



**Northern Ireland
Assembly
Committee for Infrastructure**

Matthew O'Toole MLA
Chairperson
Committee for Finance
Parliament Buildings
Ballymiscaw
Stormont
Belfast
BT4 3XX

By email: committee.finance@niassembly.gov.uk

2 March 2026

Draft Budget 2026-2029/30

Dear Matthew,

At its meeting on 21 January 2026, the Committee for Infrastructure noted correspondence from the Committee for Finance setting out its intention to co-ordinate responses from Assembly committees on the draft Budget 2026-2029/30 that was published by the Department of Finance.

Following the publication of the draft budget and having noted that it has not yet been subject to agreement by the Northern Ireland Executive, the Committee agreed to seek written evidence from the Department for Infrastructure, Northern Ireland Water, Translink and Waterways Ireland.

This approach was agreed on the basis that the amounts detailed within the draft budget may be subject to significant changes in the event of the Executive agreeing a revised draft budget and, therefore, the Committee considered it would be beneficial to receive each organisation's assessment of their resource and capital requirements over the multi-year period.

At its meeting on 18 February, the Committee considered the responses provided by the Department for Infrastructure and each of its relevant arm's length bodies (ALBs).

Key Issues

Department for Infrastructure

In the Department's response, the Committee noted that the amounts proposed under the draft budget compared against the forecasted requirements highlighted under information gathering exercise fall below what it assesses is required.

| Resource | | |
|---|----------------|----------------|
| 2026-27 | 2027-28 | 2028-29 |
| 654.9 | 680.0 | 694.4 |
| Earmarked | | |
| 12.9 | 13.7 | 14.1 |
| Resource Total (Excluding Earmarked) | | |
| 642.1 | 666.3 | 680.3 |

| Capital | | | | |
|----------------------------------|----------------|----------------|----------------|----------------|
| | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| | 941.5 | 1042.5 | 1081.2 | 961.7 |
| Earmarked | | | | |
| Windsor Framework (Treasury) | 0.1 | 0.1 | 0.1 | 0.1 |
| Flagship - A5 | 189.8 | 317.1 | 353.8 | 227.2 |
| Flagship - A6 | 6.1 | 6.6 | 6.6 | 4.8 |
| Flagship - Belfast Transport Hub | 2.3 | 0.0 | 0.0 | - |
| City/Growth Deals | 33.2 | 53.7 | 55.6 | 41.0 |
| NI Water | - | - | 10.0 | 8.7 |
| RRI Borrowing - NI Water | 105.0 | 105.0 | 100.0 | 105.0 |
| TOTAL | 336.5 | 482.5 | 526.2 | 386.7 |

Committee for Infrastructure

Room 205, Parliament Buildings, Ballymiscaw, Stormont, Belfast BT4 3XX

Telephone: (028) 9052 1970

E-mail: committee.infrastructure@niassembly.gov.uk

The Committee further noted that the Department highlights that '*difficult decisions would be required in prioritising services and capital schemes*' and, whilst recognising that no decisions have been taken by the Minister, the Committee wrote to the Department to seek further detail on how the amounts proposed under the current draft Budget would be utilised to fund DfI's capital programmes and ensure frontline services will be delivered.

Furthermore, the Committee has taken a keen interest in the condition of the road network, which, as all Members will be aware, has seen a significant deterioration in road surfaces and a significant increase in numbers of potholes.

While the Committee recognises that extreme weather plays a significant role for this deterioration, it considers this is also due to limited amounts of funding for road improvement and upgrade projects due to a lower allocation by the Department, compared to what it determines is necessary.

As a result, there is an increasing requirement for temporary repairs which, whilst providing a temporary solution, the longevity of these repairs are short term and this approach does not provide a long-term funded solution for maintaining this asset.

The Committee has recently written to the Department to seek further data on the totality of claims submitted by motorists against what claims have successfully been paid by the Department to quantify the cost to the public purse.

Northern Ireland Water

Northern Ireland Water outlines in its response that it has '*not been provided with a confirmed budget allocation for the period*' and further states that it has not '*been advised of the proposed level of funding that may be available.*'

While the Committee recognises that the amounts proposed under the Draft Budget are likely to be subject to change, the absence of any indicative allocation for Northern Ireland Water provides little scope to enable the Committee to examine the impact of the wider budget position and how any allocation can seek to deliver the identified programme of upgrades as determined through the current price control process (PC21) and any future determination by the Utility Regulator under the ongoing work around PC28.

While the Committee recognises the Department's efforts to advance legislative reforms to ease the demand on the water network and that it is exploring a number of policy initiatives which seek to provide workable solutions, the absence of sustainable long-term funding will continue to impede Northern Ireland Water's ability to deliver the departmental goals and societal need.

The Committee considers that sustained funding of our water network will unlock significant economic benefits both through the provision of increased demand for development and construction but also in supporting the underlying objectives of the Executive's Programme for Government (PfG).

