	(9,226)	161,805	(6,701)	155,104	164,330	11,118
<i>Of which</i>												
EA (ALB – Net)	-	-	-	(9,117)	-	(9,117)	(9,117)	158,759	(3,546)	155,213	164,330	10,839
Other ALBs (Net)	-	-	-	(184)	-	(184)	(184)	2,726	(2,910)	(184)	-	247
Departmental	-	-	-	75	-	75	75	320	(245)	75	-	32
<b>10 Depreciation and impairment</b>	-	-	-	163,854	-	163,854	163,854	157,809	6,045	163,854	-	124,502
<i>Of which</i>												
EA (ALB – Net)	-	-	-	163,088	-	163,088	163,088	156,200	6,888	163,088	-	124,391
Other ALBs (Net)	-	-	-	1	-	1	1	4	(3)	1	-	4
Departmental	-	-	-	765	-	765	765	1,605	(840)	765	-	107
<b>11 Other AME (including Disposal of Assets)</b>	-	-	-	356	-	356	356	(300)	656	356	-	(251)

Type of spend (Resource)	Resource outturn							Estimate			Outturn vs Estimate (including virements), saving/ (excess)	Prior Year Outturn Total 2023-24
	Administration			Programme			Total	Total	Virements*	Total including virements		
	Gross	Income	Net	Gross	Income	Net						
<i>Of which</i>												
EA (ALB – Net)	-	-	-	356	-	356	356	(300)	656	356	-	(251)
<b>Total voted AME</b>	-	-	-	<b>154,984</b>	-	<b>154,984</b>	<b>154,984</b>	<b>319,314</b>	-	<b>319,314</b>	<b>164,330</b>	<b>135,369</b>
<b>Total spending in AME</b>	-	-	-	<b>154,984</b>	-	<b>154,984</b>	<b>154,984</b>	<b>319,314</b>	-	<b>319,314</b>	<b>164,330</b>	<b>135,369</b>
<b>Total resource</b>	<b>20,818</b>	<b>(99)</b>	<b>20,719</b>	<b>3,307,088</b>	<b>(21,980)</b>	<b>3,285,108</b>	<b>3,305,827</b>	<b>3,476,645</b>	-	<b>3,476,645</b>	<b>170,818</b>	<b>3,015,969</b>

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 but delegates this to DoF). Further information on virements is provided in the Supply Estimates in the Northern Ireland Guidance Manual, which is 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 1.2 Analysis of capital outturn by Estimate line, all figures presented in £000 (Audited)**

Type of spend (Capital)	Outturn			Estimate			Outturn vs Estimate (including virements), saving/ (excess)	Prior Year Outturn Total 2023-24
	Gross	Income	Net total	Total	Virements*	Total including virements		
<b>Spending in Departmental Expenditure Limits (DEL)</b>								
<b>Voted Expenditure</b>								
<b>7 Capital</b>	<b>338,191</b>	<b>-</b>	<b>338,191</b>	<b>349,662</b>	<b>-</b>	<b>349,662</b>	<b>11,471</b>	<b>279,678</b>
<i>Of which</i>								
Major Works	108,685	-	108,685	106,900	1,785	108,685	-	89,351
School Enhancement Programme	10,319	-	10,319	10,972	(653)	10,319	-	7,714
Minor Works	112,625	-	112,625	123,964	(692)	123,272	10,647	85,314
Youth	-	-	-	-	-	-	-	2,695
Other Activities to Support Capital Investment	106,562	-	106,562	107,826	(440)	107,386	824	94,604
<b>Total Voted DEL</b>	<b>338,191</b>	<b>-</b>	<b>338,191</b>	<b>349,662</b>	<b>-</b>	<b>349,662</b>	<b>11,471</b>	<b>279,678</b>
<b>Non-voted Expenditure</b>								
<b>8 Consolidated Fund Extra Receipts</b>	<b>-</b>	<b>(2,507)</b>	<b>(2,507)</b>	<b>(2,956)</b>	<b>-</b>	<b>(2,956)</b>	<b>(449)</b>	<b>(3,321)</b>
<b>Total non-voted DEL</b>	<b>-</b>	<b>(2,507)</b>	<b>(2,507)</b>	<b>(2,956)</b>	<b>-</b>	<b>(2,956)</b>	<b>(449)</b>	<b>(3,321)</b>
<b>Total spending in DEL</b>	<b>338,191</b>	<b>(2,507)</b>	<b>335,684</b>	<b>346,706</b>	<b>-</b>	<b>346,706</b>	<b>11,022</b>	<b>276,357</b>
<b>Spending in Annually Managed Expenditure (AME)</b>								
<b>Voted Expenditure</b>								
<b>9 Provisions</b>	<b>87</b>	<b>-</b>	<b>87</b>	<b>88</b>	<b>-</b>	<b>88</b>	<b>1</b>	<b>-</b>
<i>Of which</i>								
Other ALBs (Net)	87	-	87	88	-	88	1	-
<b>Total voted AME</b>	<b>87</b>	<b>-</b>	<b>87</b>	<b>88</b>	<b>-</b>	<b>88</b>	<b>1</b>	<b>-</b>
<b>Total spending in AME</b>	<b>87</b>	<b>-</b>	<b>87</b>	<b>88</b>	<b>-</b>	<b>88</b>	<b>1</b>	<b>-</b>
<b>Total Capital</b>	<b>338,278</b>	<b>(2,507)</b>	<b>335,771</b>	<b>346,794</b>	<b>-</b>	<b>346,794</b>	<b>11,023</b>	<b>276,357</b>

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 but delegates this to DoF). Further information on virements is provided in the Supply Estimates in the Northern Ireland Guidance Manual, which is available on the DoF website. The Outturn vs Estimate column is based on the total including virements. The Estimate total before virements have been made is included so that users can reconcile this Estimate back to the Estimates approved by the Assembly.

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

Item	Note	Outturn total 2024-25 £000	Prior Year Outturn total 2023-24 £000
<b>Total Resource Outturn</b>	<b>SOAS 1.1</b>	<b>3,305,827</b>	<b>3,015,969</b>
Add: Capital Grants		55,531	50,457
Add: Premature Retirement Costs		16,614	15,854
Add: PFI dual reporting adjustment		3,416	3,222
Add: Proceeds from sale of land and buildings paid by the EA to the Department		700	1,906
Other reconciling items		(3,795)	(718)
<b>Total</b>		<b>72,466</b>	<b>70,721</b>
Less: Income payable to the Consolidated Fund	SOAS 4.1	(3,468)	(3,708)
<b>Total</b>		<b>(3,468)</b>	<b>(3,708)</b>
<b>Net Expenditure in Consolidated SOCNE</b>	<b>SOCNE</b>	<b>3,374,825</b>	<b>3,082,982</b>

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 Outturn and Net Expenditure.

### SOAS 3. Reconciliation of net resource outturn to net cash requirement (Audited)

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
<b>Total Resource outturn</b>	SOAS 1.1	3,305,827	3,476,645	170,818
<b>Total Capital outturn</b>	SOAS 1.2	335,771	346,794	11,023
<b>Accruals to cash adjustments</b>				
<i>Adjustments for Arm's Length Bodies (ALBs):</i>				
Remove voted resource		(3,223,936)	(3,391,048)	(167,112)
Remove voted capital		(308,647)	(322,539)	(13,892)
Add cash grant in aid		3,539,350	3,692,402	153,052
<i>Adjustments to remove non-cash items:</i>				
Depreciation, impairments and revaluations	3.4	(2,157)	(3,050)	(893)
New provisions and adjustments to previous provisions	3.4	(105)	(352)	(247)
<i>Adjustments to reflect movements in working capital balances</i>				
Increase in receivables		7,827	-	(7,827)
Increase in payables		(15,030)	20,000	35,030
Use of provisions	16	30	32	2
<b>Total accruals to cash adjustments</b>		<b>(2,668)</b>	<b>(4,555)</b>	<b>(1,887)</b>
<b>Removal of non-voted budget items</b>				
Other Adjustments		3,468	3,813	345
<b>Total non-voted budget items</b>		<b>3,468</b>	<b>3,813</b>	<b>345</b>
<b>Net cash requirement</b>		<b>3,642,398</b>	<b>3,822,697</b>	<b>180,299</b>

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 and capital outturn to the net cash requirement.

Detailed explanations of the variances between Estimate and outturn are given in the Performance Report.

**Reconciliation of net cash requirement to decrease in cash (Audited)**

	Note	2024-25 £000
Net cash requirement	SOAS 3	(3,642,398)
From Consolidated Fund (supply) - current year	SoCFs	3,640,379
From Consolidated Fund (supply) - prior year	SoCFs	6,369
Amounts due to the Consolidated Fund - received in a prior year and paid over	15	(3,373)
Amounts due to the Consolidated Fund – received and not paid over	15	3,322
<b>Increase in cash held by core department</b>	13	<b>4,299</b>
Decrease in cash held by NDPBs		(452)
<b>Increase in cash held by Departmental Group</b>	13	<b>3,847</b>

**SOAS 4. Amounts of income payable to the Consolidated Fund (Audited)**

This note mirrors Part III of the Estimates: Analysis of Consolidated Fund Extra Receipts.

**SOAS 4.1 Analysis of income payable to the Consolidated Fund (Audited)**

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

Item	Outturn total 2024-25 £000		Prior Year Outturn total 2023-24 £000	
	Income (Accruals)	Receipts (Cash basis)	Income (Accruals)	Receipts (Cash basis)
Income in budgets surrendered to the Consolidated Fund (resource)	961	<i>1,150</i>	387	<i>52</i>
Income in budgets surrendered to the Consolidated Fund (capital)	2,507	<i>2,507</i>	3,321	<i>3,321</i>
<b>Total amount payable to the Consolidated Fund</b>	<b>3,468</b>	<b>3,657</b>	<b>3,708</b>	<b>3,373</b>

**SOAS 4.2 Consolidated Fund Income (Audited)**

The Department did not collect any amounts where it was acting as agent for the Consolidated Fund rather than as principal.

## OTHER ASSEMBLY ACCOUNTABILITY DISCLOSURE NOTES

## Losses and special payments (Audited)

Losses statement

	2024-25 Core Department	2024-25 Departmental Group	2023-24 Core Department	2023-24 Departmental Group
<b>Total number of cases</b>	<b>2</b>	<b>220</b>	<b>3</b>	<b>278</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Cash losses	-	22	-	114
Administrative write offs	1	1	3	3
Fruitless payments	-	-	204	205
Stores losses	-	157	-	223
<b>Total value of losses</b>	<b>1</b>	<b>180</b>	<b>207</b>	<b>545</b>

In the Core Department, no individual cases exceeded £300,000 in 2024-25 (2023-24: no cases exceeded £300,000). In the Departmental Group, no individual cases exceeded £300,000 in 2024-25 (2023-24: one case exceeded £300,000).

Special Payments

	2024-25 Core Department	2024-25 Departmental Group	2023-24 Core Department	2023-24 Departmental Group
<b>Total number of cases</b>	<b>105</b>	<b>262</b>	<b>112</b>	<b>280</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Redundancy payments	-	1,944	-	1,145
Ex Gratia	5	5	17	17
Exceptional Circumstances Body – panel members' fees	43	43	58	58
Compensation Payments - Employers' Liability & Public Liability	-	1,283	-	2,412
Compensation Payments - Other Employment	-	189	-	266
<b>Total value of special payments</b>	<b>48</b>	<b>3,464</b>	<b>75</b>	<b>3,898</b>

In the Core Department, no individual cases exceeded £300,000 in 2024-25 (2023-24: no cases exceeded £300,000). In the Departmental Group, no individual cases exceeded £300,000 in 2024-25 (2023-24: two cases exceeded £300,000).

### Fees and Charges (Audited)

The EA is responsible for the provision of a school meals service to the schools it funds. This is a fee-paying service unless there is an entitlement to a free meal.

In accordance with the revised “Arrangements for the Provision of Milk, Meals and Related Facilities” issued by the Department in September 2017, the charge for a meal or refreshment for a paying pupil should be sufficient to fully recover the variable costs and contribute to fixed costs. This target was achieved in 2024-25 and 2023-24.

The information below is in respect of the School Meals Service only and is provided for fees and charges purposes and not for IFRS 8 purposes which is separately disclosed in Note 2 within the Financial Statements.

	<b>2024-25</b>	<b>2023-24</b>
	<b>£000</b>	<b>£000</b>
Full cost	116,152	100,060
Less: Income	(40,058)	(35,962)
Rurality Element	(927)	(909)
<b>Net cost</b>	<b>75,167</b>	<b>63,189</b>
Number of paid meals	15,780	14,029
Number of free meals	12,615	12,202
<b>Total number of meals</b>	<b>28,395</b>	<b>26,231</b>
<b>Average Gross Cost per meal</b>	<b>£4.09</b>	<b>£3.81</b>

CCEA’s primary source of earned income comes from charges levied in relation to the provision of its examination functions. Charges are made for entering an examination, late or withdrawal fees, results enquiries and access to scripts. Charges vary on an examination type, level and module basis. Details of CCEA examination charges can be found on [CCEA's website](#). Any proposal to alter charges must be approved by the Department.

The Department sets CCEA an earned income target annually as part of the budget setting process. The Department monitors this performance against the target monthly, via the Monthly Expenditure Monitoring Report. Actual earned income in any given year can fluctuate depending on a range of factors, including the number of examinations entered by candidates via examination centres, changes to centre demographics and market preferences. If CCEA earns more income than anticipated, it is required to bid for additional income, usually to offset against additional examinations costs linked to generating the additional income. If sales are less than anticipated, CCEA is required to make corresponding savings.

**Remote contingent liabilities (Audited)**

In addition to contingent liabilities disclosed in the financial statements, the Department also reports liabilities for which the likelihood of a transfer of economic benefit in settlement is remote but are still in the scope of International Accounting Standard (IAS) 37.

The Departmental Group has no contingent liabilities to report for the purpose of Northern Ireland Assembly reporting and accountability.

**Reconciliation of contingent liabilities included in the supply estimate to the accounts (Audited)**

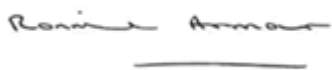
The Department and its ALBs are exposed to a number of contingent liabilities that arise from several sources of litigation, such as employer and public liability claims and judicial reviews, which are largely unquantifiable. The quantifiable element disclosed in the 2024-25 Spring Supplementary Estimate (£221k) was based on the latest position at the time of the 2023-24 Departmental Group accounts and was for the Core Department only.

