



AUDIT COMMITTEE

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Mr John O'Dowd MLA
Minister of Finance
Department of Finance
2nd Floor Clare House
303 Airport Road West
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8 October 2026

Dear Minister

Ref: NIA 201/22-27

**DoF Information Gathering exercise for budget period 2026/27- 2029/30 –
Audit Committee position on the submissions of the Northern Ireland
Audit Office (NIAO), the Northern Ireland Assembly Commission (NIAC)
and the Northern Ireland Public Services Ombudsman (NIPSO).**

You will be aware that statutory duties to agree and lay the Estimates of the NIAO and NIPSO rest with the Audit Committee. The Committee is required to have due regard to the views of the Department of Finance (DoF) in relation to both bodies and the Public Accounts Committee (PAC) in the case of the NIAO.

As budgets will ultimately be reflected in the Estimates for the NIAO and NIPSO, the Committee routinely scrutinises their budget proposals from the outset of the budgeting process.

The Committee also scrutinises and agrees the budgets for the NIAC ahead of these being agreed on the floor of the Assembly but does not agree and lay its Estimates.

You may recall that the Committee considered budget proposals for each of the bodies in its remit for the budget period 2026/27-2029/30 and reported¹ on its decisions in October last year. As an Executive budget has not subsequently been agreed, the bodies have been asked to provide updated positions as part of DoF's latest Information Gathering exercise 2026/27 – 2029/30.

¹ [Report on the budget requirements for the Northern Ireland Audit Office, Northern Ireland Public Services Ombudsman and the Northern Ireland Assembly Commission for 2026-2029/30](#)

Committee Approach

In order to meet the extremely tight timescales for this exercise, the Committee has, in consultation with the DoF, focused its detailed scrutiny on the 2026/27 financial year. The Committee has, however, noted that there will be further opportunity to scrutinise the figures for 2027/28, 2028/29 and 2029/30 during future budgetary and in-year exercises.

At its meeting on 30 September 2026, the Committee considered the submissions of the NIAO, NIPSO and the NIAC to the above exercise alongside comments from your Department. At that meeting, the Committee agreed that it required an oral briefing from NIPSO and, following this, wrote to NIPSO to request further written evidence to support its proposals.

On 7 October 2026, the Committee considered further written and oral evidence from NIPSO and, having finalised its consideration, the Committee agreed that I should write to you to confirm its position in relation to each body.

Northern Ireland Audit Office

The Committee noted that the figures for 2026/27 were unchanged from the position agreed by the Committee in September 2025, save for technical adjustments related to depreciation. The Committee also noted the NIAO's statement that:

'If we receive from the Executive the budget agreed by your Committee that would enable us to proceed with a pay award for 2026-27 for NIAO staff and progress other activities to provide better opportunity to successfully deliver our corporate priorities and business plan for 2026-27.'

The Committee agreed that it is content with the proposals for 2026/27 and noted that there will be opportunity for further scrutiny of the figures for subsequent years during future budgetary and in-year monitoring exercises. PAC has also confirmed that it is content.

Northern Ireland Assembly Commission

The Committee noted that the figures for 2026/27, which are within the scope of the exercise, were unchanged from the position agreed by the Committee in September 2025, save for technical adjustments related to depreciation.

The Committee agreed that it is content with the proposals for 2026/27 and has noted that the NIAC is proposing to manage significant identified pressures from within the existing 2026/27 envelope. The Committee also noted that there will be opportunity for further scrutiny of the figures for subsequent years during future budgetary and in-year monitoring exercises.

Northern Ireland Public Services Ombudsman

As stated above the Committee considered oral and written evidence from NIPSO across two Committee meetings as Members noted that NIPSO's position included updates to the requirements agreed by the Committee and published in its October 2025 report. The Committee noted that the proposed changes were largely driven by increases in volume and complexity of complaints being received by NIPSO, meaning that it is proposing to recruit additional staff and put in place new cybersecurity measures. The Committee also noted an inescapable GAE pressure and inescapable costs related to Ombudsman Remuneration – both of which could not have been forecast during the September 2025 Information Gathering exercise.

The Committee considered NIPSO's proposals thoroughly in the context of its statutory duties and essential service to the public alongside the DoF's comments and being mindful of the extremely difficult financial position Northern Ireland is in. As a result of that consideration the Committee agreed that the following additional funding should be reflected in DoF's budget document for NIPSO for 2026/27:

Inescapable bid - Ombudsman Remuneration £14,000.

Inescapable bid - GAE pressure £250,000.

High Priority bid - Salaries £89,000.

The Committee has noted that the additional salary costs relate to the recruitment of four additional staff and that they rise significantly in 2027/28 to reflect costs for a full financial year. The Committee also notes that NIPSO is proposing to recruit a further member of staff in 2028/29.

The Committee is content that the Ombudsman Remuneration and the GAE pressures are inescapable. In relation to the High Priority bid for Salaries – the Committee was content that the evidence presented by NIPSO robustly demonstrated the need for additional staffing and the Committee was assured that all reasonable internal efficiency and reprioritisation opportunities had been fully explored.

The Committee has noted that there will be opportunity to further scrutinise NIPSO's figures for future financial years as part of future budgeting and in-year monitoring exercises.

Next Steps

In line with established practice, the Audit Committee will publish this letter on the Assembly website. The Committee may publish appendices with the letter in due course, once it has liaised with the three bodies on this matter.

Finally, the Committee would also reiterate what was set out in correspondence to the three bodies on 26 June 2026 - that budgets agreed by the Committee will need to be put on a legal footing through an Estimates process and Budget Act.

Yours sincerely,

Alan Chambers

Alan Chambers MLA
Chairperson
Audit Committee

Enc

Cc
Dorinnia Carville C&AG/NIAO,
Lesley Hogg, Clerk/CE NIAC,
Margaret Kelly, Northern Ireland Ombudsman