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Translink

At its meeting on 18 February, the Committee noted Translink's response which highlights the historical underfunding of public transport in Northern Ireland and, as a key driver in supporting the aims under the PfG, economic growth, social inclusion and environmental wellbeing.

The Committee further noted that, within the current financial year, Translink is forecasting an operating loss of £27 million due to insufficient funding to meet its Public Service Obligation (PSO) and an increasing demand for concessionary fares.

Forecasting by Translink estimates that an increased demand for concessionary fares will increase above the existing requirement of £55 million to £60 million for the 2026-27 financial year, with incremental year-on-year increases of £5 million for the remainder of the resource budget period.

Translink further stated that we *'have only been able to continue to operate whilst sustaining operating losses in recent years by utilising cash reserves which have fallen, from over £60m in 2022, to an historic forecasted low of £10m in March 2026.'*

During previous oral evidence, the Committee noted that an independent Treasury report cited by Translink recommended that it maintains cash reserves of £30 million to allow it to meet its day-to-day expenditure requirements.

In noting the current cash reserve of £10 million held by Translink has reduced from £60 million since 2022, the Committee is concerned that there is the potential that Translink may not be able to meet its day-to-day expenditure requirements.

The Committee has recently written to the Department seeking its assessment of the sustainability of Translink's finances and to establish what specific actions the Department will be undertaking to put these onto a more sustainable basis.

Furthermore, requirements under the Climate Change Act (Northern Ireland) 2022 will require significant capital investment by Translink to ensure that its existing fleet can be replaced with greener forms of transport to support delivery and anticipate future demand.

The Committee welcomes the potential for a multi-year budget which sets out a clear commitment to the capital and resource requirements that the Department and its ALBs can plan for.

Naturally, the Committee recognises that the level of need across departments against the funding that is available will constrain the wider aims of the Executive. However, the Committee believes continuing to invest in our core infrastructure that seeks to unlock longer term benefits will help to realise our longer term aspirations.

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Yours sincerely,

Peter Martin
Chairperson, Committee for Infrastructure



Northern Ireland
Assembly

Committee for Finance
Room 346
Parliament Buildings

Tel: +44 (0)28 9052 1799

To: Statutory Committee Clerks

From: Peter Hall, Clerk to the Committee for Finance

Date: 15th January 2026

Subject: Scrutiny of the draft Multi-Year Budget for 2026-29/30

Dear colleagues,

It has been the custom over the years for the Finance Committee to commission a round robin written exercise to all statutory Committees and the Assembly's Audit Committee to seek their views on their respective department's Budget. At its meeting on 14th January 2026, the Committee agreed to repeat the exercise.

As you are aware, the Department for Finance published a draft Multi-Year Budget for 2026-29/30 on 6th January 2026. This draft Budget is out for public consultation until 3rd March 2026. The Committee has noted that **this draft Budget has not been agreed by the Executive** and is, therefore, subject to change.

The Committee for Finance anticipates that you will be in the process of scrutinising your department's 2026-29/30 Budget. The Committee is currently scheduled to meet with departmental officials on the Multi-Year Budget on 4th February 2026, with further relevant stakeholder briefings to follow during that month. These sessions will be recorded by Hansard and will be shared with your Committee when available. **The Committee hopes that your committee will be in a position to give a view on its department's 2026-29/30 Budget at the end of February. As per custom, it would be the Committee's intention to bring forward a motion for debate on the draft 2026-29/30 Budget prior to the Easter recess.**

You will be aware that, following the recent December Monitoring Round Exercise, the date for the Supply Resolutions for the Spring Supplementary Estimates and Vote on Account, as well as the introduction of the Budget Bill 2026, with regard to finalisation of the 2025-26 Budget, has been announced as **Monday 9th February**. The Finance Committee continues to regularly receive Outturn and Forecast Outturn (OFO) for the 2025-26 financial year. DoF has included a range of additional pieces of data and information in the OFO, such as tables of variances between forecast and actual spend

and details on departments' over commitments. The Committee's intention is to continue to make data and information on departments' spending more accessible for committees to scrutinise.

The Committee anticipates that you will have received written or oral briefing about your department's position following the December Monitoring Round. The OFO following the Monitoring Round will be distributed to your Committees as usual. **In addition to giving a view on your department's 2026-29/30 Budget, the Committee would welcome any issues that you wish to raise about your department's 2025-26 Budget position and management.**

I would also note that departments were supposed to have completed their 5-year departmental business plans by Autumn of last year, however, these have not yet been published. This may be a matter for your respective committees to review in your own scrutiny as DoF had previously indicated that there would be rough estimated budgets attached to these plans.

The Committee would be grateful if your committee could submit a return indicating its views on your department's 2026-29/30 Budget, in addition to any comments you wish to make on its Budget 2025-26 allocation/management, by **noon on Friday 27th February**.

You will wish to bring this to the attention of your committee.

Regards,

Peter Hall
Clerk to the Committee for Finance