Since then, based on updated information, the quantifiable balance has been revised (£14,121k) as calculated by the Departmental Group as at 31 March 2025.

**Statement on the use of Government Functional Standards**

[Managing Public Money Northern Ireland](#) sets out the main principles for dealing with resources used by public sector organisations in Northern Ireland. Its origin lies in the requirements for Departments in central government, however, the same basic principles generally apply in all parts of the Northern Ireland public sector, with adjustments for context as necessary. Everyone working in the Departmental Group is made aware of the need to adhere to the guidance in Managing Public Money Northern Ireland and to manage and deploy public resources responsibly in the public interest.

**This Accountability Report is approved and signed.**



**Ronnie Armour**  
**Interim Accounting Officer**  
**30 October 2025**

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

### Opinion on financial statements

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

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

The financial reporting framework that has been applied in the 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's and the Departmental Group's affairs as at 31 March 2025 and of its net operating expenditure for the year then ended; and
- have been properly prepared in accordance with the Government Resources and Accounts Act (Northern Ireland) 2001 and Department of Finance directions issued thereunder.

### Opinion on regularity

In my opinion, in all material respects:

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

## **Basis for opinions**

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

My responsibilities and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this 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 of Education and its Group and its 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 of Education and its Group 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 of Education 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 of Education 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) 2001, the Government Financial Reporting Manual (FReM), Managing Public Money NI and Accounts Directions issued by the Department of Finance;
- making enquires of management and those charged with governance on the Department of Education and its Group 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 Department of Education and its Group 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: posting of unusual journals;
- engagement director oversight to ensure the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with the applicable legal and regulatory framework throughout the audit;
- communicating with component auditors to request identification of any instances of non-compliance with laws and regulations that could give rise to a material misstatement of the group financial statements;
- designing audit procedures to address specific laws and regulations which the engagement team considered to have a direct material effect on the financial statements in terms of misstatement and irregularity, including fraud. These audit procedures included, but were not limited to, reading board and committee minutes, and agreeing financial statement disclosures to underlying supporting documentation and approvals as appropriate;
- 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;
  - 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](http://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*

*30<sup>th</sup> October 2025*

## FINANCIAL STATEMENTS

### Consolidated Statement of Comprehensive Net Expenditure for the year ended 31 March 2025

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

	Note	2024-25 Core Department £000	2024-25 Departmental Group £000	2023-24 Core Department £000	2023-24 Departmental Group £000
Revenue from contracts with customers	4	-	(78,895)	-	(71,162)
Other operating income	4	(24,584)	(45,427)	(23,917)	(37,159)
<b>Total operating income</b>		<b>(24,584)</b>	<b>(124,322)</b>	<b>(23,917)</b>	<b>(108,321)</b>
Staff costs	3.5	33,330	2,182,557	32,640	1,971,898
Purchase of goods and services	3.5	6,165	499,633	5,623	478,624
Depreciation, amortisation and revaluation	3.5	2,157	166,145	1,548	127,123
Provision expense	3.5	105	3,097	55	2,314
Other operating expenditure	3.5	3,601,563	664,970	2,930,901	615,062
<b>Total operating expenditure</b>		<b>3,643,320</b>	<b>3,516,402</b>	<b>2,970,767</b>	<b>3,195,021</b>
<b>Net operating expenditure</b>		<b>3,618,736</b>	<b>3,392,080</b>	<b>2,946,850</b>	<b>3,086,700</b>
Finance (income)/expense		-	(17,278)	-	(3,745)
Taxation	5	-	23	-	27
<b>Net expenditure for the year</b>		<b>3,618,736</b>	<b>3,374,825</b>	<b>2,946,850</b>	<b>3,082,982</b>
Notional audit costs	3.5	109	337	105	306
Other notional costs	3.5	3,007	3,007	3,612	3,612
<b>Total notional costs</b>		<b>3,116</b>	<b>3,344</b>	<b>3,717</b>	<b>3,918</b>
<b>Net expenditure for the year including notionals</b>		<b>3,621,852</b>	<b>3,378,169</b>	<b>2,950,567</b>	<b>3,086,900</b>
<b>Other comprehensive net expenditure</b>					
<b>Items which will not be reclassified to net operating expenditure:</b>					
Net gain on revaluation of property, plant and equipment		(1,094)	(49,243)	(1,178)	(53,102)
Net gain on revaluation of intangible assets		(229)	(229)	(342)	(342)
Actuarial gain on pension scheme liabilities		-	(498,786)	-	(275,927)
<b>Comprehensive net expenditure for the year</b>		<b>3,620,529</b>	<b>2,829,911</b>	<b>2,949,047</b>	<b>2,757,529</b>

All income and expenditure are derived from continuing operations.

Notes 1 to 25 form part of these accounts.

**Consolidated Statement of Financial Position as at 31 March 2025**

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.

	Note	2025 Core Department £000	2025 Departmental Group £000	2024 Core Department £000	2024 Departmental Group £000
<b>Non-current assets</b>					
Property, plant and equipment	6	88,339	4,088,173	59,416	3,919,603
Right of use assets	19	-	5,891	-	3,757
Intangible assets	7	6,858	55,510	6,973	61,051
Trade and other receivables	14	-	383	-	89
Financial assets	10	939	-	952	-
Retirement benefit asset	18	-	798,566	-	288,319
<b>Total non-current assets</b>		<b>96,136</b>	<b>4,948,523</b>	<b>67,341</b>	<b>4,272,819</b>
<b>Current assets</b>					
Assets classified as held for sale	11	-	-	-	-
Inventories	12	-	56,749	-	53,754
Trade and other receivables	14	14,886	73,772	11,598	65,378
Cash and cash equivalents	13	1,303	15,028	-	14,177
<b>Total current assets</b>		<b>16,189</b>	<b>145,549</b>	<b>11,598</b>	<b>133,309</b>
<b>Total assets</b>		<b>112,325</b>	<b>5,094,072</b>	<b>78,939</b>	<b>4,406,128</b>
<b>Current liabilities</b>					
Trade and other payables	15	(113,545)	(435,918)	(101,751)	(572,586)
Provisions	16	(42)	(962)	(47)	(934)
<b>Total current liabilities</b>		<b>(113,587)</b>	<b>(436,880)</b>	<b>(101,798)</b>	<b>(573,520)</b>
<b>Total assets less current liabilities</b>		<b>(1,262)</b>	<b>4,657,192</b>	<b>(22,859)</b>	<b>3,832,608</b>
<b>Non-current liabilities</b>					
Provisions	16	(412)	(17,668)	(332)	(15,852)
Other payables	15	-	(117,087)	-	(123,630)
<b>Total non-current liabilities</b>		<b>(412)</b>	<b>(134,755)</b>	<b>(332)</b>	<b>(139,482)</b>
<b>Total assets less total liabilities</b>		<b>(1,674)</b>	<b>4,522,437</b>	<b>(23,191)</b>	<b>3,693,126</b>
<b>Taxpayers' equity and other reserves</b>					
General fund		(9,678)	3,421,765	(30,141)	2,593,374
Revaluation reserve		8,004	1,100,672	6,950	1,099,752
<b>Total equity</b>		<b>(1,674)</b>	<b>4,522,437</b>	<b>(23,191)</b>	<b>3,693,126</b>



**Ronnie Armour**  
Interim Accounting Officer  
30 October 2025

Notes 1 to 25 form part of these accounts.

**Consolidated Statement of Cash Flows for the year ended 31 March 2025**

The Statement of Cash Flows shows the changes in cash and cash equivalents of the 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.

	Note	2024-25 Core Department £000	2024-25 Departmental Group £000	2023-24 Core Department £000	2023-24 Departmental Group £000
<b>Cash flows from operating activities</b>					
Net expenditure for the year including notionals	SOCNE	(3,621,852)	(3,378,169)	(2,950,567)	(3,086,900)
Adjustments for non-cash transactions	3.4	5,378	176,047	5,317	162,534
(Increase)/decrease in trade and other receivables	14	(3,288)	(8,688)	312	7,195
<i>movements in receivables relating to items not passing through the SOCNE</i>	14	(4,350)	(4,350)	(1,487)	(1,487)
(Increase)/decrease in inventories	12	-	(2,995)	-	79
Increase/(decrease) in trade and other payables excluding bank overdraft	15	14,790	(133,146)	7,831	214,028
<i>movements in payables relating to items not passing through the SOCNE</i>	15	(5,602)	(5,968)	2,244	1,735
Use of provisions	16	(30)	(1,253)	(23)	(2,841)
<b>Net cash outflow from operating activities</b>		<b>(3,614,954)</b>	<b>(3,358,522)</b>	<b>(2,936,373)</b>	<b>(2,705,657)</b>
<b>Cash flows from investing activities</b>					
Purchase of non-financial assets - property, plant and equipment		(23,022)	(258,075)	(4,804)	(215,485)
Purchase of non-financial assets - intangible assets		(765)	(15,613)	(339)	(14,297)
Proceeds from disposal of property, plant and equipment		-	17	4	16
<b>Net cash outflow from investing activities</b>		<b>(23,787)</b>	<b>(273,671)</b>	<b>(5,139)</b>	<b>(229,766)</b>

	Note	2024-25 Core Department £000	2024-25 Departmental Group £000	2023-24 Core Department £000	2023-24 Departmental Group £000
<b>Cash flows from financing activities</b>					
From the Consolidated Fund (supply) – current year		3,640,379	3,640,379	2,938,516	2,938,516
From the Consolidated Fund (supply) – prior year	14	6,369	6,369	7,856	7,856
Capital element of payments in respect of finance leases and on-balance sheet (SOPF) PFI contracts		-	(7,000)	-	(6,968)
<b>Net financing</b>		<b>3,646,748</b>	<b>3,639,748</b>	<b>2,946,372</b>	<b>2,939,404</b>
<b>Net increase in cash and cash equivalents in the period before adjustment for receipts and payments to the Consolidated Fund</b>					
		<b>8,007</b>	<b>7,555</b>	<b>4,860</b>	<b>3,981</b>
Payments of amounts due to the Consolidated Fund		(3,708)	(3,708)	(5,702)	(5,702)
<b>Net increase/(decrease) in cash and cash equivalents in the period after adjustment for receipts and payments to the Consolidated Fund</b>					
	13	<b>4,299</b>	<b>3,847</b>	<b>(842)</b>	<b>(1,721)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	13	<b>(2,996)</b>	<b>11,181</b>	<b>(2,154)</b>	<b>12,902</b>
<b>Cash and cash equivalents at the end of the period</b>	13	<b>1,303</b>	<b>15,028</b>	<b>(2,996)</b>	<b>11,181</b>

Notes 1 to 25 form part of these accounts.

## Consolidated Statement of Changes in Taxpayers' Equity for the year ended 31 March 2025

This statement shows the movement in the year on the different reserves held by the Department, analysed into "general fund reserves" (i.e. those reserves that reflect a contribution from the Consolidated Fund). The Revaluation Reserve reflects the changes 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.

Departmental Group	Note	General Fund* £000	Revaluation reserve £000	Taxpayers' equity £000
<b>Balance at 31 March 2023</b>		2,395,939	1,093,028	3,488,967
Net Assembly funding – drawn down		2,938,516	-	2,938,516
Supply receivable adjustment	14	6,369	-	6,369
CFERs payable to the Consolidated Fund	SOAS 4.1	(3,708)	-	(3,708)
Comprehensive expenditure for the year	SOCNE	(3,086,900)	53,444	(3,033,456)
Actuarial gain/(loss) in respect of pension liability	SOCNE	275,927	-	275,927
Non-cash charges – accommodation and other charges	3.5	3,612	-	3,612
Non-cash charges – auditor's remuneration and expenses	3.5	306	-	306
Non-cash charges – Northern Ireland Teachers' Pension Scheme – Premature Retirement Compensation	3.4	15,854	-	15,854
Other reserves movements		739	-	739
Transfers between reserves		46,720	(46,720)	-
<b>Balance at 31 March 2024</b>		<b>2,593,374</b>	<b>1,099,752</b>	<b>3,693,126</b>
Net Assembly funding – drawn down		3,640,379	-	3,640,379
Supply receivable adjustment	14	2,019	-	2,019
CFERs payable to the Consolidated Fund	SOAS 4.1	(3,468)	-	(3,468)
Comprehensive expenditure for the year	SOCNE	(3,378,169)	49,472	(3,328,697)
Actuarial gain/(loss) in respect of pension liability	SOCNE	498,786	-	498,786
Non-cash charges – accommodation and other charges	3.5	3,007	-	3,007
Non-cash charges – auditor's remuneration and expenses	3.5	337	-	337
Non-cash charges – Northern Ireland Teachers' Pension Scheme – Premature Retirement Compensation	3.4	16,614	-	16,614
Other reserves movements		334	-	334
Transfers between reserves		48,552	(48,552)	-
<b>Balance at 31 March 2025</b>		<b>3,421,765</b>	<b>1,100,672</b>	<b>4,522,437</b>

\*The General Fund includes restricted funds of £107k (2023-24: £164k). Restricted funds are funds given to the Group, which are to be expended for objects specified by the donor.

Notes 1 to 25 form part of these accounts.

<b>Core Department</b>	<b>Note</b>	<b>General Fund £000</b>	<b>Revaluation reserve £000</b>	<b>Taxpayers' equity £000</b>
<b>Balance at 31 March 2023</b>		(24,677)	5,639	(19,038)
Net Assembly funding – drawn down		2,938,516	-	2,938,516
Supply receivable adjustment	14	6,369	-	6,369
	SOAS			
CFERs payable to the Consolidated Fund	4.1	(3,708)	-	(3,708)
Comprehensive expenditure for the year	SOCNE	(2,950,567)	1,520	(2,949,047)
Non-cash charges – accommodation and other charges	3.5	3,612	-	3,612
Non-cash charges – auditor's remuneration and expenses	3.5	105	-	105
Transfers between reserves		209	(209)	-
<b>Balance at 31 March 2024</b>		<b>(30,141)</b>	<b>6,950</b>	<b>(23,191)</b>
Net Assembly funding – drawn down		3,640,379	-	3,640,379
Supply receivable adjustment	14	2,019	-	2,019
	SOAS			
CFERs payable to the Consolidated Fund	4.1	(3,468)	-	(3,468)
Comprehensive expenditure for the year	SOCNE	(3,621,852)	1,323	(3,620,529)
Non-cash charges – accommodation and other charges	3.5	3,007	-	3,007
Non-cash charges – auditor's remuneration and expenses	3.5	109	-	109
Transfers between reserves		269	(269)	-
<b>Balance at 31 March 2025</b>		<b>(9,678)</b>	<b>8,004</b>	<b>(1,674)</b>

Notes 1 to 25 form part of these accounts.

## Notes to the Financial Statements

### 1. Statement of accounting policies

These financial statements have been prepared in accordance with the 2024-25 *Government FReM* issued by the Department of Finance. The accounting policies contained in the *FReM* apply 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 Departmental Group for the purpose of giving a true and fair view has been selected. The particular accounting policies adopted by the Departmental Group are described below. They have been applied consistently in dealing with items 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 SOAS and supporting notes show outturn against Estimate in terms of the net resource requirement and the net cash requirement.

In accordance with the *FReM*, the Department is not able to accrue funding due from the Consolidated Fund in respect of Assembly Grant to match net liabilities recorded within the Statement of Financial Position. Under IAS 1 (revised), *Presentation of Financial Statements*, such a closing financial position which shows a surplus of liabilities over assets requires the Accounting Officer to make an assessment of the viability of the Department as a going concern. These accounts have been prepared under the going concern principle.

#### 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 Department (the core Department), and other bodies listed in note 24, which fall within the Departmental boundary as defined in the *FReM* and make up the Departmental Group. Transactions between entities included in the consolidated accounts are eliminated. The consolidated bodies prepare accounts in accordance with either the *FReM*, the Companies Act 2006, Financial Reporting Standard (FRS) 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” or the Charities Statement of Recommended Practice (FRS 102), Accounting and Reporting by Charities. 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

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

Subsequent expenditure on an asset, that meets the criteria in compliance with IAS 16, *Property, Plant and Equipment*, is capitalised, otherwise it is written off to revenue.

At each annual reporting date, property, plant and equipment are stated at fair value, determined as follows:

- Land and Buildings

Title to land and buildings shown in the accounts is held by the Departmental Group. Land and buildings are stated at current value in existing use. Land is valued in the year of purchase and buildings in the year in which they are brought into use, using a professional valuation provided by Land and Property Services (LPS), a directorate within DoF, in accordance with HM Treasury guidance, International Valuation Standards and the requirements of the Royal Institution of Chartered Surveyors Global Standards. Subsequently, a full professional valuation is made by LPS every five years and in the intervening years interim valuations are obtained from LPS. The basis of the valuation for each of the property types is as follows:

<b>PROPERTY TYPE</b>	<b>ASSET CATEGORY</b>	<b>BASIS/METHOD OF VALUATION</b>
School buildings & other associated structures	Land & buildings owner occupied and used for the purposes of the undertaking <b>Specialised operational</b>	<b>Current Value in existing use</b> <b>Depreciated Replacement Cost</b>
Land supporting existing school buildings	Lands owner occupied and used for the purposes of the undertaking <b>Non-specialised operational</b>	<b>Current Value in existing use</b> <b>Existing Use Value (as defined by Valuation Practice Guidance – Applications (VPGA 6))</b>
Land and buildings held for ongoing or future development of school facilities	Lands and buildings acquired for the purpose of future service delivery <b>Non-operational</b>	<b>Current Value in existing use</b> <b>Existing Use Value (as defined by VPGA 6)</b>
Offices and stores	Land and buildings owner occupied for the purpose of the undertaking <b>Non-specialised operational</b>	<b>Current Value in existing use</b> <b>Existing Use Value (as defined by VPGA 6)</b>
Surplus assets	Properties surplus to requirements/held for sale <b>Non-operational</b>	<b>Current Value in existing use</b> <b>Existing Use Value (as defined by VPGA 6)</b>

Where there is a clear intention to dispose of an asset within the next 12 months, the asset is categorised as “Assets held for Sale” and shown separately within current assets.

The Schools’ Estate includes assets held on Reversionary Trusts, properties which will revert to the ownership of trustees if they cease to be used as specified in the deeds of ownership.

- Assets under construction are carried at cost, less any impairment loss. Costs include professional fees and other directly attributable costs necessary to bring the asset into use. Assets under construction, including completed building projects, are capitalised but not depreciated until brought into use.

- Other assets:
  - With the exception of land and buildings, fair value is estimated by restating the value annually by reference to indices compiled by the Office of National Statistics.
  - The minimum level for capitalisation ranges between £200 and £3,000 across the Group.

Revaluations below historic cost which are not temporary fluctuations in market value are treated as an impairment in accordance with IAS 36, *Impairment of Assets*, and charged in full to the SOCNE.

Impairment reviews of property, plant and equipment are performed annually and additionally where there is an indication of impairment as defined by IAS 36.

#### 1.4 Depreciation

Depreciation of property, plant and equipment is provided on a straight-line basis by reference to current values and to the remaining economic useful lives of assets and their estimated residual value. Freehold land, assets under construction and assets which meet the definition of “held for sale” are not depreciated.

Asset lives are reviewed annually and are normally within the following ranges:

Buildings	15 to 50 years
Transport equipment	3 to 14 years
Information technology	3 to 10 years
Plant and machinery	3 to 15 years

#### 1.5 Intangible assets

Software and associated licences are capitalised as intangible assets where expenditure of £1,000 or more is incurred on the purchase of an individual or grouped asset.

Assets under construction are carried at cost, less any impairment loss. Other intangible assets are measured at depreciated replacement cost using suitable indices compiled by the ONS.

Assets under construction are not amortised. Software licences are amortised over the shorter of the term of the licence and their useful economic life. Other intangible assets are amortised over three to ten years.

#### 1.6 Non-current assets held for sale

Assets held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell. Fair value is open market value including alternative uses. Assets classified as held for sale are not depreciated.

Assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. For this to be the case the asset must be available for immediate sale in its present condition subject only to terms that are usual or customary for sales of such assets and its sale must be highly probable.

For the sale to be highly probable, the appropriate level of management must be committed to a plan to sell the asset, and an active programme to locate a buyer and complete the plan must have been initiated.

Further, the asset must be actively marketed for sale at a price that is reasonable in relation to its current fair value. In addition, the sale should be expected to qualify for recognition as a completed sale within one year from the date of classification, and actions required to complete the plan should indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

### **1.7 Impairment losses**

An asset is impaired if its carrying amount exceeds the value to be recovered through use or sale of the asset.

If an impairment loss arises which has not resulted from a loss of economic value or service potential the asset is written down to its recoverable amount, with the loss charged to the revaluation reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to the SOCNE.

Impairment losses that arise from a clear consumption of economic benefits or service potential are charged in full to the SOCNE with an amount up to the value of the impairment being transferred from the revaluation reserve to the general reserve.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of the recoverable amount but capped at the amount that would have been carried had there been no initial impairment loss. The reversal of the impairment loss is credited to the SOCNE to the extent of the decrease previously charged there and then to the revaluation reserve.

### **1.8 Investments**

In 2004-05 the Department invested in the “MCA (Holdings) Limited”, which is a company registered in Northern Ireland and limited by guarantee. The Company is a joint venture between the Department in Northern Ireland and the Department of Education, Ireland, developed under the 1998 Good Friday Agreement as an agreed area of co-operation within the North South Ministerial Council, and is funded equally by each Department.

The primary object of the company is to purchase, acquire and hold the property located at Middletown, County Armagh, for the purpose of supporting the promotion of excellence throughout Northern Ireland and Ireland in the development and harmonisation of education and allied services to children and young people with autistic spectrum disorders.

A Board of Directors comprising four members monitors the effectiveness and management of the company. The Department in Northern Ireland and the Department of Education, Ireland each nominate two members to the Board.

## 1.9 Inventories

Inventories are stated at fair value which is the lower of current cost and net realisable value. Where necessary, provision is made for obsolete, slow moving and defective stocks.

## 1.10 Income

### Income from sale of goods and services

Income from the sale of goods and services relates directly to the operating activities of the Group. It principally comprises income from school meals services, recoupment of costs, music tuition fees and short-term letting of EA premises, in addition to other sources of income.

In recognising income, the Group has considered the application of IFRS 15 *Revenue from Contracts with Customers*. The core principle of IFRS 15 is that income is recognised to depict the transfer of goods/services to customers, at a rate which reflects the expected entitlement for such goods/services.

In applying the core principle to income recognition, judgement is exercised to determine whether the five essential criteria within the scope of IFRS 15 are met in order to define income as a contract. Income is recognised on an accruals basis when, and to the extent that, a performance obligation is satisfied in a manner that depicts the transfers to the customer of the goods or services promised.

The income is included in the SOCNE to the extent of the completion of the contract or service concerned and is stated net of Value Added Tax (VAT).

### Other operating income

Other operating income is income which relates directly to the operating activities of the Group. It includes funding from the Department for the Economy (DfE) for co-funded NDPBs and other income such as that from the sale of property, plant and equipment by NDPBs. It includes both operating Accruing Resources and income payable to the Consolidated Fund which in accordance with the *FReM* is treated as operating income.

Revenue grants received from other bodies are for specific purposes and are restricted in use. This includes income from the European Union (EU) Peace Plus and Peace IV Programmes and other sources and is included in the SOCNE to the extent that it matches against the relevant expenditure incurred during the period. Grant income received during the period which is not matched to relevant expenditure incurred during the same period is shown as either accrued or deferred income on the SOFP.

Government grants or donations (including lottery funding) to fund capital assets are recognised in the SOCNE as income. They are recognised when receivable unless there are conditions on their use which, if not met, would mean the grant is repayable. In such cases, the income is deferred and released when the obligations are met. Where grants have no conditions on their use, the income is recognised immediately as income in the SOCNE.

### 1.11 Administration and programme expenditure

The Consolidated SOCNE 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 set by DoF. Administration costs reflect the costs of running the Department. These include both administrative costs and associated operating income. Programme costs reflect non-administration costs, including payments of grants and other disbursements by the Group, as well as certain staff costs where they relate directly to service delivery.

### 1.12 Foreign exchange

Transactions which are denominated in a foreign currency are translated into sterling at the exchange rate ruling on the date of each transaction. Monetary assets and liabilities denominated in foreign currency at the reporting period date are translated at the rates ruling at that date. These translation differences are dealt with in the SOCNE.

### 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.

Employees of the Group belong to the following pension schemes:

#### **Northern Ireland Civil Service Pension arrangements**

Past and present employees are covered by the provisions of the Northern Ireland Civil Service Pension arrangements. The defined benefit schemes are multi-employer unfunded schemes, which produce their own accounts. The Department is unable to identify its share of the underlying assets and liabilities. The Department recognises the expected cost of these elements on a systematic and rational basis over the period during which it benefits from employees' services by payment to the Northern Ireland Civil Service Pension arrangements of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the Northern Ireland Civil Service Pension arrangements. In respect of the defined contribution schemes, the Department recognises the contributions payable for the year.

#### **The Northern Ireland Teachers' Pension Scheme**

The Northern Ireland Teachers' Pension Scheme is an unfunded contributory scheme administered by the Department. The current regulations under which the scheme operates are the Teachers Superannuation Regulations (Northern Ireland) 1998 (as amended), and the Teachers' Pension Scheme regulations (Northern Ireland) 2014.

The rate of the employer's contribution is determined from time to time by the Government actuary and advised by DoF. The Northern Ireland Teachers' Pension Scheme is a multi-employer defined benefit scheme and the Group is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The Northern Ireland Teachers' Pension Scheme is therefore treated as a defined contribution scheme and the contributions are recognised, as they are paid each year, in the SOCNE.

A separate set of Annual Scheme Statements are prepared for the Northern Ireland Teachers' Pension Scheme.

### **Northern Ireland Local Government Officers' Superannuation Committee Scheme**

The Northern Ireland Local Government Officers' Superannuation Committee Scheme is a defined benefit scheme, the assets of the scheme being held in separate trustee-administered funds. The Group's contribution to the Northern Ireland Local Government Officers' Superannuation Committee Scheme is determined by the fund's actuary, based on a triennial valuation. The scheme is administered by Northern Ireland Local Government Officers' Superannuation Committee Scheme, Hollywood Road, Belfast.

The latest formal valuation of the fund for the purpose of setting employer's actual contributions was at 31 March 2022. The fund's objective of holding sufficient assets to meet the estimated current cost of providing members' past service benefits was met at the last formal valuation date.

The contributions payable by each Employer may differ because they allow for each Employer's membership profile and funding ratio, and assumption and recovery periods appropriate to their circumstances.

The pension costs are assessed in accordance with the advice of an independent qualified actuary using the projected unit method and are accounted for on the basis of charging the cost of providing pensions over the period during which the Group benefits from the employee's services. Variations from regular cost are spread over the expected average remaining working lives of members of the scheme after making allowances for future withdrawals.

In accordance with IAS 19 *Retirement Benefits*, the in-year movement in the defined benefit pension scheme asset or liability arising from factors other than cash contribution by the Group are charged to the SOCNE or the Statement of Changes in Taxpayers' Equity.

### **NEST**

NEST is run by the NEST Corporation, which is a NDPB that operates at arm's length from government and is accountable to Parliament through the Department for Work and Pensions. It is a trust-based scheme, run independently from the government on a not-for-profit basis in the interests of its members.

NEST Corporation has a Chair and up to 14 Trustee Members. The Trustee Members take decisions based on established trust law principles including the duty to act in the interests of scheme members. They set the strategic direction and objectives for NEST and determine the overall governance structure for the NEST Corporation.

The Trustee Members are supported by an executive team that has day-to-day responsibility for managing the scheme. The Trustee Members' primary role is to decide, implement and support NEST's strategic direction in order to maximise value for scheme members and beneficiaries.

NEST is a defined contribution pension scheme established by law to support the introduction of automatic enrolment, which meets the criteria for a 'qualifying' scheme as set out in the Pensions Act 2008.

Further information about the Group's pension schemes can be found in the accounts of the consolidated entities and of the pension schemes themselves.

## 1.14 Early departure costs

### Department of Education employees

The Department meets the additional cost of benefits beyond the normal Northern Ireland Civil Service Pension arrangements in respect of employees who retire early by paying the required amounts annually to the Northern Ireland Civil Service Pension over the period between early departure and normal retirement date (or, in the case of Injury Awards, between early departure and estimated life expectancy). The Department provides in full for the cost of meeting pensions up to normal retirement age in respect of early retirement programmes announced in current or previous years or, to the estimated life expectancy in respect of Injury Awards. The Department may, in certain circumstances, settle some or all of its liability in advance by making a payment to the DoF Superannuation Vote. The amount provided is shown net of any such payments.

### Teachers

The Teachers' Premature Retirement Compensation Scheme for Northern Ireland recovers compensation costs via increased employer contributions. Compensation costs fall within the remit of the scheme and are therefore not included as a cost within the Department's accounts.

### Non-teaching

Non-teaching redundancy payments are made per the Education and Library Boards' Scheme for Redundancy in Accordance with the Local Government (Early Termination of Employment) (Discretionary Compensation) Regulations (Northern Ireland) 2007, as amended.

Where an entity in the Group has agreed early retirements, the additional costs are met by the Group and not by the pension schemes.

## 1.15 Leases

### Scope and classification

The Departmental Group determines whether to lease or purchase based on value-for-money considerations, such as whether the underlying asset is required for its entire life or for a more limited period. In accordance with IFRS 16, contracts that convey the right to use an asset in exchange for consideration are accounted for as leases. The *FReM* expands the scope of IFRS 16 to include arrangements with nil consideration. Contracts for services are evaluated to determine whether they convey the right to control the use of an identified asset, as represented by rights both to obtain substantially all the economic benefits from that asset and to direct its use. In such cases, the relevant part is treated as a lease. The Group excludes:

- contracts for low-value items, defined as items costing less than £5,000 when new, provided they are not highly dependent on or integrated with other items; and
- contracts with a term shorter than twelve months (comprising the non-cancellable period together with any extension options that the Group is reasonably certain to exercise and any termination options that the Group is reasonably certain not to exercise).

### **Initial recognition**

At the commencement of a lease (or the IFRS 16 transition date, if later), the Group recognises a right-of use asset and a lease liability. The lease liability is measured as the payments for the remaining lease term, discounted either by the rate implicit in the lease, or, where this cannot be determined, the Group's incremental cost of borrowing. The payments included in the liability are those that are fixed or in-substance fixed, excluding changes arising, for example, from future rent reviews or changes in an index. For most Group members, the incremental cost of borrowing is the rate advised by HM Treasury which is set on a calendar year basis (4.72% for 2024 and 4.81% for 2025). The lease liability is presented within the trade payables and other current liabilities note to the accounts. The right-of-use asset is measured at the value of the liability, adjusted for: any payments made, or amounts accrued before the commencement date; lease incentives received; incremental costs of obtaining the lease; and any disposal costs at the end of the lease. However, where the lease requires nominal consideration (a type of arrangement often described as a "peppercorn" lease), the asset is measured at its existing use value.

### **Subsequent measurement**

The asset is subsequently measured using the fair value model. The Group considers that the cost model is a reasonable proxy for the fair value model for leases of items other than land and property, and for leases of land and property with regular rent reviews. For other leases, the asset is carried at a revalued amount. In these financial statements, right-of-use assets held under index linked leases have been adjusted for changes in the relevant index, while assets held under peppercorn or nil consideration have been valued using market prices or rentals for equivalent land and properties. The liability is adjusted for the accrual of interest, repayments, reassessments and modifications.

### **Lease expenditure**

Expenditure includes interest, straight-line depreciation, any asset impairments and any change in variable lease payments not included in the measurement of the liability during the period in which the triggering event occurred. Lease payments are debited against the liability. Rental payments for leases of low-value items or for those shorter than twelve months are expensed.

### **The Group as lessor**

Where the Group acts as lessor, it assesses whether those leases are finance or operating leases. For finance leases, it derecognises the asset and recognises a receivable. Interest is accrued throughout the financial year and is recognised in income. For operating leases,

rental income is recognised on a systematic basis, usually straight-line, over the lease term.

### Estimates and judgements

For embedded leases, the Group determines the amounts to be recognised as the right-of-use asset and lease liability based on the stand-alone price of the lease component and the non-lease component or components. This determination reflects the prices for leases of the underlying asset, where these are observable; otherwise, it maximises the use of other observable data, including the fair values of similar assets, or prices of contracts for similar non-lease components.

Where an existing use value is required, it is calculated to reflect the term of the arrangement: for example, the existing use value of assets under long-term leases will reflect purchase price, while the value of assets under shorter-term leases will reflect the present value of market rentals for comparable assets, where data is available.

### 1.16 Private Finance Initiative (PFI) transactions

#### On Statement of Financial Position PFI Contracts

The PFI transactions of the Group are assessed against International Financial Reporting Interpretations Committee (IFRIC) 12, *Service Concession Arrangements*. To be within the scope of IFRIC 12, the service concession arrangement must contractually oblige the private sector operator to provide the services related to the infrastructure to the public on behalf of the grantor (the Group).

The PFI transaction is deemed to be a service concession within the meaning of IFRIC 12 from the Group's viewpoint where there is infrastructure and the Group controls:

- or regulates what services the operator must provide with the infrastructure, to whom it must provide them and at what price; and
- through beneficial entitlement or otherwise, any significant residual interest in the infrastructure at the end of the term of the arrangement (or there is no residual interest).

In these cases, the Group recognises the infrastructure as a non-current asset and values it in the same way as other non-current assets of that generic type. The liability to pay for the infrastructure is also recorded on the SOFP. The initial amount recorded for the asset and liability is the fair value of the infrastructure asset. Subsequently, the asset is depreciated over the useful economic life of the class of assets to which it has been assigned and the associated liability is reduced as payments for the asset are made. An imputed finance charge on the liability is recorded in subsequent years using a property – specific rate. The remainder of the PFI payments (i.e. the full payments, less the capital repayment and the imputed finance charge) are recorded as an operating cost. Other obligations which exist in relation to the PFI contract are accounted for in accordance with IAS 37 *Provisions, Contingent liabilities and Contingent Assets*.

The Group recognises the asset when it comes into use. In cases where the Group has made contributions to the operator in advance of the asset coming into use, these

contributions are shown within prepayments and amortised to the SOCNE in equal amounts over the asset's useful life.

### **Off Statement of Financial Position PFI Contracts**

PFI contracts that do not transfer any of the risks and rewards associated with ownership of the asset to the Group are treated in the same way as an operating lease i.e. rental payments are charged to the SOCNE in equal annual amounts over the lease term.

### **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 only when it is extinguished.

The Department has financial instruments in the form of an investment in the MCA (Holdings) Limited, trade receivables and payables and cash and cash equivalents. The Group has financial instruments in the form of assets held for sale, trade receivables and payables and cash and cash equivalents.

The investment in the MCA (Holdings) Limited is measured at historical cost less any impairment. Assets available for sale and loans and receivables are recognised and carried at fair value. Financial liabilities are recognised and carried at fair value, net of transaction costs.

The Group assesses at each reporting period date whether there is any objective evidence that a financial asset or group of financial assets classified as loans and receivables is impaired.

The Group measures the amount of the loss as the difference between the carrying amount of the asset and the present value of estimated future cash flows from the asset discounted at the effective interest rate of the instrument at initial recognition.

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

Impairment losses are recognised in the SOCNE 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 SOCNE to the extent that a provision was not previously recognised.

### 1.18 Grants payable

In line with the *FReM*, the Department recognises grant on the basis of the underlying activity of the recipient as follows.

- Funding to the Department's NDPBs through grant in aid payments is reported on a cash basis in the period in which payments are made. The extent of the grant liability in relation to the NDPBs for both recurrent and capital expenditure is equal to their expenditure to the extent that the latter has been properly incurred. Expenditure in this context is when the NDPBs make the payments which are due to be funded by the Department. Grant in aid is eliminated within the Group.
- Grants issued to VG and GMI schools in respect of recurrent funding each year reflect the totality of the schools' entitlements under the Local Management of Schools' arrangements.
- Grants issued to voluntary maintained, VG and GMI schools in respect of capital project funding is recognised based on the payments actually made plus accruals for valid grant claims in the possession of the Department.
- Other grant payments are recognised on an accruals basis where such information is available or on the basis of the extent of the grant issued or approved for payment as at 31 March each year.

### 1.19 Provisions

The Group provides for legal or constructive obligations which are of uncertain timing or amount at the reporting period date on the basis of the best estimate of the expenditure required to settle the obligation. 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.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

### 1.20 Contingent assets and liabilities

In accordance with IAS 37, *Provisions, Contingent Liabilities and Contingent Assets*, the Group discloses as contingent liabilities, potential future obligations arising from past obligating events where the existence of such obligations remain uncertain pending the outcome of future events outside the Group's control, unless their likelihood is considered to be remote.

In addition to contingent liabilities disclosed in accordance with IAS 37, the Group discloses for Northern Ireland 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 Northern Ireland Assembly in accordance with the requirements of Managing Public Money Northern Ireland.

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

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the organisation. A contingent asset is disclosed where an inflow of economic benefits is probable. Where the time value of money is material, contingent assets are disclosed at their present value.

### **1.21 Value Added Tax (VAT)**

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

### **1.22 Corporation tax**

The Department and most of its NDPBs are exempt from corporation tax. Four of the bodies designated for consolidation in the Group accounts (CCEA, MCA Limited, MCA (Holdings) Limited and the General Teaching Council for Northern Ireland) are subject to corporation tax.

### **1.23 Third party assets**

Third party assets are assets for which the Group acts as custodian or trustee but in which neither the Group nor government more generally has a 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 Group's third-party assets are provided in note 23.

### **1.24 Currency and rounding**

The functional currency is Sterling and, except where otherwise stated, for presentational purposes figures have been rounded to the nearest thousand pounds.

### **1.25 New accounting standards that have been issued but are not yet effective**

Management has reviewed new accounting standards that have been issued but are not yet effective, nor adopted early for these accounts. Management consider that these are unlikely to have a significant impact on the accounts in the period of initial application.

## IFRS 17 Insurance Contracts

IFRS 17 *Insurance Contracts* replaces IFRS 4 *Insurance Contracts* and is to be included in the FReM for mandatory implementation from 2025-26. It establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of this Standard. IFRS 17 requires insurance contracts, including reinsurance contracts, to be recognised on the statement of financial position as the total of the fulfilment cashflows and the contractual service margin (CSM). The fulfilment cashflows consist of the present value of future cash flows calculated using best estimate assumptions with an explicit risk adjustment for non-financial risk. The risk adjustment is released to the SoCNE as risk expires. The CSM is the unearned profit on insurance contracts and is released to the SoCNE over the insurance contract period as insurance services are provided. Where an insurance contract is onerous, it will have no CSM and the onerous element of the insurance contract will be recognised immediately in the SoCNE.

The Group has assessed the impact that the application of IFRS 17 will have and has judged that it is immaterial.

## Non-investment asset valuations

In December 2023 Treasury released an exposure draft on potential changes to make to valuing and accounting for non-investment assets (e.g. property, plant and equipment, intangible assets). The following changes to the valuation and accounting of non-investment assets is to be included in the 2025-26 FReM for mandatory implementation. References to assets being held for their 'service potential' and the terms 'specialised/non-specialised' assets are being removed from the FReM. Non-investment assets are instead described as assets held for their 'operational capacity'. This change has no impact on the valuation basis of non-investment assets, which remains Existing Use Value. An adaptation to IAS 16 will be introduced to withdraw the requirement to revalue an asset where its fair value materially differs from its carrying value. Assets are now valued using the one of the following processes:

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

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

## Social Benefits

The 2025-26 FReM includes new guidance on accounting for social benefits. The 2025-26 FReM defines social benefits as 'current transfers received by households (including individuals) intended to provide for the needs that arise from certain events or circumstances, for example, sickness, unemployment, retirement, housing, education, or family circumstances'.

The 2025-26 FReM clarifies that expenditure in respect of social benefit payments should be recognised at the point at which the social benefit claimant meets the eligibility requirements to receive the benefit. Only the expenditure for the period of entitlement that falls within the accounting year should be recognised. The financial impact of accounting for social benefits is not yet known but is not expected to be significant.

## **IFRS 18 Presentation and Disclosure in Financial Statements**

IFRS 18 *Presentation and Disclosure in Financial Statements* will replace IAS 1 *Presentation of Financial Statements* and is effective for annual reporting periods beginning on or after 1 January 2027 in the private sector. The Public Sector implementation date is not yet confirmed. The impact of IFRS 18 on the Public Sector is still being assessed.

The Group has assessed the impact that the application of IFRS 18 will have and has judged that it is immaterial.

### **1.26 Notional charges**

Notional charges are non-cash transactions. Notional charges, in respect of services received from other Government Departments and audit costs, are included in the Consolidated SOCNE to reflect the full economic cost of services.

## **2. Statement of Operating Costs by Operating Segment**

The operating segments have been identified based on financial information reported to the Departmental Board which focused on the following areas.

**Aggregated Schools' Budget** - the main allocations to schools funded via the Common Funding Formula plus in-year delegations of funding for certain earmarked initiatives.

**EA Block Grant** - funding allocated to schools from central budgets held by the EA (including Special Schools, Special Education Needs in mainstream, C2k managed Information Communication Technology service; rates, and teacher substitution costs) and funding attributed to schools for services provided by the EA (including transport, FSM, headquarter and central administration, pupil support, schools' development service, music service and school library service).

**Earmarked budgets** - funding allocated for specific activities which meet defined criteria and for which the funding cannot be spent for any other purpose.

**Other NDPBs** - the Department is supported by CCEA, CCMS, CnaG, General Teaching Council for Northern Ireland, MCA and Northern Ireland Council for Integrated Education.

**Other Education Services** - a range of services, including miscellaneous grants to third party organisations.

**Early Years Provision** - some specific early years programmes, including the Sure Start Programme and the Pathway Fund.

**Youth** - resource funding for youth services.

**Department of Education costs** - salary and administration costs for the Department.

**Capital grants and Departmental capital** - capital programmes including Major Works, the Schools' Enhancement Programme, the Fresh Start Programme, Minor Works schemes, youth capital projects and Departmental non-current assets.

Operating Segments	2024-25 Gross expenditure £000	2024-25 Income £000	2024-25 Net expenditure £000	2023-24 Gross expenditure £000	2023-24 Income £000	2023-24 Net expenditure £000
Aggregated Schools' Budget	1,706,043	(11,438)	1,694,605	1,588,975	(16,521)	1,572,454
EA Block Grant	666,399	(61,842)	604,557	659,461	(52,320)	607,141
Earmarked budgets	121,196	(17,483)	103,713	118,299	(19,550)	98,749
Other NDPBs	41,100	(8,067)	33,033	39,356	(7,399)	31,957
Other Education Services	33,275	(446)	32,829	21,884	-	21,884
Early Years Provision	37,926	-	37,926	34,621	-	34,621
Youth	641,575	(4,429)	637,146	507,044	(755)	506,289
Department of Education costs	22,139	-	22,139	21,713	-	21,713
<b>Total resource</b>	<b>3,269,653</b>	<b>(103,705)</b>	<b>3,165,948</b>	<b>2,991,353</b>	<b>(96,545)</b>	<b>2,894,808</b>
Capital grants and Departmental capital	85,161	(797)	84,364	55,351	(836)	54,515
<b>Total resource and capital</b>	<b>3,354,814</b>	<b>(104,502)</b>	<b>3,250,312</b>	<b>3,046,704</b>	<b>(97,381)</b>	<b>2,949,323</b>

The total assets, total liabilities and net assets are not disclosed as they are not reported separately to the Departmental Board.

**2.1 Reconciliation between Operating Segments and the Consolidated SOCNE**

	Note	2024-25 £000	2023-24 £000
Total net expenditure reported for operating segments	2	3,250,312	2,949,323
Reconciling items:			
AME – impairments		(475)	(1,047)
AME – provisions		1,917	(377)
Operating income payable to the Consolidated Fund		(3,468)	(3,708)
Depreciation		166,620	128,170
Departmental capital		(29,629)	(4,893)
IAS 19 pension costs		(11,501)	11,190
Loss on disposal of property		1,056	1,654
PFI dual reporting adjustment		3,416	3,222
Other non-cash		(3,446)	(579)
Corporation tax		23	27
<b>Total net expenditure per the Consolidated SOCNE</b>		<b>3,374,825</b>	<b>3,082,982</b>
Notional costs		3,344	3,918
<b>Total net expenditure including notionals per the Consolidated SOCNE</b>		<b>3,378,169</b>	<b>3,086,900</b>

### 3. Expenditure

#### 3.1 Other administration expenditure

Note	2024-25 Core Departmental £000	2024-25 Departmental Group £000	2023-24 Core Departmental £000	2023-24 Departmental Group £000
<b>Staff costs*</b>				
Wages and salaries	13,453	13,453	13,943	13,943
Social security costs	1,451	1,451	1,251	1,251
Other pension costs	4,195	4,195	3,503	3,503
	19,099	19,099	18,697	18,697
<b>Other operating expenditure</b>				
Profit on disposal of property	-	-	(3)	(3)
<b>Purchase of goods and services</b>				
Travel and subsistence	86	86	63	63
Other staff related costs	72	72	70	70
Accommodation costs	105	105	112	112
Office services	342	342	327	327
Contracted out services	781	781	809	809
Other professional fees	7	7	8	8
Managed services – information technology	36	36	31	31
Other expenses	241	241	128	128
	1,670	1,670	1,548	1,548
<b>Non-cash items</b>				
Depreciation	13	13	13	13
Amortisation	11	11	7	7
Revaluation	-	-	37	37
	24	24	57	57
<b>Notional charges</b>				
- auditor's remuneration and expenses	109	109	105	105
- accommodation	755	755	1,448	1,448
- others	2,252	2,252	2,164	2,164
	3,116	3,116	3,717	3,717

	Note	2024-25 Core Department £000	2024-25 Departmental Group £000	2023-24 Core Department £000	2023-24 Departmental Group £000
Increase in provisions (provision provided for in- year less any release)	3.4	107	107	46	46
<b>Total</b>		<b>24,016</b>	<b>24,016</b>	<b>24,062</b>	<b>24,062</b>

\*Further analysis of staff costs is located in the Staff Report within the Accountability Report.

During the year the Core Department paid £3k to the Northern Ireland Audit Office for non-audit work relating to the National Fraud Initiative (2023-24: £nil was paid to the Northern Ireland Audit Office for the completion of non-audit work). During the year the Group paid £6k to the Northern Ireland Audit Office for non-audit work relating to the National Fraud Initiative (2023-24: £nil was paid to the Northern Ireland Audit Office for the completion of non-audit work).

### 3.2 Programme expenditure

	Note	2024-25 Core Department £000	2024-25 Departmental Group £000	2023-24 Core Department £000	2023-24 Departmental Group £000
<b>Staff costs*</b>					
Wages and salaries		10,253	1,624,814	10,394	1,525,652
Social security costs		1,027	159,389	930	130,461
Other pension costs		2,951	379,255	2,619	297,088
		14,231	2,163,458	13,943	1,953,201
<b>Other operating expenditure</b>					
Grants		3,593,195	655,546	2,924,462	606,966
EU Grant		8,368	8,368	6,442	6,442
Loss on disposal of property		-	1,056	-	1,657
		3,601,563	664,970	2,930,904	615,065
<b>Purchase of goods and services</b>					
Goods and services		-	282,685	-	251,978
Auditors' remuneration and expenses (hard charge audit fees and non-audit services)		-	73	-	71
Interest charges		-	14	-	1
PFI and other service concession arrangements service charges		-	29,855	-	30,231
Travel and subsistence		176	292	125	270
Other staff related costs		50	105	41	76

	Note	2024-25 Core Department £000	2024-25 Departmental Group £000	2023-24 Core Department £000	2023-24 Departmental Group £000
Accommodation costs		86	141,221	95	139,780
Office services		2,086	26,449	1,814	29,257
Contracted out services		19	19	18	18
Other professional fees		-	9,157	-	7,939
Pension costs		-	5,990	-	14,937
Other expenses		2,078	2,103	1,982	2,518
		4,495	497,963	4,075	477,076
<b>Non-cash items</b>					
Depreciation		271	145,273	262	121,928
Amortisation		1,098	21,323	955	6,222
Revaluation		764	(475)	274	(1,084)
		2,133	166,121	1,491	127,066
Notional charges					
- Auditor's remuneration and expenses		-	228	-	201
Increase/(decrease) in provisions (provision provided for in-year less any release)	3.4	(2)	2,990	9	2,268
<b>Total</b>		<b>3,622,420</b>	<b>3,495,730</b>	<b>2,950,422</b>	<b>3,174,877</b>

\*Further analysis of staff costs is located in the Staff Report within the Accountability Report.

### 3.3 Notional audit costs

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

	2024-25 £000	2023-24 £000
Core Department	109	105
<b>Total Core Department</b>	<b>109</b>	<b>105</b>
EA	210	184
General Teaching Council for Northern Ireland	18	17
<b>Departmental Group notional audit costs</b>	<b>337</b>	<b>306</b>

Other NDPBs are hard charged for their audit costs, and their costs are included in the Departmental Group figure at note 3.2.

## 3.4 Non-cash transactions included in the Statement of Cash Flows

	2024-25 Core Department £000	2024-25 Departmental Group £000	2023-24 Core Department £000	2023-24 Departmental Group £000
Depreciation, amortisation and revaluation (Note 3.1)	24	24	57	57
Depreciation, amortisation and revaluation (Note 3.2)	2,133	166,121	1,491	127,066
	2,157	166,145	1,548	127,123
New provisions, and adjustments to previous provisions (Note 3.1)	107	107	46	46
New provisions, and adjustments to previous provisions (Note 3.2)	(2)	2,990	9	2,268
	105	3,097	55	2,314
Other non-cash items				
Notional charges (Note 3.1)	3,116	3,116	3,717	3,717
Notional charges (Note 3.2)	-	228	-	201
Northern Ireland Teachers' Pension Scheme – Premature Retirement Compensation	-	16,614	-	15,854
IAS 19 pension costs	-	(11,501)	-	11,190
Notional income - right of use asset	-	(3,085)	-	-
Taxation	-	-	-	10
VG & GMI	-	377	-	471
	3,116	5,749	3,717	31,443
Profit on disposal of property (Note 3.1)	-	-	(3)	(3)
Loss on disposal of property (Note 3.2)	-	1,056	-	1,657
	-	1,056	(3)	1,654
<b>Total non-cash transactions (Statement of Cash Flows)</b>	<b>5,378</b>	<b>176,047</b>	<b>5,317</b>	<b>162,534</b>

### 3.5 Analysis of notes 3.1 and 3.2 for the Statement of Comprehensive Net Expenditure

	Other administration expenditure (Note 3.1) £000	Programme expenditure (Note 3.2) £000	2024-25 £000	2023-24 £000
<b>Core Department</b>				
Staff costs	19,099	14,231	33,330	32,640
Purchase of goods and services	1,670	4,495	6,165	5,623
Depreciation, amortisation and revaluation	24	2,133	2,157	1,548
Provision expense	107	(2)	105	55
Other operating expenditure	-	3,601,563	3,601,563	2,930,901
	<b>20,900</b>	<b>3,622,420</b>	<b>3,643,320</b>	<b>2,970,767</b>
<b>Notional costs</b>				
Notional audit costs	109	-	109	105
Other notional costs	3,007	-	3,007	3,612
<b>Total notional costs</b>	<b>3,116</b>	<b>-</b>	<b>3,116</b>	<b>3,717</b>
	<b>24,016</b>	<b>3,622,420</b>	<b>3,646,436</b>	<b>2,974,484</b>

	Other administration expenditure (Note 3.1) £000	Programme expenditure (Note 3.2) £000	2024-25 £000	2023-24 £000
<b>Departmental Group</b>				
Staff costs	19,099	2,163,458	2,182,557	1,971,898
Purchase of goods and services	1,670	497,963	499,633	478,624
Depreciation, amortisation and revaluation	24	166,121	166,145	127,123
Provision expense	107	2,990	3,097	2,314
Other operating expenditure	-	664,970	664,970	615,062
	<b>20,900</b>	<b>3,495,502</b>	<b>3,516,402</b>	<b>3,195,021</b>
<b>Notional costs</b>				
Notional audit costs	109	228	337	306
Other notional costs	3,007	-	3,007	3,612
<b>Total notional costs</b>	<b>3,116</b>	<b>228</b>	<b>3,344</b>	<b>3,918</b>
	<b>24,016</b>	<b>3,495,730</b>	<b>3,519,746</b>	<b>3,198,939</b>

## 4. Income

### 4.1 Revenue from contracts with customers

	2024-25 Core Departmental £000	2024-25 Departmental Group £000	2023-24 Core Departmental £000	2023-24 Departmental Group £000
Catering operations	-	40,765	-	36,273
Recoupment of costs	-	21,710	-	20,645
Other income generating activities	-	7,477	-	6,695
Miscellaneous	-	3,348	-	3,573
Tuition fees	-	3,749	-	2,508
Letting of Halls	-	659	-	730
Outdoor Education Charges	-	1,187	-	738
	-	<b>78,895</b>	-	<b>71,162</b>

The Group has considered the requirements of IFRS 15 *Revenue from Contracts with Customers*. Income falling within the scope of IFRS 15 and relating to contracts with customers is analysed in the table above.

### 4.2 Other operating income

	2024-25 Core Departmental £000	2024-25 Departmental Group £000	2023-24 Core Departmental £000	2023-24 Departmental Group £000
Co-funded ALB income (Further Education and Student Support, from DfE)	12,279	12,279	11,571	11,571
Other	1,756	11,203	1,223	7,083
European funds	6,695	8,371	5,476	7,455
Other grants	-	9,171	-	5,016
Shared Island income	447	447	-	-
Capital income	-	551	-	386
Sale of property, plant and equipment (NDPBs)	2,507	2,507	3,321	3,321
Vulnerable Persons Relocation Scheme	900	900	2,326	2,326
New Opportunities Fund/Big Lottery/Heritage Lottery Fund	-	(2)	-	1
	<b>24,584</b>	<b>45,427</b>	<b>23,917</b>	<b>37,159</b>

Other operating income consists of grants which have no commercial substance and are therefore considered to be outside the scope of IFRS 15.

## 5. Taxation

Corporation tax of £23k (2023-24: £27k) was paid at a rate of 25% (2023-24: 25%) on the taxable gains of two of the Department's NDPBs, MCA Limited and General Teaching Council for Northern Ireland.

## 6. Property, plant and equipment

Consolidated	Land £000	Buildings £000	Transport Equipment £000	Information Technology £000	Plant & Machinery £000	Asset under Construction £000	Total £000
<b>Cost or valuation</b>							
At 1 April 2024	704,991	3,028,379	103,287	228,141	145,787	132,443	4,343,028
Additions	20,174	141,927	3,557	9,963	14,418	73,878	263,917
Disposals	-	-	(1,109)	(1,937)	(2,144)	-	(5,190)
Reclassifications and transfers	-	28,633	(1)	6,471	31	(35,134)	-
Revaluation	473	52,019	3,556	607	1,650	(751)	57,554
Transferred to non-current assets held for sale	(700)	-	-	-	-	-	(700)
<b>At 31 March 2025</b>	<b>724,938</b>	<b>3,250,958</b>	<b>109,290</b>	<b>243,245</b>	<b>159,742</b>	<b>170,436</b>	<b>4,658,609</b>
<b>Depreciation</b>							
At 1 April 2024	-	88,590	65,073	179,741	90,021	-	423,425
Correction to opening balance	-	-	-	(2)	1	-	(1)
Charged in year	-	91,585	9,217	32,555	10,767	-	144,124
Disposals	-	-	(1,056)	(1,926)	(1,966)	-	(4,948)
Revaluation	-	4,062	2,313	450	1,011	-	7,836
<b>At 31 March 2025</b>	<b>-</b>	<b>184,237</b>	<b>75,547</b>	<b>210,818</b>	<b>99,834</b>	<b>-</b>	<b>570,436</b>
<b>Carrying amount at 31 March 2025</b>	<b>724,938</b>	<b>3,066,721</b>	<b>33,743</b>	<b>32,427</b>	<b>59,908</b>	<b>170,436</b>	<b>4,088,173</b>
<b>Carrying amount at 31 March 2024</b>	<b>704,991</b>	<b>2,939,789</b>	<b>38,214</b>	<b>48,400</b>	<b>55,766</b>	<b>132,443</b>	<b>3,919,603</b>

<b>Consolidated</b>	<b>Land £000</b>	<b>Buildings £000</b>	<b>Transport Equipment £000</b>	<b>Information Technology £000</b>	<b>Plant &amp; Machinery £000</b>	<b>Asset under Construction £000</b>	<b>Total £000</b>
<b>Asset financing</b>							
Owned	699,140	2,736,388	33,743	32,427	59,908	170,436	3,732,042
On-Balance Sheet PFI contracts and other service concession arrangements	45	192,066	-	-	-	-	192,111
Leased	25,753	138,267	-	-	-	-	164,020
<b>Carrying amount at 31 March 2025</b>	<b>724,938</b>	<b>3,066,721</b>	<b>33,743</b>	<b>32,427</b>	<b>59,908</b>	<b>170,436</b>	<b>4,088,173</b>
<b>Of the total:</b>							
Department	12,065	11,572	8	3	4	64,687	88,339
Other designated bodies	712,873	3,055,149	33,735	32,424	59,904	105,749	3,999,834
<b>Carrying amount at 31 March 2025</b>	<b>724,938</b>	<b>3,066,721</b>	<b>33,743</b>	<b>32,427</b>	<b>59,908</b>	<b>170,436</b>	<b>4,088,173</b>

Land and buildings are stated at current value in existing use. Land is valued in the year of purchase and buildings in the year in which they are brought into use, using a professional valuation provided by LPS, a Directorate within DoF. Subsequently, a professional valuation is made by LPS every five years, and in the intervening years interim valuations are obtained from LPS. The last full professional valuation of the land and buildings was undertaken by LPS as at 31 March 2023. All other assets are re-valued using indices.

The net book value of property, plant and equipment includes an amount of £17,128k (2023-24: £17,758k) in respect of assets held in Reversionary Trusts i.e. if properties cease to be used as specified in the deeds they will revert to the ownership of the trustees.

The net book value of property, plant and equipment noted above does not include maintained schools, apart from school meals kitchens accommodation operating on these sites, which are owned by the EA. The ownership of maintained schools rests with the trustees. In 2024-25 there were 464 (2023-24: 473) such schools.

The Department uses Producer Price Indices published by the ONS in order to apply indexation to the value of non-property assets at year-end. In line with previous years, the December indices have been applied in 2024-25. Ordinarily, an assessment is carried out after the year-end, following the publication of the March indices by ONS, to ascertain that the impact of the movement in the indices between December and March is immaterial. However, in March 2025, ONS issued a statement indicating that they had identified a problem with the chain-linking methods used to calculate these indices, affecting the years from 2008 onwards, and that they would consequently be pausing publication of Producer Price Index data while the issue is rectified. At the time these accounts

are being prepared, it has not been possible to ascertain the potential impact of this issue. However, given the value of the non-property assets potentially affected, the Department does not expect an adjustment to indexation to have a material impact on the 2024-25 accounts. It is anticipated that ONS will recommence publication of the Producer Price Indices at some point during the 2025-26 financial year and the indexation of non-property assets will be brought up to date in the 2025-26 accounts.

<b>Consolidated</b>	<b>Land £000</b>	<b>Buildings £000</b>	<b>Transport Equipment £000</b>	<b>Information Technology £000</b>	<b>Plant &amp; Machinery £000</b>	<b>Asset under Construction £000</b>	<b>Total £000</b>
<b>Cost or valuation</b>							
At 1 April 2023	685,041	2,820,551	104,207	212,549	132,625	119,396	4,074,369
Additions	19,110	101,433	1,005	5,757	10,609	77,391	215,305
Disposals	(1)	-	(2,204)	(454)	(1,381)	-	(4,040)
Reclassifications and transfers*	521	52,908	17	9,037	1,489	(64,140)	(168)
Revaluation	1,346	53,487	262	1,252	2,445	(204)	58,588
Transferred to non-current assets held for sale	(1,026)	-	-	-	-	-	(1,026)
<b>At 31 March 2024</b>	<b>704,991</b>	<b>3,028,379</b>	<b>103,287</b>	<b>228,141</b>	<b>145,787</b>	<b>132,443</b>	<b>4,343,028</b>
<b>Depreciation</b>							
At 1 April 2023	-	140	59,234	164,611	78,686	-	302,671
Charged in year	-	86,726	7,862	16,009	9,863	-	120,460
Disposals	-	-	(2,179)	(446)	(1,355)	-	(3,980)
Reclassifications and transfers*	-	-	-	(1,522)	1,366	-	(156)
Revaluation	-	1,724	156	1,089	1,461	-	4,430
<b>At 31 March 2024</b>	<b>-</b>	<b>88,590</b>	<b>65,073</b>	<b>179,741</b>	<b>90,021</b>	<b>-</b>	<b>423,425</b>
<b>Carrying amount at 31 March 2024</b>	<b>704,991</b>	<b>2,939,789</b>	<b>38,214</b>	<b>48,400</b>	<b>55,766</b>	<b>132,443</b>	<b>3,919,603</b>
<b>Carrying amount at 31 March 2023</b>	<b>685,041</b>	<b>2,820,411</b>	<b>44,973</b>	<b>47,938</b>	<b>53,939</b>	<b>119,396</b>	<b>3,771,698</b>

<b>Consolidated</b>	<b>Land £000</b>	<b>Buildings £000</b>	<b>Transport Equipment £000</b>	<b>Information Technology £000</b>	<b>Plant &amp; Machinery £000</b>	<b>Asset under Construction £000</b>	<b>Total £000</b>
<b>Asset financing</b>							
Owned	682,903	2,803,482	38,214	48,400	55,766	132,443	3,761,208
On-Balance Sheet PFI contracts and other service concession arrangements	45	9,968	-	-	-	-	10,013
Leased	22,043	126,339	-	-	-	-	148,382
<b>Carrying amount at 31 March 2024</b>	<b>704,991</b>	<b>2,939,789</b>	<b>38,214</b>	<b>48,400</b>	<b>55,766</b>	<b>132,443</b>	<b>3,919,603</b>
<b>Of the total:</b>							
Department	11,319	11,496	18	4	5	36,574	59,416
Other designated bodies	693,672	2,928,293	38,196	48,396	55,761	95,869	3,860,187
<b>Carrying amount at 31 March 2024</b>	<b>704,991</b>	<b>2,939,789</b>	<b>38,214</b>	<b>48,400</b>	<b>55,766</b>	<b>132,443</b>	<b>3,919,603</b>

\*Transfer of Information Technology equipment from Property, Plant and Equipment to Intangible Assets.

## 7. Intangible assets

	Information Technology £000	Software licences £000	Asset under Construction £000	Total £000
<b>Consolidated</b>				
<b>Cost or valuation</b>				
At 1 April 2024	10,324	64,874	3,454	78,652
Additions	765	2,932	11,916	15,613
Disposals	-	(3,956)	-	(3,956)
Reclassifications and transfers	-	4,709	(4,709)	-
Revaluation	354	-	-	354
<b>At 31 March 2025</b>	<b>11,443</b>	<b>68,559</b>	<b>10,661</b>	<b>90,663</b>
<b>Amortisation</b>				
At 1 April 2024	3,351	14,250	-	17,601
Charged in year	1,109	20,225	-	21,334
Disposals	-	(3,907)	-	(3,907)
Revaluation	125	-	-	125
<b>At 31 March 2025</b>	<b>4,585</b>	<b>30,568</b>	<b>-</b>	<b>35,153</b>
<b>Carrying amount at 31 March 2025</b>	<b>6,858</b>	<b>37,991</b>	<b>10,661</b>	<b>55,510</b>
<b>Carrying amount at 31 March 2024</b>	<b>6,973</b>	<b>50,624</b>	<b>3,454</b>	<b>61,051</b>
<b>Asset financing</b>				
Owned	6,858	37,991	10,661	55,510
<b>Carrying amount at 31 March 2025</b>	<b>6,858</b>	<b>37,991</b>	<b>10,661</b>	<b>55,510</b>
<b>Of the total:</b>				
Department	6,858	-	-	6,858
Other designated bodies	-	37,991	10,661	48,652
<b>Carrying amount at 31 March 2025</b>	<b>6,858</b>	<b>37,991</b>	<b>10,661</b>	<b>55,510</b>

	Information Technology £000	Software licences £000	Asset under Construction £000	Total £000
<b>Consolidated</b>				
<b>Cost or valuation</b>				
At 1 April 2023	9,477	16,928	37,519	63,924
Additions	269	13,996	-	14,265
Disposals	-	(132)	-	(132)
Reclassifications and transfers*	151	34,082	(34,065)	168
Revaluation	427	-	-	427
<b>At 31 March 2024</b>	<b>10,324</b>	<b>64,874</b>	<b>3,454</b>	<b>78,652</b>
<b>Amortisation</b>				
At 1 April 2023	2,267	8,955	-	11,222
Charged in year	962	5,267	-	6,229
Disposals	-	(128)	-	(128)
Reclassifications and transfers*	-	156	-	156
Revaluation	122	-	-	122
<b>At 31 March 2024</b>	<b>3,351</b>	<b>14,250</b>	<b>-</b>	<b>17,601</b>
<b>Carrying amount at 31 March 2024</b>	<b>6,973</b>	<b>50,624</b>	<b>3,454</b>	<b>61,051</b>
<b>Carrying amount at 31 March 2023</b>	<b>7,210</b>	<b>7,973</b>	<b>37,519</b>	<b>52,702</b>
<b>Asset financing</b>				
Owned	6,973	50,624	3,454	61,051
<b>Carrying amount at 31 March 2024</b>	<b>6,973</b>	<b>50,624</b>	<b>3,454</b>	<b>61,051</b>
<b>Of the total:</b>				
Department	6,973	-	-	6,973
Other designated bodies	-	50,624	3,454	54,078
<b>Carrying amount at 31 March 2024</b>	<b>6,973</b>	<b>50,624</b>	<b>3,454</b>	<b>61,051</b>

\*Transfer of Information Technology equipment from Property, Plant and Equipment to Intangible Assets.

## 8. Impairments

The following impairments to current and non-current assets were incurred during the financial year.

	2024-25 Core Department £000	2024-25 Departmental Group £000	2023-24 Core Department £000	2023-24 Departmental Group £000
Impairment charge/(credit) to the SOCNE	747	(492)	328	(1,030)
Impairment taken through the revaluation reserve	-	-	-	-
<b>Total impairment charge/(credit) for the year</b>	<b>747</b>	<b>(492)</b>	<b>328</b>	<b>(1,030)</b>

## 9. Financial Instruments

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

### Classification of financial instruments

The Group has financial instruments in the form of an investment in MCA (Holdings) Limited, assets held for sale, trade receivables and payables and cash and cash equivalents.

The investment in the MCA (Holdings) Limited is measured at historical cost less any impairment. Assets held for sale, trade receivables and cash and cash equivalents are measured at amortised cost. Financial liabilities are recognised and carried at fair value, net of transaction costs.

### Risk management

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

### 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 Group 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 Group wishes to trade with. Publicly available credit information from recognised providers is utilised for this purpose where available. The maximum exposure to credit risk is represented by the carrying amounts of the trade receivables carried in the SOFP.

### Liquidity risk

Liquidity risk is the risk that an entity will have difficulties in paying its financial liabilities. The Group's net revenue resource requirements are financed by resources voted annually by the Northern Ireland Assembly, as is its capital expenditure. The Group is not, therefore, exposed to significant liquidity risks.

### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

All of the Group's financial assets and liabilities carry nil or fixed rates of interest. The Group is therefore not exposed to any interest rate risk.

### 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 Group receives reimbursement of certain grant payments from the 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 Group submits claims to the EU is the relevant portion of the receivable subject to exchange rate risk.

The Group does not have the authority to manage currency risk through hedging.

## 10. Investments in other public bodies

In the year to 31 March 2005 the Department invested in MCA (Holdings) Limited as a joint venture with the Department of Education, Ireland. Both parties fund the company equally.

The investment in MCA (Holdings) Limited at 31 March 2025 was:

	<b>MCA (Holdings) Limited £000</b>
1 April 2023	922
Revaluation credit to SOCNE	30
<b>At 31 March 2024</b>	<b>952</b>
Revaluation charge to SOCNE	(13)
<b>At 31 March 2025</b>	<b>939</b>

**11. Assets held for sale**

	<b>Departmental Group £000</b>
At 1 April 2023	580
Assets classified as held for sale in the year	1,026
Assets sold in the year	(1,606)
<b>At 31 March 2024</b>	<b>-</b>
Assets classified as held for sale in the year	700
Assets sold in the year	(700)
<b>At 31 March 2025</b>	<b>-</b>

All assets classified as held for sale meet the following conditions:

- there is a commitment to a plan to sell;
- an active programme to locate a buyer has been initiated;
- the asset is actively marketed for sale;
- the asset is available for sale in its present condition; and
- the asset is expected to be disposed of within 12 months of being classified as “non-current assets held for sale”.

Assets sold in the year comprised:

- Faughan Valley High School.

**12. Inventories**

	<b>2024-25 Core Department £000</b>	<b>2024-25 Departmental Group £000</b>	<b>2023-24 Core Department £000</b>	<b>2023-24 Departmental Group £000</b>
Schools' stock	-	48,041	-	44,118
Musical instruments and book stock	-	4,997	-	6,055
Grounds maintenance service stock	-	1,314	-	1,174
Catering	-	1,721	-	1,651
Maintenance and central depots	-	672	-	754
Teaching Aids	-	4	-	2
	<b>-</b>	<b>56,749</b>	<b>-</b>	<b>53,754</b>

### 13. Cash and cash equivalents

	2024-25 Core Department £000	2024-25 Departmental Group £000	2023-24 Core Department £000	2023-24 Departmental Group £000
At 1 April	(2,996)	11,181	(2,154)	12,902
Net change in cash and cash equivalents	4,299	3,847	(842)	(1,721)
<b>At 31 March</b>	<b>1,303</b>	<b>15,028</b>	<b>(2,996)</b>	<b>11,181</b>
The following balances at 31 March were held at:				
Commercial banks and cash in hand	1,303	15,028	(2,996)	11,181
<b>At 31 March</b>	<b>1,303</b>	<b>15,028</b>	<b>(2,996)</b>	<b>11,181</b>
The balance comprises:				
Cash at bank	1,303	15,028	-	14,177
Bank overdraft	-	-	(2,996)	(2,996)
	<b>1,303</b>	<b>15,028</b>	<b>(2,996)</b>	<b>11,181</b>

#### 13.1 Reconciliation of liabilities arising from financing activities

The Core Department had no liabilities arising from financing activities at 31 March 2025 and 31 March 2024.

	31 March 2024 £000	Cash flows £000	Acquisition £000	Other changes £000	31 March 2025 £000
<b>Departmental Group</b>					
Lease liabilities	3,415	(1,133)	657	(342)	2,597
PFI liabilities	121,704	(5,867)	-	(160)	115,677
<b>Total liabilities from financing activities</b>	<b>125,119</b>	<b>(7,000)</b>	<b>657</b>	<b>(502)</b>	<b>118,274</b>

	31 March 2023 £000	Cash flows £000	Other changes £000	31 March 2024 £000
<b>Departmental Group</b>				
Lease liabilities	4,998	(1,402)	(181)	3,415
PFI liabilities	127,441	(5,566)	(171)	121,704
<b>Total liabilities from financing activities</b>	<b>132,439</b>	<b>(6,968)</b>	<b>(352)</b>	<b>125,119</b>

**14. Trade receivables, financial and other assets**

	<b>2024-25</b>	<b>2024-25</b>	<b>2023-24</b>	<b>2023-24</b>
	<b>Core</b>	<b>Departmental</b>	<b>Core</b>	<b>Departmental</b>
<b>Amounts falling due within one year:</b>	<b>Department</b>	<b>Group</b>	<b>Department</b>	<b>Group</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
VAT	1,764	16,662	315	13,116
EU grants receivable	8,329	8,329	2,714	2,714
Trade receivables	303	6,543	252	7,896
Other receivables	10	1,245	177	1,485
Prepayments	1,452	7,954	600	6,412
Accrued income	1,009	31,020	1,171	27,386
Amounts due from the Consolidated Fund in respect of Supply	2,019	2,019	6,369	6,369
	<b>14,886</b>	<b>73,772</b>	<b>11,598</b>	<b>65,378</b>
	<b>2024-25</b>	<b>2024-25</b>	<b>2023-24</b>	<b>2023-24</b>
	<b>Core</b>	<b>Departmental</b>	<b>Core</b>	<b>Departmental</b>
<b>Amounts falling due after more than one year:</b>	<b>Department</b>	<b>Group</b>	<b>Department</b>	<b>Group</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Trade receivables	-	383	-	89
	<b>-</b>	<b>383</b>	<b>-</b>	<b>89</b>

Included within accrued income in the Core Department is £145,932 (2023-24: £334,708) that will be due to the Consolidated Fund once the debt is collected.



## 16. Provisions for liabilities and charges

	Early departure costs £000	Legal Claims £000	2024-25 Total £000	Early departure costs £000	Legal Claims £000	2023-24 Total £000
<b>Core Department</b>						
At 1 April 2024	356	23	379	333	14	347
Provided in the year	107	2	109	46	9	55
Provisions not required written back	-	(4)	(4)	-	-	-
Provisions utilised in the year	(25)	(5)	(30)	(23)	-	(23)
<b>At 31 March 2025</b>	<b>438</b>	<b>16</b>	<b>454</b>	<b>356</b>	<b>23</b>	<b>379</b>

	Early departure costs £000	Legal Claims £000	2024-25 Total £000	Early departure costs £000	Legal Claims £000	Other £000	2023-24 Total £000
<b>Departmental Group</b>							
At 1 April 2024	828	15,958	16,786	843	16,381	126	17,350
Provided in the year	107	6,512	6,619	46	9,340	-	9,386
Provisions not required written back	-	(3,522)	(3,522)	-	(7,072)	(37)	(7,109)
Provisions utilised in the year	(68)	(1,185)	(1,253)	(61)	(2,691)	(89)	(2,841)
<b>At 31 March 2025</b>	<b>867</b>	<b>17,763</b>	<b>18,630</b>	<b>828</b>	<b>15,958</b>	<b>-</b>	<b>16,786</b>

## 16.1 Analysis of expected timing of discounted flows

	Early departure costs £000	Legal Claims £000	2024-25 Total £000	Early departure costs £000	Legal Claims £000	2023-24 Total £000
<b>Core Department</b>						
Not later than one year	26	16	42	24	23	47
Later than one year and not later than five years	100	-	100	94	-	94
Later than five years	312	-	312	238	-	238
<b>At 31 March 2025</b>	<b>438</b>	<b>16</b>	<b>454</b>	<b>356</b>	<b>23</b>	<b>379</b>
	Early departure costs £000	Legal Claims £000	2024-25 Total £000	Early departure costs £000	Legal Claims £000	2023-24 Total £000
<b>Departmental Group</b>						
Not later than one year	112	850	962	103	831	934
Later than one year and not later than five years	443	16,913	17,356	199	15,127	15,326
Later than five years	312	-	312	526	-	526
<b>At 31 March 2025</b>	<b>867</b>	<b>17,763</b>	<b>18,630</b>	<b>828</b>	<b>15,958</b>	<b>16,786</b>

### Early departure costs

The Department is required to meet the costs of paying the pensions of employees who retire early, from the date of their retirement until they reach normal pensionable age (or, in the case of Injury Awards estimated life expectancy) and must provide in full for the cost of meeting pensions resulting from such early retirement schemes. The Department may, in certain circumstances, settle some or all of its liability in advance by making a payment to the DoF Superannuation Vote.

### Legal claims (including Employer and Public Liability Claims)

Provision has been made for various legal claims against the Group. The provision reflects all known claims where legal advice indicates that it is more than 50% probable that the claim will be successful, and the amount of the claim can be reliably estimated. A discount rate has not been applied to the provisions for legal claims as the time value of money is not significant.

Legal claims which may succeed but are less likely to do so or cannot be estimated reliably are disclosed as contingent liabilities in Note 17.

The Court of Appeal (CoA) judgement from 17 June 2019 (Police Service of Northern Ireland v Agnew) determined that claims for Holiday Pay shortfall can extend as far back as 1998. However, the Police Service of Northern Ireland appealed the CoA judgement to the Supreme Court. The hearing was held in December 2022 and the judgement was delivered on 4 October 2023. The 2024-25 Holiday Pay provision has been estimated by HR and covers the period from November 1998 to 31 March 2020. There are still some significant elements of uncertainty around this estimate for a number of reasons:

- a) Lack of accessible data for years prior to 2011.
- b) Ongoing negotiations with Trade Unions and their legal representatives.

Legal claims are also submitted by members of staff and/or the public in relation to accidents or incidents, which have happened before the SOFP date. Claims which are not considered dormant, or statute barred by the passage of time since being lodged but have progressed sufficiently to allow an estimated 'settlement' figure to be calculated, are included in the provision. Estimates are calculated by reference to analysis of previous claims of a similar type, the previous history of successful settlements and professional judgement.

The possible timing of payments in settlement of such cases is uncertain; it is plaintiff driven and the case's progress is dependent on the individual circumstances of that case. As a case progresses, and more information becomes available the amount of the estimated 'settlement' figure may in subsequent years be revised up or down.

### Other

Other includes provision for job evaluation, industrial tribunal cases pending and sundry legal costs.

The job evaluation element relates to EA employees, whose posts are due to be evaluated under the job evaluation scheme. As a result, employees may be re-graded to a higher grade and therefore entitled to a higher salary from the date additional duties were undertaken. The provision is made only in respect of those employee categories where it is probable that a liability will arise and where the EA is able to make a reasonable estimation of the arrears' liability. Following a reassessment of the position at 31 March 2025, the EA has assessed that there is no requirement for a provision for Job Evaluation as any recent payments made for job evaluation are immaterial and there is no expectation of material payments in the future.

### **Premature Retirement for Teachers**

A provision has not been included in the Group's accounts for future liabilities in respect of existing teacher premature retirement cases. Any assessment of future financial liabilities in this regard will be reflected in the Northern Ireland Teachers' Pension Scheme.

The in-year charge in respect of such cases as well as requisite employer superannuation contributions is charged to the Group's SOCNE. In that respect there were 4,755 (2023-24: 4,966) premature retirement compensation cases at 31 March 2025.

## **17. Contingent liabilities and contingent assets**

### **17.1 Contingent liabilities**

In addition to the following, the Department has entered into a number of guarantees, indemnities or provided letters of comfort, but the possibility of these crystallising is considered to be too remote to require disclosure. As disclosed within the Other Assembly Accountability Disclosure Notes in the Northern Ireland Assembly Accountability and Audit Report, the Department has not reported any remote contingent liabilities to the Northern Ireland Assembly.

### **Legal Cases and Public Liability**

Proceedings against the Group have been initiated for a number of public employer's liability and employment tribunal cases.

The Group has accrued or provided for the estimated settlement cost of cases where it can be reliably estimated, i.e. amounts which are probable and ascertainable.

No amounts have been accrued or provided for in the accounts for cases where the likelihood of the Group being found liable cannot be reliably determined or the value of settlements reasonably estimated on the basis that the cases concerned have not progressed sufficiently to allow assessment by solicitors.

Based on previous cases of a similar nature, should the Group be found liable for all cases listed and not already provided for within the accounts, the potential total settlement costs are estimated to be in the region of £14,121k (2023-24: £8,521k) for 289 (2023-24: 204) legal challenges.

## Public Sector Pensions - Injury to Feelings Claims

DoF is a named Respondent in a class action affecting employers across the public sector and is managing claims on behalf of the Northern Ireland Civil Service Departments. This is an extremely complex case with potential implications for the Northern Ireland Civil Service and wider public sector. However, given the complexities, the cases are still at an early stage of proceedings and until there is further clarity on potential scope and impact, a reliable estimate of liability cannot be provided.

## Job Evaluation - EA

### Assessment and Review Process for Classroom Assistants

An assessment and review process in relation to allocated classroom assistant job descriptions is still to be agreed with the trade unions.

## Job Evaluation - Moratorium

As a consequence of an ongoing moratorium on headquarters and out-centre job evaluations there are approximately 150 posts awaiting re-evaluation, most of which arise in the legacy organisations which pre-date the creation of the EA. It is estimated that the cost of re-evaluation of current claims and associated arrears could amount to £3m. A pilot exercise is to be undertaken to progress agreement with Trade Union Side on revised procedures to support a business case.

## Repayment of grants

The Northern Ireland Council for Integrated Education and CnaG have a contingent liability to repay revenue grants received if certain conditions are not fulfilled.

## 17.2 Contingent assets

The following contingent assets at 31 March 2025 have not been included in the financial statements:

	Number of cases	Value £000
Probable recoupment of monies from school trustees following closure	13	1,837

**18. Retirement benefit asset/(obligation)**

	2024-25 Core Department £000	2024-25 Departmental Group £000	2023-24 Core Department £000	2023-24 Departmental Group £000
Fair value of assets	-	3,453,738	-	3,275,938
Present value of funded defined benefit obligation	-	(2,635,524)	-	(2,970,146)
Present value of unfunded defined benefit obligation	-	(19,648)	-	(17,473)
<b>Asset/(liability) at 31 March</b>	<b>-</b>	<b>798,566</b>	<b>-</b>	<b>288,319</b>

Further detail in relation to pension obligations can be found in the Remuneration and Staff Report within the Annual Report and Accounts of each NDPB.

**19. Leases**

The Group's lease contracts comprise land and buildings.

**19.1 Right-of-use lease assets**

	Land £000	Buildings £000	2024-25 Total £000
<b>Cost or valuation</b>			
At 1 April 2024	799	5,508	6,307
Additions – new leases	1,070	2,613	3,683
Disposals	(153)	(18)	(171)
Derecognition	-	(853)	(853)
Remeasurement – existing leases	1	58	59
<b>At 31 March 2025</b>	<b>1,717</b>	<b>7,308</b>	<b>9,025</b>
<b>Depreciation</b>			
At 1 April 2024	158	2,392	2,550
Depreciation charged in year	102	1,060	1,162
Disposals	(70)	(19)	(89)
Derecognition	-	(489)	(489)
<b>At 31 March 2025</b>	<b>190</b>	<b>2,944</b>	<b>3,134</b>
<b>Carrying amount at 31 March 2025</b>	<b>1,527</b>	<b>4,364</b>	<b>5,891</b>
<b>Carrying amount at 31 March 2024</b>	<b>641</b>	<b>3,116</b>	<b>3,757</b>

	Land £000	Buildings £000	2023-24 Total £000
<b>Cost or valuation</b>			
At 1 April 2023	806	6,041	6,847
Revaluations	-	32	32
Derecognition	(7)	(565)	(572)
<b>At 31 March 2024</b>	<b>799</b>	<b>5,508</b>	<b>6,307</b>
<b>Depreciation</b>			
At 1 April 2023	66	1,391	1,457
Depreciation charged in year	99	1,382	1,481
Revaluations	-	3	3
Derecognition	(7)	(384)	(391)
<b>At 31 March 2024</b>	<b>158</b>	<b>2,392</b>	<b>2,550</b>
<b>Carrying amount at 31 March 2024</b>	<b>641</b>	<b>3,116</b>	<b>3,757</b>
<b>Carrying amount at 31 March 2023</b>	<b>740</b>	<b>4,650</b>	<b>5,390</b>

## 19.2 Lease liabilities

	2024-25 Core Department £000	2024-25 Departmental Group £000	2023-24 Core Department £000	2023-24 Departmental Group £000
<b>Maturity analysis</b>				
<b>Land and Buildings</b>				
Not later than one year	-	1,095	-	1,186
Later than one year and not later than five years	-	1,225	-	1,853
Later than five years	-	347	-	456
	-	<b>2,667</b>	-	<b>3,495</b>
Less interest element	-	(70)	-	(80)
<b>Present Value of obligations</b>	-	<b>2,597</b>	-	<b>3,415</b>
<b>Maturity analysis</b>				
Current	-	1,241	-	1,163
Non-current	-	1,356	-	2,252
<b>Total Present Value of obligations</b>	-	<b>2,597</b>	-	<b>3,415</b>

**19.3 Amounts recognised in the SOCNE**

	2024-25 Core Department £000	2024-25 Departmental Group £000	2023-24 Core Department £000	2023-24 Departmental Group £000
Depreciation	-	1,162	-	1,481
Interest expense	-	31	-	37
Expense related to short term leases	-	251	-	271
Expense related to low-value asset leases (excluding short term leases)	-	681	-	665
	-	<b>2,125</b>	-	<b>2,454</b>

**19.4 Amounts recognised in the Statement of Cash Flows**

	2024-25 Core Department £000	2024-25 Departmental Group £000	2023-24 Core Department £000	2023-24 Departmental Group £000
Interest expense	-	32	-	38
Repayments of principal on leases	-	1,133	-	1,402
	-	<b>1,165</b>	-	<b>1,440</b>

**19.5 Group as a lessor**

In addition to the above, the Department leased a number of land and building assets to the EA, to St MacNissi's Educational Trust and to the Lough Neagh Landscape Partnership for a peppercorn rent.

For each of the schools involved in the Strule Shared Education Campus, an Agreement for Lease was signed and executed on 25 July 2024 in advance of the leases which will be entered into once the build is complete. The signatories for the Agreement for Lease were as follows:

- for Arvalee School and Resource Centre, Omagh High Schools and Omagh Academy - the Department and the Chief Executive of the EA;
- for Loreto Grammar School – the Department and a Director of the Loreto Education Trust;
- for Christian Brothers Grammar School – the Department and a Director of the Edmund Rice Schools Trust Northern Ireland; and
- for Sacred Heart College – the Department and a Director of the St Canice Educational Trust.

## 20. Commitments under PFI and other service concession arrangements

### 20.1 Off-balance sheet (SOFP)

The EA acts as a paying agent for the Department in relation to a number of PFI contracts.

The contracts in place are as follows:

- Lagan College, Belfast (a GMI School) - in this case the payments are accounted for on a 'pass-through' basis and do not affect the amounts disclosed in these accounts.
- Down and Connor Public Private Partnership (PFI) Scheme - this scheme consists of three schools - St Joseph's Primary School, Carryduff (a Catholic Maintained School), Our Lady and St Patrick's College Knock (a VG School) and St Mary's Primary School, Portglenone (a Catholic Maintained School). The unitary payments in respect of St Joseph's Primary School, Carryduff and St Mary's Primary School, Portglenone are funded through the EA while the payments in respect of Our Lady and St Patrick's College Knock are accounted for on a 'pass-through' and do not affect the amounts disclosed in these accounts.
- De La Salle PFI Scheme - this scheme consists of St Patrick's Grammar School, Downpatrick (a VG School). Payments in respect of this scheme are accounted for on a 'pass-through' basis and do not affect the amounts disclosed in these accounts.
- Holy Cross College, Strabane (a Catholic Maintained School).
- St Mary's College, Derry (a Catholic Maintained School).
- St Cecilia's College, Derry (a Catholic Maintained School).
- St Genevieve's High School, Belfast (a Catholic Maintained School).

The unitary payments in respect of Catholic Maintained Schools are funded through the EA and are disclosed in these accounts.

### Charge to the SoCNE and future commitments

The total amount charged in the SOCNE in respect of off-balance sheet (SOFP) PFI or other service concession transactions was £13,886k (2023-24: £15,095k). Total future minimum payments under off-balance sheet PFI and other service concession arrangements are given in the table below for each of the following periods:

	2024-25 Core Department £000	2024-25 Departmental Group £000	2023-24 Core Department £000	2023-24 Departmental Group £000
Not later than one year	-	18,272	-	17,930
Later than one year and not later than five years	-	63,192	-	65,184
Later than five years	-	36,185	-	52,466
	-	<b>117,649</b>	-	<b>135,580</b>

## 20.2 On-balance sheet (SOFP)

The EA has a number of on-balance sheet (SOFP) PFI contracts and other service concession arrangements contracts currently in place. In each case under IFRIC12 the asset is included as an asset of the EA. The substance of the contracts is that the EA has a finance lease with the payments comprising two elements:

- imputed finance lease charges; and
- service charges.

The following PFI contracts and other service concession arrangements contracts are currently in place.

### **PFI Wellington College, Balmoral High School and the Regional Training Unit**

The EA built Wellington College, Balmoral High School and the Regional Training Unit under a single PFI contract involving a land swap arrangement. The value of the land transferred covered the cost of construction and furniture and equipment of the buildings. The contract will last for 25 years from 2 January 2002. The monthly unitary charges relate to the caretaking, maintenance (building and grounds), cleaning, security, catering services and the renewal of furniture and equipment on the sites. The cost of the services is indexed on an annual basis.

### **PFI Contract for five Schools – Orangefield Primary School, Ashfield Girls' High School, Belfast Model School for Girls, Grosvenor Grammar School and Belfast Boys' Model School**

The EA has a single contract in place to build and provide services at five schools which were opened in 2009 and 2010 and include:

- Orangefield Primary School;
- Ashfield Girls' High School;
- Belfast Model School for Girls;
- Grosvenor Grammar School; and
- Belfast Boys' Model School.

The contract for the services for each building covers the 30-year period from the date that the school is opened. The monthly unitary charge covers the contribution to the construction costs and the provision of services for caretaking, maintenance (building and grounds), external cleaning, security and the renewal of furniture and equipment on the sites. The cost of the services is indexed on an annual basis. Internal cleaning and catering services are provided by the EA. The Belfast Model School for Girls and the Belfast Boys' Model School buildings also include community facilities, the North Belfast City Learning Centre, which were previously funded jointly by the Department, DoF, Department of Health (DoH), The Executive Office and Department for Communities (DfC).

### Bangor Academy and Sixth Form College and Nendrum College

The EA operates a PFI Contract in respect of Bangor Academy and Sixth Form College and Nendrum College. Nendrum College opened on 29 February 2008 and Bangor Academy opened on 30 April 2008. Both of these schools are shown on-balance sheet. Ownership will transfer to the EA in 2038.

### Tor Bank Special School

The EA operates a PFI Contract in respect of the provision of accommodation and related services at Tor Bank Special School. The school was available for use from October 2012. Ownership of the school will transfer to the EA in 2037. This scheme is shown on-balance sheet, although the budget is off-balance sheet which is accounted for through a dual reporting adjustment.

### Drumglass High School, Dungannon

The EA operates a PFI contract in respect of the provision of accommodation and related services at Drumglass High School, Dungannon. The PFI contract commenced in September 2000 and runs for 25 years, ending on the 31 August 2025. This scheme is shown on-balance sheet, although the budget is off-balance sheet which is accounted for through a dual reporting adjustment.

### C2k Project

The EA has responsibility for the C2k project. This is a PFI scheme which provides an Information Technology system to schools which supports teaching, learning and administration.

The total amount charged in the SOCNE in respect of the service element of on-balance sheet PFI or other service concession transactions was £15,997k (2023-24: £15,136k). Total future obligations under on-balance sheet PFI and other service concession arrangements are given in the table below for the following periods:

	2024-25 Core Department	2024-25 Departmental Group	2023-24 Core Department	2023-24 Departmental Group
	£000	£000	£000	£000
<b>Capital elements due in future periods</b>				
Due within one year	-	11,577	-	11,900
Due later than one year and not later than five years	-	45,388	-	45,618
Due later than five years	-	104,816	-	116,163
<b>Total</b>	-	<b>161,781</b>	-	<b>173,681</b>
Less interest element	-	(46,104)	-	(51,977)
<b>Present Value</b>	-	<b>115,677</b>	-	<b>121,704</b>

	2024-25 Core Department £000	2024-25 Departmental Group £000	2023-24 Core Department £000	2023-24 Departmental Group £000
<b>Service elements due in future periods</b>				
Due within one year	-	16,050	-	16,037
Due later than one year and not later than five years	-	56,521	-	57,809
Due later than five years	-	146,733	-	138,341
<b>Total service elements due in future periods</b>	<b>-</b>	<b>219,304</b>	<b>-</b>	<b>212,187</b>
<b>Total Commitments</b>	<b>-</b>	<b>381,085</b>	<b>-</b>	<b>385,868</b>

## 21. Capital and other commitments

### 21.1 Capital commitments

Contracted capital commitments at 31 March not otherwise included in these financial statements are disclosed in the table below.

	2024-25 Core Department £000	2024-25 Departmental Group £000	2023-24 Core Department £000	2023-24 Departmental Group £000
Property, plant and equipment	288,962	375,208	56,281	166,360
Intangible assets	156	156	781	781
	<b>289,118</b>	<b>375,364</b>	<b>57,062</b>	<b>167,141</b>

### 21.2 Other financial commitments

The Group has entered into non-cancellable contracts (which are not leases or PFI contracts or service concession arrangements), for the provision of security, facilities management, evaluation and other services.

The payments to which the Group is committed at 31 March are as follows:

	2024-25 Core Department £000	2024-25 Departmental Group £000	2023-24 Core Department £000	2023-24 Departmental Group £000
Not later than one year	1,581	1,581	1,783	1,783
Later than one year and not later than five years	1,556	1,556	1,570	1,570
	<b>3,137</b>	<b>3,137</b>	<b>3,353</b>	<b>3,353</b>

## 22. Related-party transactions

The following list represents those bodies for which the Department had direct funding responsibility during this financial year. These bodies are regarded as related parties with which the Department has had material transactions during the year. These are mainly payments of grant in aid to the NDPBs. All such transactions have been eliminated during the preparation of these consolidated accounts.

### Executive NDPBs

Education Authority  
Comhairle na Gaelscolaíochta  
Council for Catholic Maintained Schools  
General Teaching Council for Northern Ireland  
Middletown Centre for Autism  
Northern Ireland Council for Integrated Education  
Northern Ireland Council for the Curriculum, Examinations and Assessment  
Youth Council for Northern Ireland  
GMI schools\*  
VG schools\*

### Tribunals

Exceptional Circumstances Body

### Other public bodies

Middletown Centre for Autism (Holdings) Limited  
Strategic Planning and Performance Group (formerly the Health and Social Care Board)

\* Note: Other schools, maintained and controlled, were funded via the EA. VG and GMI schools were classified by the ONS as public sector bodies in 2005, and subsequently sub-classified as NDPBs by DoF in 2017. A pragmatic approximate approach has been taken in respect of the consolidation of these schools within the Department's Estimates and Annual Report and Accounts given the impracticality of full consolidation for both the Department and the schools.

The Group has had a small number of transactions with other Government Departments and other Central Government bodies. Most of these transactions have been with DoF, DfE, DoH, the Strategic Planning and Performance Group (formerly the Health and Social Care Board) which is sponsored by DoH, DAERA, DoJ, DfC, DfI, Further Education Colleges, Universities and Libraries Northern Ireland.

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

### 23. Third-party assets

The Department administers the Endowment and Miscellaneous Trust Funds on behalf of a number of Royal Schools. In addition, the EA is responsible for the administration of trust funds which benefit the pupils of certain schools within its area. These are not Group assets and are not included in the SOFP. The assets held at the reporting period date to which it was practical to ascribe monetary values comprised monetary assets, such as bank balances, and listed securities. They are set out in the table below.

	2024-25 Core Department £000	2024-25 Departmental Group £000	2023-24 Core Department £000	2023-24 Departmental Group £000
Monetary assets such as bank balances	42	344	38	322
Listed securities	895	1,723	918	1,754
<b>Total</b>	<b>937</b>	<b>2,067</b>	<b>956</b>	<b>2,076</b>

The Department also holds legal title to a number of Turbary rights (the right to extract peat) and associated land which is held in Trust. These assets are not included within the Departmental accounts on the grounds that the legal basis of the trusts involved ensures that the Department cannot obtain economic benefit from these assets. The Department leases land at Derryloughan/Derryresk to the Lough Neagh Landscape Partnership for a peppercorn rent.

### 24. Entities within the Departmental boundary

The entities within the boundary comprise those entities listed in the Designation and Amendment Orders presented to the Northern Ireland Assembly. They are:

#### Executive NDPBs

- Education Authority
- Comhairle na Gaelscolaíochta
- Council for Catholic Maintained Schools
- General Teaching Council for Northern Ireland
- Middletown Centre for Autism
- Northern Ireland Council for Integrated Education
- Northern Ireland Council for the Curriculum, Examinations and Assessment
- Youth Council for Northern Ireland
- GMI Schools
- VG Schools

**Non-executive NDPBs**

- Exceptional Circumstances Body

**Others**

- Middletown Centre for Autism (Holdings) Limited

The Annual Reports and Accounts of the above bodies are published separately.

**25. Events after the reporting period**

There are no events after the reporting period relating to the 2024-25 financial year.

**Date of authorisation for issue**

The Accounting Officer authorised the issue of these financial statements on 30 October 2025.

	<b>Abbreviations and terms used</b>
ALBs	Arm's Length Bodies
AME	Annually Managed Expenditure
AMPS	Assembly Members' Pension Scheme
AQ	Assembly Question
ARAC	Audit and Risk Assurance Committee
ASB	Aggregated Schools Budget
BREEAM	Building Research Establishment Environmental Assessment Method
C&AG	Comptroller and Auditor General
CARE	Career Average Revalued Earnings
CCEA	Council for the Curriculum, Examinations and Assessment
CCM	Cost Cap Mechanism
CCMS	Council for Catholic Maintained Schools
CEO	Chief Executive Officer
CETV	Cash Equivalent Transfer Value
CFERs	Consolidated Fund Extra Receipts
CnaG	Comhairle na Gaelscolaíochta
CoA	Court of Appeal
CPD	Construction and Procurement Delivery
CPI	Consumer Prices Index
CRR	Corporate Risk Register
CSCS(NI)	Civil Service Compensation Scheme (Northern Ireland)
CSM	Contractual Service Margin
CSP	Civil Service Pension
CYPS	Children and Young People's Strategy
D/I	Depreciation/Impairment
DAERA	Department of Agriculture, Environment and Rural Affairs
DEL	Departmental Expenditure Limits
DfC	Department for Communities
DfE	Department for the Economy
DfI	Department for Infrastructure
DoF	Department of Finance
DoH	Department of Health
DoJ	Department of Justice
E2E	End-to-End
EA	Education Authority
EdiS	Education Information Solutions
ETI	Education and Training Inspectorate
EU	European Union
FReM	Financial Reporting Manual
FRS	Financial Reporting Standard
FTC	Financial Transactions Capital
GAD	Government Actuary's Department

	<b>Abbreviations and terms used</b>
GAR	Governance and Accountability Review
GMI	Grant Maintained Integrated
GRAANI	Government Resources and Accounts (Northern Ireland) Act 2001
GTCNI	General Teaching Council for Northern Ireland
HM	His Majesty's
HR	Human Resources
IA	Internal Audit
IAS	International Accounting Standard
ICO	Information Commissioner's Office
ICT	Information and Communication Technology
IFRIC	International Financial Reporting Interpretations Committee
IFRS	International Financial Reporting Standards
ISAs	International Standards on Auditing
IT	Information Technology
L&D	Learning and Development
LIT	Local Integrated Teams
LPS	Land and Property Services
MCA	Middletown Centre for Autism
MLA	Members of the Legislative Assembly
NDPB	Non Departmental Public Bodies
NEBM	Non-Executive Board Member(s)
NEST	National Employment Savings Trust
NFI	National Fraud Initiative
NIAO	Northern Ireland Audit Office
NICS	Northern Ireland Civil Service
NISTR	Northern Ireland Supply Teacher Register
NJC	National Joint Council
PCSPS	Principal Civil Service Pension Scheme
PfG	Programme for Government
PFI	Private Finance Initiative
RAAC	Reinforced Autoclaved Aerated Concrete
RMF	Risk Management Framework
SCAPE	Superannuation Contributions Adjusted for Past Experience
SCS	Senior Civil Servant(s)
SEN	Special Educational Needs
SEND	Special Educational Needs and Disability
SOAS	Statement of Outturn against Assembly Supply
SOCNE	Statement of Comprehensive Net Expenditure
SOFP	Statement of Financial Position
SP	Strategic Partner
SSEC	Strule Shared Education Campus
TME	Total Managed Expenditure

	<b>Abbreviations and terms used</b>
UK	United Kingdom
UNCRC	United Nations Convention on the Rights of the Child
VAT	Value Added Tax
VG	Voluntary Grammar



